

## IN BRIEF...

# Support to the Public Administration Sector in Mozambique

Support to public sector development and reforms is given in the Ministry of Planning and Finance, the Ministry of State Administration and the Supreme Audit Authority, the Tribunal Administrativo (administrative tribunal).

The principal objective is to contribute to the development and reform of the public sector in order to create conditions for good governance, transparency and democracy. This will be achieved by supporting capacity building and implementation of reforms as well as the development of the following key areas in the state administration: economic studies, financial accounting and auditing in the Ministry of Planning and Finance; professionalisation of public administration and decentralisation in the Ministry of State Administration; audit and control of state finances in the Tribunal Administrativo, and the National Statistics Institute (INE).

The general public sector reforms are co-ordinated by CIRESF and its executive organ UTRESF. The Ministry of Planning and Finance and the Ministry of State Administration are key ministries for the implementation of these reforms. The Swedish Embassy participates in the core donor group of UTRESF.

### **Support to the Ministry of Planning and Finance**

This co-operation is covered by three separate agreements. The first agree-

ment deals with the support to the Ministry's accounting department and internal audit unit; the second deals with the support to the economic research and advisory office (Gabinete do Estudos), and the third covers the support to the National Statistics Institute.

In the agreement on the support to the development of accounting and internal audit systems, it is intended to develop a modern accounting system and an improved system for the control and audit of state accounts. An inadequate and outdated state accounting system has technically been improved through computerisation, training and networking in the whole state apparatus. This work as well as an improved budget system is paving the way for the introduction of a new accounting system, which will be introduced through new legislation, technical studies, tests, information systems and training. The internal control and audit of state accounts is strengthened through capacity building in order to improve effectiveness and performance. Training and capacity building is also provided to the Ministry's personnel in general, but specifically in the areas

of accounting, financial management and control.

Institutional co-operation is ongoing with the Swedish Supreme Audit Institution (RRV) for internal control and audit and with a Swedish consultant in co-operation with the Swedish National Financial Management Authority (ESV) for the development of the accounting system.

The present agreement is valid for the period 2001–2002 and the Swedish contribution amounts to SEK47m.

### **Support to the Ministry of State Administration**

The Ministry's major reform activities are supported and funds are entirely managed by the Ministry. During 2002 a regular monitoring of the programme was introduced. The main objectives are to improve the professionalism and quality in public administration service and to strengthen local administration in the districts and independent municipalities.

Some major reforms are being introduced to rationalise and modernise personnel administration through an improved registration system and a new salary and career system for state functionaries. Administrative obstacles will be identified and reforms introduced to eliminate major problems and a code of conduct for state functionaries will be elaborated. 33 municipalities have been created which are being assisted in developing and improving their administration. More

municipalities are being planned. A general reform of the state administration at provincial, district and local level is being prepared and will be introduced to decentralise and increase local responsibilities and participation in state administration.

This agreement is valid for the period 2001–2003 and the Swedish contribution is SEK44m.

### **Support to the Supreme Audit Authority, Tribunal Administrativo**

The support to the Tribunal Administrativo (TA) is in the form of an institutional co-operation between the Tribunal and the Swedish Supreme Audit Institution, RRV, to assist in developing the competence of the TA through institutional capacity building and technical advice. The TA is a young institution with very little or no experience in the different fields of its mandate of auditing and assessing state accounts. The support is envisaged with a long-term perspective. In the first phase of the project which started in 1999, overall strategies, studies and specific plans for the institutional co-opera-

tion were elaborated. Within the framework of the co-operation with RRV, TA for the first time ever made an analysis of the state accounts which were presented to parliament. Since then such an analysis has been presented to parliament every year.

The continued support is concentrated on the third section of the TA. It is intended to develop the analysis of the general state account by introducing and developing financial auditing, contract auditing, performance auditing, information technology, and improving management and human resources. The TA is in the first stages of being reformed and it is planned to expand its staff considerably so as to be able to take responsibility for its legal duties. The lack of professionals in Mozambique in the field of auditing, as well as non-competitive salaries in the TA, constitute major obstacles for a rapid expansion.

The agreement for this support is valid for the period 1999-2002 and will be extended to 2003. The total Swedish contribution within this agreement will amount to SEK49m.

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