



BTC MOZAMBIQUE

**BELGIAN
DEVELOPMENT AGENCY**



**MOZAMBIQUE - BELGIUM
PARTNERSHIP**



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FACTS AND FIGURES¹

- **POPULATION:** 22 million inhabitants in 2008 (UN Population Fund estimate)²
- **HUMAN POVERTY INDEX:** 47% (rank 127 out of 135 countries)
- **PERCENTAGE OF THE POPULATION LIVING WITH LESS THAN 1.25 \$ / DAY:** 75%
- **HUMAN DEVELOPMENT INDEX:** rank 172 out of 182 countries
- **GROSS DOMESTIC PRODUCT PER CAPITA** (at purchasing power parity): 802 dollars
- **LIFE EXPECTANCY AT BIRTH:** 48 years
- **ADULT LITERACY RATE:** 56%
- **COMBINED GROSS ENROLMENT RATIO IN EDUCATION:** 55%
- **PERCENTAGE OF THE POPULATION NOT USING AN IMPROVED WATER SOURCE:** 58%
- **CORRUPTION PERCEPTIONS INDEX:** rank 130 out of 180 countries (Transparency International - 2009)
- **PRESS FREEDOM INDEX:** rank 82 out of 175 countries (Reporters without borders – 2009)

1 | If not specified, source: Human Development Report 2009 – UNDP (figures 2007).

2 | The Economist Intelligence Unit - Country report Mozambique 2010.



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STRATEGY 2009 - 2012: 3 PRIOR

The Belgian cooperation strategy in Mozambique is based on the poverty reduction strategy paper of the country and the proposed Division of Labour between donors. Mozambique defined six priorities: education, health, agriculture and rural development, basic infrastructure, good governance, and macro-economic and financial management.

Belgium supports three of them. 48 million euro are allocated to this programme.

FINANCIAL MANAGEMENT

Belgian cooperation participates (through direct budget support) in the multi-donor programme for the macro-financial support to the Mozambican government.

KEY POINT

Budget support offers greater flexibility and better predictability of aid to the Mozambican authorities.

KEY PARTNERS

Ministry of Finances
Ministry of Planning & Development

HEALTH

Belgian assistance to this sector supports the Ministry of Health to strengthen its human resources management system as well as its financial governance.

KEY POINTS

Mozambique is a large country extending over 800,000 km². The high rate of population growth since the end of the civil war and its uneven distribution did result in unequal access to quality health service. To redress this situation, additional

efforts in the health sector are required. However poor capacity continues to undermine Mozambican health services and the shortage of human resources (in terms of quantity, quality and efficiency of its management) is one of the main impediments for Mozambique to scale up priority interventions and reach the MDG targets. The Belgian project intervention will support the National Plan for Health Human Resources Development thus helping the Ministry in professionalizing its Human Resources management.

KEY PARTNER

Ministry of Health

RURAL DEVELOPMENT

The programme concentrates on two axes:

1. Development of renewable energy

Only 8% of the population has access to the public electricity distribution network. Its extension in the countryside is not economically viable because of low population density and the vastness of the country. To overcome this problem, an investment fund for rural electrification, *Fundo Nacional de Energia* (FUNAE), was created.



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ITY SECTORS

It supports the electrification of health centres, schools and public administration buildings using renewable energy sources. The BTC programme supports FUNAE to install small hydro-electricity plants, solar panels & windmills. It will also provide access to individuals to micro-credit facilities to allow them to use renewable energy resources for the electrification of their individual homes. The project will further contribute to capacity development at FUNAE.

KEY PARTNER

Fundo Nacional de Energia

2. Support to the implementation of the agricultural land use and natural resources laws through the *Direito de Uso e Aproveitamento da Terra (DUAT)* is also planned.

KEY POINTS

- 81% of the population is active in the agriculture sector, forestry and fisheries.
- Being the main sector for national employment, agriculture is important for economic growth and poverty reduction.
- Mozambique has an enormous potential for agricultural production, including bio-fuels however investment in the sector is very limited because of inadequate policies.

DELEGATED COOPERATION

Initiatives in the field of climate change, children's rights and support to entrepreneurship might be supported through delegated cooperation.

MULTI-SECTORAL PROGRAMME

Other multi-sectoral interventions complete the programme: scholarships, micro interventions and Study Fund.

INTERVENTION ZONES





MOZAMBIQUE – BELGIUM PARTNERSHIP

Mozambique is a partner country of the Belgian bilateral cooperation since 1999. After the 2000-2001 floods, Belgium pledged 15 million US dollar for the reconstruction of damaged infrastructures at the international conference in Rome. The first phase of this programme supported the reconstruction of basic health facilities combined with technical assistance in favour of the Ministry of Health.

The first cooperation programme between Belgium and Mozambique (2006-2008) amounted to 48 million euro and aligned to the national Action Plan for the Reduction of Absolute Poverty (PARPA). While the emphasis of this programme was on poverty reduction, it also had a strong additional focus on the use of new aid modalities, essentially budget support. It supported four pillars:

- Poverty eradication through the provision of general budget support;
- Governance with the improvement of public finance management;
- Capacity building through support to the tax administration reform common fund and support to the Department of Finance of the Ministry of Health;
- Other programmes (study fund, scholarships and micro interventions).

DISTRIBUTION OF FINANCIAL COMMITMENTS BY SECTOR (2009 - 2012)



- **RURAL DEVELOPMENT:** 24 million euro (50%)
- **DELEGATED COOPERATION** (General budget support + SISTAFE / Management System of the State Finances): 14.5 million euro (30%)
- **HEALTH:** 5.5 million euro (11.5%)
- **MULTI-SECTORAL INTERVENTIONS** (Study fund, scholarships and micro interventions): 4 million euro (8.5%)

BUILDING A FAIR WORLD

ABOUT BTC

The Belgian development agency, BTC, mobilises its resources and its expertise to eliminate poverty in the world. BTC contributes to the efforts of the international community and works towards a society that provides present and future generations with sufficient resources to build a sustainable and fair world.

Its staff members in Brussels and overseas embody the commitment of the Belgian State and other development partners to international solidarity. They support more than 300 cooperation projects and programmes in some 20 countries in Africa, Asia and Latin America.

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