



# Quarterly Report FY17 Q#1

*August 31 – December 31, 2016*

Supporting the Policy Environment for Economic  
Development (SPEED+)

January 2017

This publication was produced by the SPEED+ Project under Contract No. AID-656-TO-16-00005 at the request of the United States Agency for International Development Mozambique Mission (USAID/Mozambique). This document is made possible by the support of the American people through the United States Agency for International Development (USAID). Its contents are the sole responsibility of the author or authors and do not necessarily reflect the views of USAID or the United States government.

# Table of Contents

Abbreviations and Acronyms	4
Executive Summary	7
Introduction	8
1. Technical Activities	9
Component 1: Improving the Agriculture Policy Framework	9
1.1 Review of the PODA Agriculture Value Chains	9
1.2 Support Mid-Term Review of PNISA	9
1.3 Support to New Alliance BAWG	9
1.4 Update the New Alliance and FtF Policy Matrices	10
1.5 Tributação Autónoma	10
1.6 Improvements to Land Administration	10
1.7 Reducing Cost of Fertilizer	11
1.8 Implementation of Seed Policies	11
1.9 Review MASA Agriculture Service Centers	11
1.10 Review Mozambique's Commodity Exchange	12
1.11 Other Activities	12
Component 2: An Improved Trade & Investment Framework	13
2.1 TFA Ratification and Implementation	13
2.2 AGOA Utilization Strategy	14
2.3 Nacala Corridor Assessment	15
2.4 Improving Sanitary and Phytosanitary Certification (SPS) Framework	15
2.5 Strengthening Public Participation in the Legislative Process	15
2.6 Review EIF Tier 2 Proposals on SPS and TBT	16
2.7 Quality Standards for Trade	16
2.8 Support to MIC on a New Trade Policy	16
2.9 Other Activities	16
Component 3: An Improved Power & Water Policy Framework	18
3.1 Power Sector Activities	18
3.2 Water Sector Activities	18
Component 4: Biodiversity & Conservation	20
4.1 Preparation of ANAC Operational Plan	20
4.2 Review of Draft Regulations for New Conservation Law	20
4.3 Strengthening Enforcement of Conservation Law	20

4.5	Promote Policies for Private Sector Investment in Conservation Areas	
	21	
II.	MANAGEMENT AND ADMINISTRATION	22
	Project start-up	22
	Development of Annual Work Plan	22
	Monitoring, Evaluation and Learning (ME&L)	
	22	
	Gender Action Plan	
	22	
	Communications Plan	
	22	
	Management and Staffing Plan	
	23	
	Planned Tasks and Interventions for Next Reporting Period	25
	Finances and Budget	
	27	
	ANNEX 1: DOCUMENTS PUBLISHED IN FY2017 Q1	29
	ANNEX 2: SUMMARY ME&L TABLE	30

# Abbreviations and Acronyms

AEO	Authorized Economic Operator
ADVZ	Zambezi Valley Development Agency
AGOA	African Growth and Opportunity Act
AgRED	donor working group on Agriculture and Rural Development
ANAC	National Conservation Areas Agency
ANSI	American National Standards Institute
ARA	Regional Water Authority
AT	Tax Authority
BAWG	Business Advisory Working Group
BEE	Business Enabling Environment
CAADP	Comprehensive Africa Agriculture Development Program
CASP	Confederation of Business Associations' Annual Private Sector Conference
CDCS	Country Development Cooperation Strategy
CIP	Center for Public Integrity
CITES	Convention on International Trade in Endangered Species
COP	Chief of Party
CPAR	Contractor Performance Assessment Report
CPI	Investment Promotion Center
CSO	Civil Society Organization
CTA	Confederation of Business Associations
DCOP	Deputy Chief of Party
DFID	U.K. Department for International Development
DNA	National Directorate of Water
DRH	Department for Water Resources
EDM	Electricity of Mozambique
EIF	Enhanced Integrated Framework
EMAN II	Strategy to Improve the Business Climate
EnDev	Energizing Development program
ESWG	Energy Sector Working Group
EXIM	Export-Import Bank of the United States
FENAGRI	National Federation of Agricultural Associations
FINAGRI	USAID Financing Agriculture Project
FP2	FastPath 2 methodology
FPA	Federal Power Act
FTF	Feed the Future
GAZEDA	Special Economic Zones Office
GE	General Electric
GRM	Government of the Republic of Mozambique
HEPG	Harvard Electricity Policy Group
ICT	Information and Communications Technology
IPEME	Institute for the Promotion of Small and Medium Enterprises
IT	Information Technology
JICA	Japan International Cooperation Agency
M&E	Monitoring and Evaluation

M&EL	Monitoring and Evaluation Learning Plan
MADER	Ministry of Agriculture and Rural Development
MASA	Ministry of Agriculture and Food Security
MASC	Mechanism to Support the Civil Society
MAST	Mobile Application to Secure Tenure
MCA	Millennium Challenge Account
MIC	Ministry of Industry and Trade
MIREME	Ministry of Energy and Mineral Resources
MITADER	Ministry of Land, Environment, and Rural Development
MOU	Memorandum of Understanding
NA	New Alliance
NGO	Nongovernmental Organization
NTFC	National Trade Facilitation Committee
NTB	Non-Tariff Barrier
OPIC	Overseas Private Investment Corporation
PARPA	Poverty Reduction Action Plan
PEA	Political Economy Analysis
PEDSA	Strategic Plan for Agriculture Development
PNISA	National Agriculture Investment Plan
PODA	National Agricultural Development Organizational Policy
PPD	Public-Private Dialogue
PPC	Policy Portfolio Coordinator
PPM	Policy Portfolio Manager
PPP	Public-Private Partnership
PSWG	Private Sector Working Group
PURC	Public Utilities Research Center
SADC	Southern Africa Development Community
SIGIT	Land Management Information System
SATIH	Southern Africa- Trade and Investment Hub
SPEED	Support Program for Economic and Enterprise Development
SPEED+	Supporting the Policy Environment for Economic Development Project
SPGC	Services of Geography and Cadaster
SPS	Sanitary and Phytosanitary
SRUC	Sector Reform and Utility Commercialization Project (USAID)
STTA	Short-Term Technical Advisor
TAMIS	Technical and Administrative Management Information System
TBT	Technical Barriers to Trade
TEEN	Nacala Dry Port
TFA	Trade Facilitation Agreement
TIFA	Trade and Investment Framework Agreement
TIP	Trade and Investment Project
TOR	Terms of Reference
TSC	Trade Sub-Committee (PSWG)
UNDP	United Nations Development Programme
UPS	United Parcel Service
USAID	U.S. Agency for International Development
USDA	U.S. Department of Agriculture
USTDA	U.S. Trade and Development Agency
WTO	World Trade Organization



# Executive Summary

The Supporting the Policy Environment for Economic Development (SPEED+) activity is a four-year, \$37.2 million project funded by United States Agency for International Development's (USAID) Mission in Mozambique (USAID/Mozambique). SPEED+ seeks to support economic and structural policy reforms across four components: (1) agriculture, (2) trade, business enabling environment, (3) power, water, and (4) biodiversity conservation.

Upon award of the contract, the SPEED+ mobilization team quickly arrived to Maputo to begin start-up operations. The two key personnel, Chief of Party (COP) Sergio Chitara and Deputy Chief of Party (DCOP) Ashok Menon, both mobilized within one month of contract start-up. All key contractual deliverables, including the first-year work plan, were delivered within contracted timeframes and SPEED+ quickly began implementing technical activities within the first quarter. All technical project staff, except for the Biodiversity Portfolio Manager and the Trade Portfolio and Energy Portfolio Coordinators, were hired and started in the first quarter, or planned to start early in the second quarter. SPEED+ also began meetings with key counterparts, participated in a US-Mozambique Trade and Investment Council Meeting, supported a USAID Land Tenure assessment, and continues to promote Mozambique's ratification of the World Trade Organization (WTO) Trade Facilitation Agreement (TFA).

Highlights of key deliverables are included in the table below, additional details of which are provided in the following report.

Table 1: Highlights of Key Deliverables

Project Deliverables	<ul style="list-style-type: none"><li>• Year 1 Work Plan, with Gender Action Plan, submitted within 45 days of contract award (SPEED+ 16-R001)</li><li>• M&amp;EL Plan submitted within 45 days of contract award (SPEED+ 16-R004)</li><li>• Management Plan submitted within 45 days of contract award (SPEED+ 16-R002)</li><li>• Communications Plan submitted within 60 days of contract award (SPEED+ 16-R003)</li><li>• Quarterly Report Q1 (SPEED+ 16-R005). The USAID COR provided approval for first report to cover the period Aug – Dec 2016.</li></ul>
Mobilization of Key Personnel	<ul style="list-style-type: none"><li>• Key personnel were mobilized within 30 days of contract award: COP Sergio Chitara began on September 15, 2016 and DCOP Ashok Menon arrived in-country on September 29, 2016.</li></ul>
Key Activities	<ul style="list-style-type: none"><li>• US-Mozambique TIFA Council Meeting</li><li>• USAID Land Tenure Mission</li><li>• Southern Africa-Trade and Investment Hub (SATIH) Mission</li><li>• Cashew Policy Review</li><li>• Supported Mozambique in Ratification of the WTO TFA</li></ul>
Hiring of Project Staff	<ul style="list-style-type: none"><li>• All technical positions are filled except for the following: Biodiversity Portfolio Manager, Coordinator for Trade/Business Environment, and Coordinator for Energy.</li></ul>

# Introduction

The Supporting the Policy Environment for Economic Development (SPEED+) activity is a four-year, \$37.2 million project funded by the United States Agency for International Development's (USAID) Mission in Mozambique (USAID/Mozambique). SPEED+ is designed to create a business enabling environment to attract investment, expand markets, and reduce costs, thus contributing to broad-based and inclusive economic growth and conservation of natural resources in Mozambique. SPEED+ will provide technical assistance and capacity-building to improve public-private policy dialogue; improve the policy environment for agriculture, trade, power, water, and biodiversity governance; and to strengthen the implementation of government policies and regulations. SPEED+ seeks to support economic and structural policy reforms across four components: (1) agriculture, (2) trade, business enabling environment, (3) power, water, and (4) biodiversity conservation. SPEED+ will promote the areas of improved fiscal transparency, tax policy and economic and environmental governance across all aspects of its programming. The project will also support multiple global initiatives including the Feed the Future (FtF) Presidential Initiative, Trade Africa, the New Alliance for Food Security and Nutrition (NA), the USAID Biodiversity Policy, the U.S. National Strategy to Combat Wildlife Trafficking, and Power Africa.

This Quarterly Report covers the period from project start (August 26, 2016) through December 31, 2016. USAID granted permission to include the period of August 26 – September 30, 2016 in the October 1 – December 31, 2016 reporting period as the project was still engaged in start-up activities in September and reporting was minimal.

The Quarterly Report is organized in two main sections: (1) Technical Activities and (2) Management and Administration. Section I is organized by component and generally follows the structure of the Year I work plan to enable reporting against work plan activities. If a work plan activity did not start during the reported quarter, it was left out of the report. USAID and SPEED+ agreed to prioritize the use of the SPEED+ Gender Checklist in work plan activities. Throughout its programming SPEED+ integrates gender concerns into its programmatic activities. Annex I provides a list of reports and documents published during the quarter and Annex 2 provides a summary of M&E indicators.



# 1. Technical Activities

## COMPONENT 1: IMPROVING THE AGRICULTURE POLICY FRAMEWORK

SPEED+'s framework for agriculture policy reform is based on the New Alliance and Feed the Future (FtF) global initiatives and targets high-impact reforms. SPEED+ aims to facilitate improvements in the enabling environment to promote competitiveness of the agribusiness sector. SPEED+ works with the Ministry of Agriculture and Food Security (MASA) and the Ministry of Land, Environment, and Rural Development (MITADER), as well as other relevant ministries, to promote a policy environment conducive to sustainable agriculture value chain development. This work seeks to identify sound, non-distorting policy reforms and regulations that are needed to mobilize private investment, create jobs, and enhance the competitiveness of Mozambique's agribusiness and agri-trade. As necessary, the program intends to identify policies – current or proposed - that negatively affect the agribusiness environment and raises these concerns in appropriate forums for discussion. Specific activities are presented below.

### 1.1 Review of the PODA Agriculture Value Chains

Mozambique has several agriculture policies including the Strategic Plan for Agriculture Development (PEDSA), the National Agriculture Investment Plan (PNISA) and the National Agricultural Development Organizational Policy (PODA). While they exist on paper, these policies have yet to deliver their promised results. Some policies, like PODA, are recent while others, particularly PNISA, have been implemented and require a mid-term review. In coordination with MASA and the Donor Working Group on Agriculture and Rural Development (AgRED) led by the World Bank, SPEED+ started to develop strategies to support the review of PODA value chains. It was agreed with USAID that the project would apply the SPEED+ Gender Checklist to its efforts on PODA, which will officially begin next quarter, pending discussions with the World Bank and agreement on a terms of reference (TOR).

### 1.2 Support Mid-Term Review of PNISA

As outlined in 1.1, Mozambique has several agriculture policies including PEDSA, PNISA and PODA. In coordination with MASA, AgRED and the World Bank, the lead donor for this activity, SPEED+ will support stakeholders to evaluate the policies and strategies and develop recommendations for ways forward. During the quarter, SPEED+ developed a scope of work (SOW) to support the review and revision of PNISA to prepare for an update of the PEDSA in 2020. SPEED+ also met with Elidio Massinga from MASA to discuss the size and scope of SPEED+ support. To ensure cohesion, SPEED+ spoke with Jan Nijhoff from the World Bank to discuss integration with the AgRED efforts. During the next reporting period, SPEED+ will review the 2011 Agricultural Commercial Law and Institutional Review (AgCLIR) report's recommendations and use them to inform future agriculture development plans. During this reporting period, SPEED+ developed a draft TOR to hire a national consultant to assist with the PODA review and is currently in the process of discussing the work with the World Bank and AgRED to ensure coordination.

### 1.3 Support to New Alliance BAWG

As part of its commitment to the New Alliance framework, Mozambique seeks to build domestic and international private sector confidence and significantly increase agricultural investment. The Private Sector Engagement section of the New Alliance indicates that, among other things, "Private sector representatives... intend to advise, shape, and participate in broad, inclusive and sustained private sector consultative mechanisms with the host government". Many companies that previously signed Letters of Intent (LoI) with the Mozambican government under the National Alliance continue to face obstacles in realizing their planned investments. In response to their difficulties, these companies created the Business Advisory Working Group (BAWG) to assist them, and other interested parties, in addressing issues hampering agriculture sector investment. However, it has been difficult for the BAWG to convene regular meetings and provide a consistent level of advocacy needed to achieve reform. Further complicating the functionality of the BAWG was the resignation, in June 2016, of its Acting Chairman. The head of the Export Trading Group (ETG) has agreed to lead the BAWG moving forward. During this reporting quarter, SPEED+ developed a draft TOR to assess the status of the BAWG and develop

a corresponding engagement strategy. SPEED+, together with USAID, decided that its Agriculture Portfolio Manager and Coordinator should engage with the BAWG to identify how SPEED+ can support the BAWG.

#### 1.4 Update the New Alliance and FtF Policy Matrices

MASA requested assistance from USAID in refreshing the New Alliance and FtF policy matrices. SPEED+ will engage stakeholders and coordinate the development of one comprehensive matrix that meets the expectations of both the National Alliance. SPEED+ will guide the matrix revision process through its ultimate submission to the African Union (AU). SPEED+ did not begin work on this activity during the quarter, as the project was waiting on approval for its Agriculture Portfolio Manager (Rui Brito) and Portfolio Coordinator (Hercilia Hamela). During the next quarter, SPEED+ will meet with MASA to begin updating the matrices.

#### 1.5 Tributação Autónoma

*Tributação Autónoma* is a 35 percent tax levied under the Value-Added tax (VAT) Code on transactions made by persons not registered within the tax system. Few, if any, smallholder farmers are registered within the Mozambican tax system, as registration requires an identity document, which many farmers do not have. Thus, any formal businesses buying farm-gate produce are required to pay 35 percent tax on top of the non-tax deductible purchase price. *Tributação Autónoma*, therefore, acts as a significant deterrent to companies wanting to buy agricultural produce from smallholder farmers. The previous project developed proposals to reform the tax code that meet the requirements of the Portuguese VAT Code on which the Mozambican code is based. However, a revision of the VAT Code will take time and require parliamentary approval. A work-around for formal, audited operators was developed and proposed to the Tax Authority (AT). During this reporting period, SPEED+ met with the head of the AT and the Confederation of Business Associations (CTA) to discuss advancing the *Tributação Autónoma* proposal. It was agreed that SPEED+ will provide support, through Rosemin Faquir, to advance work in this area. Ms. Faquir developed a detailed work plan that includes a trip to the provinces with the CTA and AT to gain firsthand knowledge on the issues. SPEED+ will review the work plan with the AT and USAID before implementation.

#### 1.6 Improvements to Land Administration

Mozambique's land administration is complex and bureaucratic. The previous project (SPEED Bridge) worked closely with MITADER to develop a roadmap for reform of the existing framework and to align all necessary legislation. The roadmap proposes to streamline procedures and reduce duplication and cost to support MITADER's aim of issuing five million land use titles, or DUATs, within the mandate of the current government. MITADER was supported to develop regulations for land that already has a land use title, under a system called "*Cessao de Exploracao*". The regulations were approved by a variety of stakeholder bodies including the National Land Forum and the Attorney General's office. However, despite MITADER's commitment to the legislation, the regulations have not been approved and implemented.

SPEED+ will continue implementing the various land administration activities that were started under the previous project (SPEED Bridge). In addition, SPEED+ will support MITADER to reform the overall legal framework for land administration and to promulgate and implement *Cessao de Exploracao*. SPEED+ also supported a USAID land assessment mission. On November 14 through November 21, a team from USAID Washington's Land and Urban Office and the Bureau for Food Security (BFS) assessed land tenure issues. The mission's preliminary findings indicate a unique political window for progress in the land sector. MITADER benefits from strong and committed leadership, while the Government of the Republic of Mozambique (GRM) has thrown its support behind the Ministry's *Terra Segura* (secure land) effort, which aims to deliver five million DUATs in five years. There appears to be political will to, at least, examine implementation and progressive updates to the 1997 Land Law. The primary issues that emerged were around implementation of the Land Law, including the issuance of DUATs and the need for transparency, clarity of regulations, and security of tenure to stimulate responsible agricultural investment and growth. With greater security of tenure systems in Mozambique, food security and resilience can be strengthened for smallholder farmers and the enabling environment for agricultural investment can be improved. Specific findings are presented in the assessment report, but included

areas such as strengthening the public-private dialogue process for reform, focusing on district-level issuance of DUATS, moving forward with the *Cessão de Exploração*, and focusing on responsible Land-Based Investment

In accordance with the USAID Land Assessment, SPEED+ developed a SOW for Ian Rose and Bruno Lopez, land tenure reform experts, as well as one IT expert, to move forward the land assessment recommendations. This work is expected to start next quarter. In addition, SPEED+ proposed a series of “Business Breakfasts” as a way of gathering relevant stakeholders to discuss policy issues. The first Business Breakfast will focus on land issues and is tentatively scheduled for February 15, 2017. SPEED+ will continue discussions with MITADER and USAID/Mozambique to align the recommendations made by the Mission with GRM’s expectations and SPEED+’s work plan.

## 1.7 Reducing Cost of Fertilizer

Fertilizer in Mozambique is expensive. During this reporting period, Mozambique import duties on fertilizer<sup>1</sup> were eliminated, helping reduce the cost of fertilizer in Mozambique. SPEED+’s work plan envisages working with the fertilizer association and other stakeholders to reduce the cost of fertilizer in Mozambique, options of which are outlined in SPEED Report 14 of 2015<sup>2</sup>. Due to new developments related to import duties on fertilizer, and the fact that many of the efforts to reduce costs relate to business-environment related costs (e.g., transportation, scanning, ports, etc.), SPEED+ will focus on actions that help reduce the cost of fertilizer as well as improving cross-cutting efficiencies.

## 1.8 Implementation of Seed Policies

While USAID’s regional seed trade program will lead Mission support for seed policies in Mozambique, SPEED+ will support implementation of seed policies through engagement in various discussions and activities with the seed platform. During this quarter, SPEED+ met with the Southern Africa Seed Trade Project and discussed areas of collaboration, including possible sharing of office space. The two projects agreed to contribute collaborative conversations on the National Seed Dialogue Platform and improvements to the seed value chain. The SPEED+ Agriculture Portfolio Manager, Rui Brito, and Agriculture Portfolio Coordinator, Hercilia Hamela, will support these activities going forward.

## 1.9 Review MASA Agriculture Service Centers

Several national initiatives are currently being promoted to increase competitiveness in agriculture. One specific initiative is the MASA Agriculture Service Centers. SPEED+ will undertake a review of the service centers and help the larger donor, NGO, and civil society communities understand what they are, where they are located and how they deliver services to smallholder farmers. SPEED+ will also look at methods for improving their service delivery model.

In addition to MASA’s Agricultural Service Centers, Mozambique has several other initiatives advancing the same objectives, such as the Zambezi Valley Development Agency (ADVZ, *Agencia de Desenvolvimento de Vale de Zambézia*) and USAID’s Financing Agribusiness project (FINAGRO). SPEED+ will provide a review of these other agriculture service programs and see how it can support and improve the policy environment to improve competitiveness in the agriculture sector. Gender analysis will be an important part of the assessment to ensure equal access to services by men and women. SPEED+ will undertake a review of Mozambique’s commodity exchange to better understand the current situation and engage private sector traders and warehouse operators about what services they need provided.

---

<sup>1</sup> VAT is not applied to fertilizer and imports of fertilizer from SADC are duty free.

<sup>2</sup> See <http://www.speed-program.com/wp-content/uploads/2015/06/2015-SPEED-Report-014-Incentives-for-Fertilizer-Use-in-Mozambique-EN.pdf>

### 1.10 Review Mozambique's Commodity Exchange

SPEED+ will, in close coordination with the South Africa Trade and Investment Hub (SATIH) project will support a review of Mozambique's commodity exchange to better understand the current situation and engage private sector traders and warehouse operators about what services they should be providing. A gender analysis will be an important part of the assessment to ensure equal access to services by men and women. The SPEED+ Agriculture Portfolio Manager, Rui Brito, and Agriculture Portfolio Coordinator, Hercilia Hamela, will support these activities in the next quarter.

### 1.11 Other Activities

SPEED+ supported several activities that were not specifically outlined in the project work plan but, after consultation with USAID, were deemed linked to the 2016-2016 work plan. These activities are as follows:

#### 1.11.1 *Cashew Policy Diagnostic and Reform Implementation Plan*

During the quarter, SPEED+ worked with TechnoServe to assess policy reforms. Such reforms would include agricultural extension to improve cashew tree productivity; facilitating links to major international buyers; helping implement greater traceability standards; and rethinking the overall approach to the value of shared and/or returned commodities. Several policy and legal issues within the overall business environment for agriculture - particularly the implementation of an export tax on cashew - continue to spark debates. Louise Williams was contracted to lead the effort on behalf of SPEED+ together with support from Sergio Chitara. Louise conducted an initial mission on December 2-15, 2016. Follow-up missions will be held during the next quarter to continue field work and coordination with stakeholders.

#### 1.11.2 *Agriculture Finance Meeting with SNV*

SPEED+ attended a meeting led by two major banks, Millennium Bim and BTM (*Banco Terra Mozambique*). The objective of the meeting was to establish an understanding of the present trend toward agriculture financing in agribusiness and the family sector. SPEED+ will explore policy options for supporting finance to agribusinesses through regulations that ease restrictions on types of collateral that can be used by agricultural firms to secure bank loans (e.g., land).

#### 1.11.3 *Food Fortification Workshop*

The Food Fortification Law was approved in September 2016 by the National Committee on Food Fortification in Mozambique (CONFAM), led by the Ministry of Industry and Trade (MIC). A seminar with government institutions, private sector, civil society, and donors was held on December 2, 2016. The aim of the seminar was to review and finalize the draft fortification strategy and action plan. The overall objective of the strategy is to reduce micronutrient deficiency and improve wellbeing and productivity within five years (2016-2021) while ensuring Fortification Standards adhere to WHO and regional norms so as not to be a non-tariff barrier to imports. The first foods that are slated for fortification are maize, wheat flour, rice, sugar, and vegetable oil. SPEED+ participated in the seminar, providing technical inputs. The strategy is expected to be approved by the Council of Ministers in 2017.

## COMPONENT 2: AN IMPROVED TRADE & INVESTMENT FRAMEWORK

SPEED+ assists the GRM to establish business, trade, and investment policies that promote private sector-led broad-based economic growth. As requested by government counterparts, SPEED+ will help coordinate reforms across GRM ministries and strong private sector advocates to provide essential feedback loops on how citizens and companies are affected by proposed laws and regulations. This coordination will include efforts to improve the quality of problem identification and analysis of alternative policy options through broad stakeholder input. Similarly, SPEED+ will work with counterparts, such as CTA and other business associations, to build public and private capacity to implement and monitor reforms.

Implementation of the Mozambique Trade Africa Partnership, which was launched in August 2015 with the signing of a memorandum of understanding (MoU) between the U.S. Ambassador to Mozambique and the MIC, will be a key framework for SPEED+ assistance. The MoU outlines the intention of both governments to: (a) work together on Mozambique's acceptance and implementation of the TFA; (b) develop and advance trade facilitating activities relating to Sanitary and Phytosanitary (SPS) measures, including Mozambique's implementation of the WTO Agreement on the Application of SPS and strengthening of Mozambique's SPS regime; (c) develop and advance trade facilitating activities relate to the development of legal and regulatory framework for standards, technical regulations, and conformity assessment, including Mozambique's implementation of the WTO Agreement on Technical Barriers to Trade, and; (d) promote a sound policy environment, regional economies of scale, and the free flow of goods that integrate national production into regional and global supply chains in order to generate employment, develop workforce skills, and attract investment.

SPEED+ will support activities under Trade Africa and in conjunction with United States Government (USG) agencies through work plan actions for the implementation of the Trade Africa Partnership, some of which are addressed below for Year I. In addition to the activities discussed below, SPEED+ also supported a Trade and Investment Framework Agreement (TIFA) meeting and began coordinating with the SATIH project.

### 2.1 TFA Ratification and Implementation

During the quarter, Mozambique ratified the WTO Bali TFA and published ratifications in the National Gazette (*Boletim do Republico*). SPEED+ helped the MIC prepare notifications to the WTO and supported implementation of the roadmap to complete Category B reforms within two years and Category C within five years. SPEED+ also supported the establishment of National Trade Facilitation Committee (NTFC), which will be responsible for overseeing the reform process. SPEED+ contracted Caroline Ennis to continue to support the MIC with implementation of the TFA, including the operationalization of the NTFC. In the next quarter, SPEED+'s Trade Portfolio Manager, Rosario Marapusse will participate in the first WTO meeting on National Trade Facilitation Committees in Geneva as part of the official delegation. SPEED+ is also working with the MIC on the initial steps for the development of a National Trade Portal, which will be an online home for all trade-related information, laws, procedures, forms, processes, etc. SPEED+ will work with the MIC and the AT to build consensus on the WTO commitment to develop the National Trade Portal. To ensure that the portal is sustainable, SPEED+ will work with the AT and the MIC to improve communications capacity.

#### 2.1.1 Shift from Pre- to Post-Shipment Inspection

Recently, Mozambique extended Intertek's contract to provide pre-shipment inspection (PSI) services, slowing the Government's commitment to move to a post-shipment inspection system based on risk assessment principals. The issue of PSI is of concern for the private sector as it increases cost and time required for importing into Mozambique. SPEED+ will meet with Customs in the next quarter to advance the roadmap developed under SPEED to eliminate PSI, but also identifying capacity gaps for the post-shipment evaluation system and, where necessary, supporting training in coordination with the Customs Authority. Customs has confirmed their interest to work with SPEED+ to ensure a smooth transition from a pre- to post-shipment inspections well as to ensure compliance with WTO/TFA requirements.



### 2.1.2 Public Awareness Campaign for MIC to Publicize Information on Trade

The structures and procedures for importing at border posts are often confusing and non-transparent, which can lead to rent-seeking behavior. The MIC and the Customs authority acknowledge this lack of transparency and have requested that SPEED+ administer an outreach program to publicize border trade procedures. The campaign will include billboards, flyers, banners, and other information to help decimate information. Details for contacting the enquiry point for trade-related information will be a central theme of the outreach program. During this quarter, SPEED+ worked on advancing the progress with the MIC and Customs. SPEED+ expects to formally propose the activity to USAID in the coming quarter for approval and implementation.

Figure 1: Example of outreach activity banner



### 2.1.3 Develop a National Trade Portal

Access to information about trade is essential for businesses. Development of a National Trade Portal, an online home for all trade-related information, laws, procedures, forms, processes, etc., is currently used by many countries as a model for meeting WTO TFA transparency requirements. During the quarter, SPEED+ worked with the MIC and the AT to build consensus on developing the National Trade Portal. After the upcoming meeting of NTFCs in Geneva next quarter, SPEED+ expects to develop a detailed SOW and coordinate with SATIH, its national counterparts and the NTFC to begin work on a National Trade Portal for Mozambique.

### 2.1.4 Authorized Economic Operators

The previous project (SPEED Bridge) assisted Customs to develop detailed guidelines to strengthen audit. The guidelines introduced included a training manual and instructions for the completion of the self-assessment questionnaire that is required of all companies interested in becoming authorized economic operators (AEO). SPEED+ had initial conversations, both internally and with Customs, on ways to provide support towards strengthening Mozambique's AEO system. This support will include expanding certification of AEO's in mutual recognition agreements with other countries and expanding cooperation with other competent AEO programs to ensure global supply chain security and to avoid duplication of efforts and costs for authorities and economic operators. SPEED+ also considered ways to support revisions to the existing legal framework to introduce additional safety and security (SAFE) measures to ensure that Mozambican AEOs are internationally recognized. As SPEED+'s Trade Facilitation Expert, Caroline Ennis, was contracted at the end of the quarter, SPEED+ will focus on advancing the AEO work in coming quarters.

## 2.2 AGOA Utilization Strategy

The African Growth and Opportunity Act (AGOA) gives products from AGOA-eligible countries preferential access to the U.S. market. Duty-free access is provided for more than 1,830 items that were excluded from benefits under the U.S. General System of Preferences (GSP). In 2015, AGOA was extended for 10 years, a period many believe is sufficient to encourage investment in critical industries in Africa. In addition, the extension of AGOA provides duty-free treatment for virtually all of Mozambique's products (97.5 percent of the tariff lines are covered). For Mozambique to be able to take full advantage of AGOA preferences, the government needs to develop a comprehensive AGOA strategy that targets the full range of supply-side constraints to trade. This strategy will create new markets for Mozambican products with export potential; harness growing private sector interest in trade and investment; and promote regional integration to utilize value chains and competitive inputs. Part of this will be addressed by Mozambique's upcoming new Business Environment Strategy (perhaps called EMAN III) as well as a trade policy being developed with USAID SPEED+ support and export

strategy being developed by the Commonwealth Secretariat. Implementation of the WTO TFA can also utilize AGOA by lowering trade costs.

This quarter SPEED+ began the process of recruiting specialists to support the development of an AGOA strategy. SPEED+ met with the MIC Minister's Permanent Secretary who has agreed to act as focal point for the AGOA strategy as well as the head of the Export Promotion Agency (IPEX), which will soon be merged with the Investment Promotion Center (CPI, *Centro de Promocao de Investimentos*) and the Special Economic Zones Office (GAZEDA, *Gabinete das Zonas Economicas de Desenvolvimento Acelerado*). The SPEED+ team also developed a briefing paper and briefed the US Embassy Economic Working Group on AGOA. Finally, SPEED+ coordinated with SATIH to see ways in which to coordinate work in developing and implementing the AGOA utilization strategy.

### 2.3 Nacala Corridor Assessment

Reducing the time and costs associated with exporting from the Port of Nacala would make exports from Mozambique and neighboring countries more competitive, encouraging more trade and investment. There are many constraints on Nacala's ability to be a world-class port. These constraints include infrastructure issues; a lack of modern technology; costly and inefficient pre-shipment inspection; limited scanner operations and service offerings from clearing agents; and port handling services. The Mozambican Government placed a major focus on Nacala, with the Nacala Special Economic Zone and Nacala Corridor and by converting the Nacala airport to handle commercial operations. Additional political will is being generated through ratification of the WTO's TFA while reforms identified in that process will help provide necessary technical and financial assistance to address obstacles at Nacala Port.

However, to support stakeholders to advocate for the reforms needed to make Nacala more efficient, solid evidence is required. To provide this, a FastPath 2 (FP2) analysis will measure and provide baseline quantitative and qualitative indicators for value chain-specific logistics bottlenecks, including assessing the time, cost, reliability, and time variability for port operations. A reform roadmap will be developed in conjunction with stakeholders. Changes in the cost and time required to export from the Port of Nacala can then be measured annually and compared to provide evidence of the impact of the reforms.

During the quarter, SPEED+ met with Amado Mabasso from the Northern Development Corridor (CDN) to discuss the proposed work. SPEED+ is in the process of developing a draft SOW for the work and will coordinate with SATIH on the corridor analysis. SPEED+ expects to finalize the SOW and seek USAID approval for the work in the next quarter. The work was discussed with SATIH and further coordination will occur in the coming quarters.

### 2.4 Improving Sanitary and Phytosanitary Certification (SPS) Framework

Efficient and cost-effective SPS services are a key element of agricultural exports. At the same time, SPS regulations in Mozambique need to follow WTO commitments and best international practices so they do not unnecessarily impede trade. As follow-on to the TIFA meeting and matrix, SPEED+ developed a SOW to work with the SPS Committee in strengthening their National Enquiry Point and National Notification Authority as well as to review Mozambique's SPS Framework. The review is intended to ensure the legal framework is compliant with WTO and the Southern African Development Community (SADC) obligations and to identify ways that agriculture exporters can access SPS services. SPEED+ met with the Mozambique SPS Committee and the MIC to review and update the SOW. In the following quarter, SPEED+ will seek USAID approval and aim to begin work by mid-March. The work was discussed with SATIH and further coordination will occur in the coming quarters.

### 2.5 Strengthening Public Participation in the Legislative Process

For reform to take place, advocacy is needed by a variety of stakeholders. Associations in Mozambique tend to be weak and unrepresentative or captured by political interests. One of the greatest challenges faced by associations is lack of opportunity to engage in the legislative process. A coalition of civil society organizations has prepared draft legislation to ensure transparent public participation in the legislative

process. Recognizing the potential of this legislation to unlock opportunities for the growth of civil society in Mozambique, SPEED+ seeks to support this coalition to promulgate the legislation by engaging a high-level champion. In the current quarter, SPEED+ began drafting a SOW to hire an international expert on the topic.

## 2.6 Review EIF Tier 2 Proposals on SPS and TBT

Under the Enhanced Integrated Framework (EIF), two proposals were submitted for EIF Tier 2 funding related to SPS and technical barriers to trade (TBT) issues in Mozambique. During the quarter, SPEED+ met with the National Director from the Ministry of Fisheries to review and discuss the two proposals. It was agreed that, in the next quarter, SPEED+ would arrange a visit – to include four Private Sector Working Group (PSWG) members - to one of the fisheries laboratories. The visit would allow PSWG members to see if they could help support implementation of the activities while also considering alternative financing models for obtaining the requested laboratory equipment.

## 2.7 Quality Standards for Trade

Trade is crucial for economic growth in developing countries. To help expand international trade, countries need to adopt and implement internationally recognized and accepted metrology, accreditation, standardization, and quality (MAS-Q) practices. Doing so can help facilitate trade, improve market access, and increase export competitiveness. This will increase consumer confidence for product safety, quality, health and the environment. As a follow-up to the TIFA meeting, as detailed in the TIFA matrix, SPEED+ began coordinating with Mozambique's Institute for Quality Standards (INQQ) to develop a SOW to strengthen the National Enquiry Point and National Notification Authority as well as to support areas related to the National Quality Infrastructure (NQI). The NQI is a code of sound practice for development of technical regulations. SPEED+ will seek approval for the SOW in the next quarter. SPEED+ also coordinated with the American National Standards Institute (ANSI) to assist with implementation of the work plan developed by ANSI and INNOQ. SPEED+ will evaluate if ANSI's work can be coordinated with the consultant that will undertake the SPEED+ work. SPEED+ also met with the SATIH and will coordinate implementation of assistance closely.

## 2.8 Support to MIC on a New Trade Policy

The MIC expressed interest in developing a new Trade Policy for Mozambique. SPEED+ confirmed the interest with the MIC Permanent Secretary in undertaking the work. SPEED+ agreed that the consultants that will develop the AGOA Strategy for the MIC will also meet to discuss how to best approach this work in the next quarter.

## 2.9 Other Activities

SPEED+ also engaged and supported the following activities:

1. **EIF** - SPEED+ met with USAID and National Director for Foreign Trade, Amilcar Arone in November to discuss the Integrated Framework and how to reinvigorate the committee. The major focus of the meeting was to have the Integrated Framework include the TF NTFC functions.
2. **PSWG and TSC meetings** – SPEED+ participated in the Private Sector Working Group (PSWG) and the Trade Sub-Committee (TSC) meetings.
3. **SATIH Coordination** – SPEED+ met with USAID and SATIH staff and shared work plans and information to support coordination across both activities.
4. **Work with CTA** – SPEED+ had numerous meetings with CTA and is working to develop SOWs on monetary policy and on fiscal issues. SPEED+ is also collaborating with CTA on the *Taxa Autónoma* work and on the Business Breakfasts.
5. **Supported Tripartite Negotiation participation by MIC** – Due to budget constraints, MIC did not have funding to participate in SADC/COMESA/EAC Tripartite Trade negotiations in



December in South Africa and requested USAID SPEED+ support. USAID supported this request and funding was provided from the Economic Support Fund (ESC).

6. ***MCLI Annual Meeting*** – Next quarter the Maputo Corridor Logistics Initiative (MCLI) will hold their annual meeting. CTA requested support to present and participate in the meeting. SPEED+ is discussing with USAID and will likely support CTA's request.

## COMPONENT 3: AN IMPROVED POWER & WATER POLICY FRAMEWORK

Water and power services are not keeping up with increasing demand due to accelerating population and economic growth, which present binding constraints on economic and social development. More private investment can help solve the problem, but only if the right policy framework and related capacity of government decision makers are in place and regulatory capacity is enhanced. Activities for Component 3 are divided into two sub-components: power and water.

### 3.1 Power Sector Activities

Mozambique has significant untapped natural energy resources but has failed to provide adequate power, resulting in a situation where many areas experience regular blackouts, while others face the prospect of load-shedding for years into the future. During the quarter, SPEED+ finalized hiring of the Energy Portfolio Manager, Manuel Ruas, who begins full time next quarter. SPEED+ also met with USAID and USAID/Mozambique's new Energy Adviser and with government counterparts from Ministry of Energy and Mineral Resources (MIREME) and Electricity of Mozambique (EDM). SPEED+ also received the necessary USAID approvals and preparation for the Power Sector study. The initial Power Sector Study, led by Jeff Rector and Ashley Brown, with input from a local attorney Taciana Lopes, will identify opportunities for SPEED+ to help address power-related constraints in Mozambique. For instance, follow-on support might include legalizing and expanding investment in private electricity generation, feed-in tariffs, purchase agreements, regulations on cross-subsidies, unbundling, commercialization, and potentially even private transmission. The study will include stakeholder mapping, a gender policy checklist review, and analysis of the critical path for reform to pinpoint the policy reforms SPEED+ can support and provide a framework to guide USAID's policy reform work. The study will commence in the next quarter and will be supported by USAID Energy Advisers from Washington and South Africa.

During the quarter, the SPEED+ team also familiarized themselves with the Power Africa Tracker (PATT) as well as the reporting format for Power Africa.

### 3.2 Water Sector Activities

SPEED+ will prioritize power and water activities based on established frameworks, including USAID's Water and Development Strategy, 2013–2018 and Mozambique's National Strategy for Water and Urban Sanitation, 2011–2025. During the quarter, SPEED+ hired Claudette Lavalée as an Embedded Water Adviser to National Directorate for Water and Sanitation (DNAAS) and Jamaie Palane as a dedicated short-term expert to support SPEED+ water sector activities. During the quarter, USAID confirmed DNAAS acceptance of Ms. Lavalée and her SOW.

The focus of SPEED+'s support to DNAAS is in implementation of the Decree on Private Water Suppliers. Private water providers are an essential component of the water supply network in urban areas and often offer the only option for consumers. A new Federal Power Act (FPA) decree was passed in October 2015 which established the legal framework for private water suppliers, but technical norms and implementing regulations still need to be defined and passed to give full effect on the legislation. SPEED+ will engage in dialogue with the DNAAS to implement regulatory framework stated with support from the Sustainable Water and Sanitation in Africa (SUWASA) project and, based on an agreement, will support the development of regulations. Once implementing regulations were finalized, SPEED+ received a request from the National Water Directorate (DNA) to support the dissemination of new regulations through a targeted communication campaign. The licensing authorities have already engaged the municipalities and districts, so training will be needed to implement the legal framework. During the quarter, the Embedded Adviser began writing a road map for implementation of SPEED+ support. The road map, which will describe objectives for technical assistance and details on implementation plans, should be completed during the next quarter.

The Embedded Adviser also supported DNAAS to develop a proposal to support financing the development of the National Water and Sanitation Information System (SINAS). The expression of interest was submitted and approved by the Water for Africa through Leadership and Institutional Support (WALIS) project and a full proposal was developed and delivered for formal approval by WALIS. The proposal aims to improve water, sanitation and hygiene (WASH) Evidence-Based Decision-Making

Program (IWED). USAID/Mozambique requested that SPEED+ provide technical assistance to DNAAS in the preparation of a detailed proposal and to help ensure close coordination between the WALIS funding and SPEED+ support.

## COMPONENT 4: BIODIVERSITY & CONSERVATION

Many of Mozambique's species are vanishing because of expansive subsistence agriculture, deforestation for charcoal production, illegal logging for export to China, wildlife trafficking, growing extractive industries, and urbanization. Demographic and economic factors drive many of these threats, but chief underlying conditions include a weak environmental policy and regulatory framework as well as poor implementation and enforcement of existing laws. Further challenges exist for the National Conservation Areas Agency (ANAC) to balance law enforcement with the livelihood needs of the populations in and around conservation areas. During the quarter, SPEED+ hired a Biodiversity Portfolio Coordinator, Vera Julien and is continue a search for a Portfolio Manager.

During the quarter, SPEED+ met with ANAC and Biofund and participated in various biodiversity working group meetings. The meeting with ANAC sought to evaluate cooperation between the two projects. ANAC asked for support on the following: (1) law enforcement in anti-wildlife trafficking by training prosecutors, police, ANAC staff and all in the chain of protection; (2) implementation of pilot monitoring technologies including tags, GPS and dogs; (3) reorganization, tendering and monitoring for authorized safari areas (*Coutadas*); (4) development of a legal basis to promote private investment in game ranching (*fazendas*); (5) work with the National Safari Operators' Association (AMOS) to develop self-regulation of safari operations; and (6) support the development of a new and uniform governance and management systems for conservation areas. In the coming quarters, SPEED+ will align interventions with the strategic objectives outlines in "[Measuring Impacts: Measuring Efforts to Combat Wildlife Crime.](#)"

### 4.1 Preparation of ANAC Operational Plan

Following support to ANAC to develop a strategy under the previous project, ANAC now requires assistance to make its strategy operational. During the quarter, SPEED+ had initial consultations with ANAC to see how to best operationalize its strategy. Part of developing a successful operational plan is to consider common practices of collaborative management of conservation areas between government entities, private sector and communities as well as neighbouring countries. SPEED+ met with Biofund during the quarter to support a study to review co-management conservation models, which can then be used as input to ANACs operational plan. SPEED+ will draft a SOW and discuss the work with USAID in the next quarter.

### 4.2 Review of Draft Regulations for New Conservation Law

Mozambique recently passed an updated Conservation Law, which provides opportunities to reduce wildlife trafficking and other negative impacts on the country's biodiversity. SPEED+ discussed providing support to ANAC in developing implementing regulations for the new conservation law, as well as further dissemination of the law once it is promulgated.

### 4.3 Strengthening Enforcement of Conservation Law

The Conservation Law, as well as subsequent regulations and streamlined legal framework, provides a potentially useful tool for government and other stakeholders to focus on enforcement. MITADER and the Ministry of Justice (MoJ) indicated interest in improving law enforcement in the conservation sphere. Other stakeholders – including managers of national parks, game farms and hunting concessions - are also interested enforcement reforms. During the quarter, SPEED+ confirmed ANACs interest in enforcement and in the next quarter will work to develop a SOW, perhaps in collaboration with Elephant Action League, to update the existing training manual based on the Conservation Law and to roll out training to stakeholders. Stakeholders may include prosecutors and the judiciary, who will be trained on the enforcement options offered by the Conservation Law and other relevant components of the legal framework. Also in the next quarter, SPEED+ will work with AMOS on various conservation activities.

#### 4.5 Promote Policies for Private Sector Investment in Conservation Areas

Southern Mozambique once had pristine forests and an abundant wildlife ecosystem along the Zinave and Banhine National Parks. Presently, most wildlife species - including giraffes and ostriches - are disappearing. During the quarter, SPEED+ confirmed ANACs interest in collaborating with local authorities to launch pilot projects in these wildlife game ranches and forest regeneration to support the development of policies and regulations to promote both game ranch development and natural forest regeneration on a commercial basis. In the following quarters, SPEED+ will develop a SOW to support ANAC in the creation of a legal framework to promote private sector investment in conversation areas.

## II. MANAGEMENT AND ADMINISTRATION

### PROJECT START-UP

A DAI project start up team arrived in country on September 9, 2016. Their deployment was immediately after the contract was awarded. Start-up activities included hiring staff, scouting office locations as well as other administrative and logistical support. The project's two key positions, the Chief of Party (COP) and Deputy Chief of Party (DCOP), both mobilized within a month of contract award to oversee start-up activities.

### DEVELOPMENT OF ANNUAL WORK PLAN

The SPEED+ first year work plan was submitted to USAID on October 11, 2016. The project COP, Sergio Chitara, DCOP, Ashok Menon, and consultants Luca Crudeli and Carrie Davies worked closely with USAID to develop the initial Year 1 Work Plan. The plan was submitted to USAID within the 45-day period and subsequently approved (SPEED+ 16-R001).

### MONITORING, EVALUATION AND LEARNING (ME&L)

Erika Dunmire, a Monitoring and Evaluation (M&E) specialist, arrived in Maputo on September 26, 2016 to assist SPEED+ with the development of the Monitoring, Evaluation and Learning Plan (ME&L Plan) (SPEED+ 16-R004), which was submitted to USAID within 45 days of contract award. SPEED+ hired a ME&L Expert, Clerico Constantino, who worked during the quarter to review and update the ME&L. USAID provided comments on the ME&L plan, which were discussed. It was agreed that a more focused workshop on ME&L would be held with USAID in the coming quarter to finalize the ME&L plan.

### GENDER ACTION PLAN

SPEED+ endeavored to integrate gender from the beginning of the project. During the quarter, Jenna Luche-Thayer, a gender expert, was in Maputo from September 19 to October 15, 2016 to develop a Gender Action Plan. The Gender Action Plan was included as part of the SPEED+ draft Year 1 Annual Work Plan and the Performance M&E Plan. SPEED+ appointed Alima Hussein, the current Business Environment Portfolio Manager, as the Gender Coordinator for the project. As such, she is responsible for applying the SPEED+ Gender Action Plan across all elements of the project. As a first step, SPEED+ staff will develop a first draft of the gender check list for SPEED+ supported activities and will eventually be applied to all activities. A second draft of the checklist will be done when consultants are assigned to a specific activity. At the same time, SPEED+ expects a short-term Gender Expert to host a workshop for SPEED+ staff on sex and gender terms as well as review gender issues as they relate to policy reform and to SPEED+ components and learn about USAID's Gender Equality and Female Empowerment Policy. Training staff on these gender concepts can encourage staff to be gender aware in their tasks and underscored the importance SPEED+ places on gender integration. SPEED+ ME&L Expert, Clerico Constantino, has been reviewing gender related indicators that are part of the SPEED+ ME&L plan.

### COMMUNICATIONS PLAN

During the quarter, SPEED+ delivered and received approval for the SPEED+ Communication Strategy (SPEED+ 16-R003), which was developed and submitted to USAID within 60 days of contract award. SPEED+ continued a search for a full-time SPEED+ Communications Manager, a position we expect to fill in the coming quarter. During the quarter, SPEED+ also finalized design of the updated SPEED+ logo, which was used on the project website, business cards, banners and promotion material. An exception to Branding and Marking requirements was submitted to and approved by the Contracting Officer. USAID will submit a request in the next quarter for SPEED+ to use the SPEED+ brand and logo. SPEED+ also began the process of considering options for a new SPEED+ project website and will ensure all materials from the SPEED website are incorporated into the new website. Over the

course of the project, SPEED+ will work to transfer the website and all materials on the website to a local counterpart to ensure the information remains accessible to the public once the project ends.

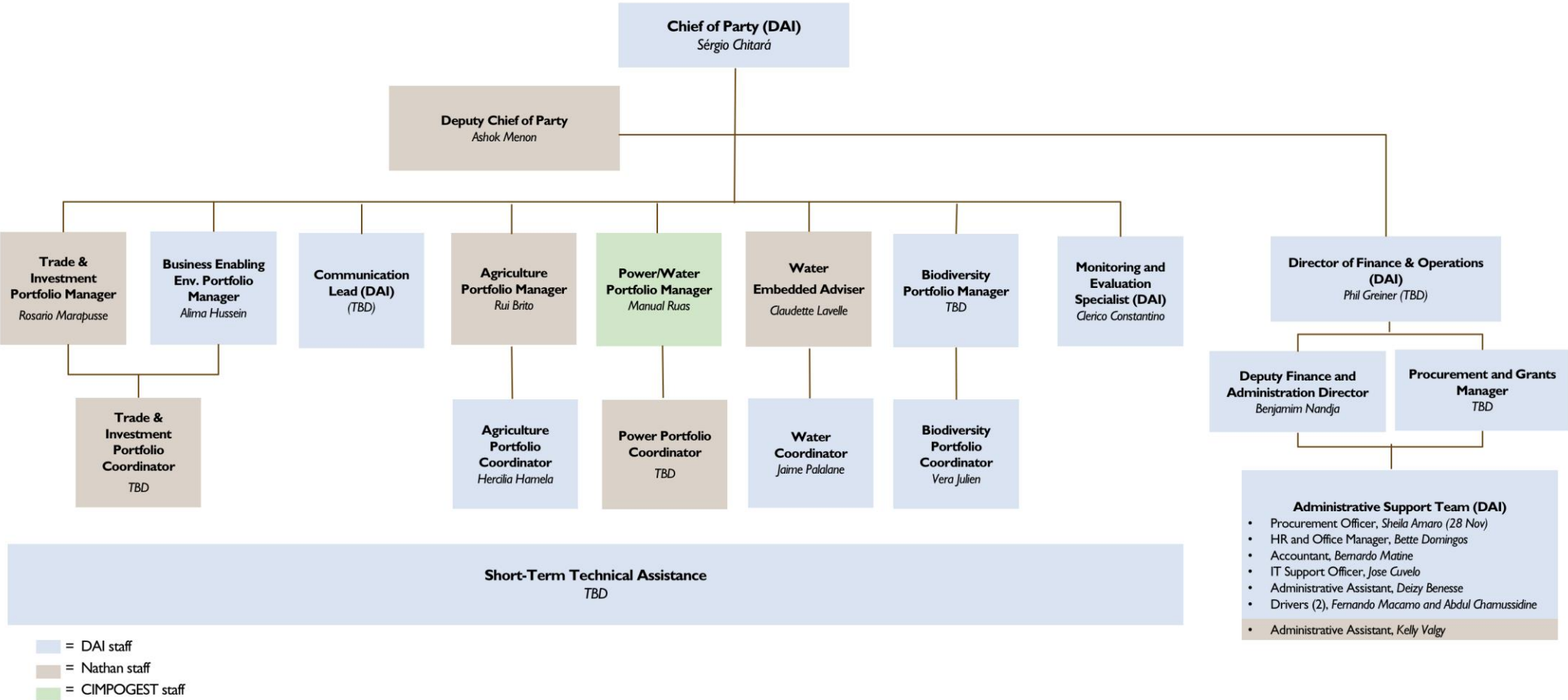
SPEED+ had initial discussions with USAID on a project launch event, which is tentatively scheduled for February 13, 2017. The launch event will bring together all project counterparts to briefly hear from USAID and SPEED+ on goals and objectives of the project, staffing structure and initial activities. Around the same time, SPEED+ will organize a more in-depth “retreat” in Maputo for USAID and SPEED+ staff to fully discuss project activities. In addition, SPEED+ has proposed a series of “Business Breakfasts” as a way of getting relevant stakeholder together to discuss policy issues.

## MANAGEMENT AND STAFFING PLAN

The SPEED+ Management Plan (SPEED+ 16-R002) was developed and submitted to USAID within 45 days of contract award and subsequently approved. The management plan outlines all SPEED+ staffing positions.

Most SPEED+ technical and administrative staff were hired in the first quarter except for the following: Biodiversity Portfolio Manager, Trade/Business Environment Portfolio Coordinator, Energy Portfolio Coordinator and Communications Manager. SPEED+ proposed several for the Biodiversity Manager position, but none were accepted by USAID. As such, a new search was started during the quarter. SPEED+ appointed Rui Brito as the Interim Portfolio Manager for Biodiversity until a full-time manager can be hired. SPEED+ decided to postpone hiring Portfolio Coordinators for Trade and Energy until the work load can be further assessed. While a Communications Manager was identified, SPEED+ was not able to finalize the approval and hiring process due to unforeseen circumstances. The next rounds of interviews for the Communication Manager position are scheduled for the next quarter. SPEED+ is also in the process of conducting a search for an Administrative Assistant to support Nathan Associates. In close coordination with USAID, SPEED+ hired an Embedded Water Adviser (Claudette Lavallee) and converted the Water Portfolio Coordinator position into a short-term consultancy. A DAI Finance and Operations Manager (Phil Greiner) was identified and approved by USAID and will be mobilizing in the next quarter. USAID eliminated the Trade Facilitation Portfolio Manager position held by Rosemin Faquir. Ms. Faquir was then hired on a short-term basis as the SPEED+ legal adviser. During the quarter, SPEED+ also considered implementing an internship program. An organigram of all SPEED+ positions is presented below.

Figure 2: SPEED+ Organigram





## PLANNED TASKS AND INTERVENTIONS FOR NEXT REPORTING PERIOD

### Agriculture

1. **Cashew policy work** – Continuation of work with Louise Williams, including stakeholder meetings and field work (February for the Steering Committee meeting, February 7-16 for interviews and fieldwork, and February 17 for an all-day stakeholder roundtable meeting in Nampula).
2. **National Policy Plans** (PNISA Evaluation, PODA, PEDSA) – Discussions with the AgRED and World Bank to contract a consultant to start with the PNISA evaluation.
3. **Responsible Land Project Mission** – Participate in USAID's Responsible Land Project mission with meetings with Illovo Sugar, a local raw sugar producer.
4. **Tributação Autónima** – Rosemin Faquir will continue advancing the *Tributação Autónima* work, including a possible trip to the provinces with CTA and AT.
5. **Land** – Follow up with Director Simão at MITADER to discuss proposed upcoming work with Ian Rose, Bruno Lopez and a IT expert. SPEED+ will also follow up on a request from National Directorate for Land (DNT) to support their annual report.

### Trade

- a. **AGOA** – SPEED+ will finalize approvals and aim to begin work on the AGOA Utilization Strategy in the next quarter.
- b. **SPS** – SPEED+ will finalize approvals and aim to begin work on the SPS Notification Authority in the next quarter.
- c. **TBT** – SPEED+ will finalize approvals and aim to begin work on the TBT Notification Authority in the next quarter.
- d. **Nacala Corridor** – SPEED+ will finalize approvals and aim to begin work on the Fast Path Analysis of the Nacala Corridor in the next quarter.
- e. **Trade Facilitation** – Caroline Ennis will continue to provide support to the NTFC, including a presentation on Trade Portals.
- f. **MCLI Annual Meeting** – SPEED+ will attend and support CTA attendance at the MCLI Annual Meeting. CTA will make a brief presentation to the PSWG on the outcomes of the meeting and CTAs actions to support a more efficient Maputo Corridor.

### Business Environment

1. **Monetary Policy** – CTA requested SPEED+ support for a study on Monetary Policy and the draft SOW was passed to the PSWG. DFID indicated they are undertaking a study that will address monetary policy, so SPEED+ will review this report when released and assess if further support to CTA is necessary.
2. **Fiscal Policy** – SPEED+ will meet with the head of the AT together with CTA to discuss possible support on fiscal policy reforms.
3. **Stock Exchange** – SPEED+ has been requested by the head of the Stock Exchange to support a study on how the Stock Exchange can attract more companies and to present results at a workshop. SPEED+ will develop a draft SOW and discuss with USAID in the next quarter.
4. **Prime Minister Meeting with CTA** – SPEED+ was requested to support CTA to prepare for a meeting with the Prime Minister next quarter to review priority Business Enabling Environment reform actions.

### Energy

1. **Energy Study** – Ashley Brown and Jeff Rector will travel to Maputo to begin the Energy Study in the next quarter.

#### Water

1. **Private Water Suppliers** – Claudette Lavallee continues to finalize an initial roadmap for SPEED+ support to DNAAS. Jamie Palalane, the Water Portfolio Coordinator, will begin work in the next quarter.

#### Biodiversity

1. **Co-Management Models for Conservation** – SPEED+ will continue discussions with USAID about supporting work with ANAC and Biofund on Co-Management Models for biodiversity conservation.
2. **ANAC Strategy** – SPEED+ will meet with ANAC to discuss updating and implementing its Strategy.
3. **Donor mapping / Stakeholder Meeting** – SPEED+ will work with ANAC to propose a stakeholder meeting to start mapping donor activities in the biodiversity sector in Mozambique.

#### Project Management

1. **SPEED+ Launch** – SPEED+ is aiming for a formal SPEED+ launch on February 13, 2017.
2. **SPEED+ Retreat** – SPEED+ is planning a SPEED+ retreat towards the end of the next quarter.
3. **SPEED+ Work Plan Meeting with USAID** – SPEED+ is planning a Mission-wide meeting to review the SPEED+ work plan in detail.
4. **Gender** – SPEED+ will work to develop gender checklists for project activities.
5. **ME&L** – SPEED+ will finalize the ME&L plan and work on a model for monetizing benefits work for selected SPEED+ activities.
6. **Business Breakfast** – SPEED+ will organize the first SPEED+ Business Breakfast on land issues next quarter.

## FINANCES AND BUDGET

Table 2 below provides detailed information on SPEED+'s actual project expenditures from its inception in August, 2016 to December 31, 2016. As of August 25, 2016, USAID has obligated \$18,620,000.00 to SPEED+. To date, the project has spent \$490,869.89. Table 3 shows expenditures to date by project component and funding stream.

**Table 2: Actual Expenditures (contract budget lines)**

Line Item	Budget	Obligated Budget	Mortgage	Expenditures (August 25-December 31, 2016)	Pipeline	Remaining Budget
	A	B	C=(A-B)	D	E=(B-D)	F=(A-D)
Time Labor	\$23,648,354.53	\$11,834,585.45	\$11,813,769.08	\$289,148.60	\$11,545,436.85	\$23,359,205.93
Materials	\$10,767,831.01	\$5,388,654.67	\$5,379,176.34	\$180,124.17	\$5,208,530.50	\$10,587,706.84
Grants Under Contract	\$1,500,000.00	\$750,660.18	\$749,339.82	\$0.00	\$750,660.18	\$1,500,000.00
Sub-Total Program Costs	\$35,916,185.54	\$17,973,900.30	\$17,942,285.24	\$469,272.77	\$17,504,627.53	\$35,446,912.77
Indirect Costs	\$1,291,062.94	\$646,099.70	\$644,963.24	\$21,597.12	\$624,502.58	\$1,269,465.82
<b>Total</b>	<b>\$37,207,248.47</b>	<b>\$18,620,000.00</b>	<b>\$18,587,248.47</b>	<b>\$490,869.89</b>	<b>\$18,129,130.11</b>	<b>\$36,716,378.58</b>

**Table 3: Actual Expenditures (Technical Components)**

Component	Funding Source	Budget	Obligated Amount	Mortgage	Expenditures (August 25- December 31, 2016)	Pipeline	Remaining Budget
		A	B	C=(A-B)	D	E=(B-D)	F=(A-D)
Component 1: Improved Agricultural Policy Framework	Feed the Future (FTF)	\$11,162,174.50	\$4,420,000.00	\$6,742,174.50	\$142,161.88	\$4,277,838.12	\$11,020,012.62
Component 2: Improved trade and Investment Policy Framework	Trade Africa (TA)	\$11,162,174.50	\$8,700,000.00	\$2,462,174.50	\$160,914.63	\$8,539,085.37	\$11,001,259.87
	Local Currency*			\$0.00	\$0.00	\$0.00	\$0.00
Component 3: Improved Power and Water Policy Framework	Power Africa (PA)	\$8,557,667.15	\$2,500,000.00	\$6,057,667.15	\$108,177.85	\$2,391,822.15	\$8,449,489.30
	Water	\$1,488,290.03	\$1,000,000.00	\$488,290.03	\$18,733.07	\$981,266.93	\$1,469,556.96

Component	Funding Source	Budget	Obligated Amount	Mortgage	Expenditures (August 25-December 31, 2016)	Pipeline	Remaining Budget
Component 4: Improved Biodiversity Conservation Policy Framework	Biodiversity	\$4,836,942.30	\$2,000,000.00	\$2,836,942.30	\$60,882.47	\$1,939,117.53	\$4,776,059.83
Total		\$37,207,248.48	\$18,620,000.00	\$18,587,248.48	\$490,869.89	\$18,129,130.11	\$36,716,378.59

Per its contract, SPEED+ has been allocated a total of 25,106 days of level of effort (LOE) for project implementation, divided between U.S. National (USN), Cooperating Country Nationals (CCN), and Third Country Nationals (TCN) for Long-Term Technical Assistance (LTTA) and Short Term Technical Assistance (STTA). The following table details the LOE days for which SPEED+ has billed USAID since its inception.

Table 4: Level of Effort (25 August - 31 December 2016)

Personnel Category	Approved LOE (Workdays)	Total Billed to Date (Dec 31, 2016)	Remaining
U.S National (USN) Labor Long-Term	2,169.00		2,169.00
USN Labor Short-Term	3,068.00	102.56	2,965.44
CCN Labor Long-Term (Professional Staff)	15,997.00	157.00	15,840.00
CCN/TCN Labor Short-Term	3,872.00	17.00	3,855.00
Total	25,106.00	276.56	24,829.44

# ANNEX 1: DOCUMENTS PUBLISHED IN FY2017 Q1

Publication	Due Date	Approval Number	Approval Date
Year I Workplan (inclusive of Gender Action Plan)	45 days of contract award	SPEED+ 16-R001	17 November 2016
Monitoring, Evaluation & Learning Plan	45 days of contract award	SPEED+ 16-R004	Submitted 11 October 2016, pending USAID approval
Management Plan	45 days of contract award	SPEED+ 16-R002	4 December 2016
Communications Plan	60 days of contract award	SPEED+ 16-R003	20 December 2016
Quarterly Report, FY16 Q4	USAID COR approved including August-December 2016 write-up as part of FY2017 Q1 report	SPEED+ 1-R0001	12 October 2016

## ANNEX 2: SUMMARY ME&L TABLE<sup>3</sup>

Indicator	Unit of Measure	Disaggregation	Baseline Year	Baseline Value	LOA Target	FY2017 Target	FY2018 Target	FY2019 Target	FY2020 Target	Achieved to date	Observation
SPEED+ Goal: Strengthen and improve the business environment in Mozambique											
Ease of Doing Business Rank	Rank	None	2016	133	This is a context indicator. SPEED+ will collect and report the data but has no direct control of the figures					Data for this indicator will be collected and reported annually	
Score on the Global Competitiveness Index	Index	None	2016	3.13	This is a context indicator. SPEED+ will collect and report the data but has no direct control of the figures					Data for this indicator will be collected and reported annually	
SPEED+ Purpose: Resilient, inclusive, broad-based and economic growth accelerated through policy reform enabling trade, investment, job creation and improved conservation of natural resources in Mozambique											
Private-sector cost reductions	US Dollars	Policy reform	2016	0	\$30 mil	0	\$6 mill	\$9 mill	\$15 mill	Data for this indicator will be collected and reported annually	
Value of income increases	US Dollars	Policy reform	2016	0	\$15 mil	0	\$3 mill	\$4 mill	\$8 mill	Data for this indicator will be collected and reported annually	
Value of new investments leveraged	US Dollars	Policy reform	2016	0	\$50 mil	0	\$10 mill	\$15 mill	\$25 mill	Data for this indicator will be collected and reported annually	
Number of jobs created	# of jobs	Policy reform	2016	0	10,000	0	2,000	3,000	5,000	Data for this indicator will be collected and reported annually	
Percentage change in elephant population	% change	Policy reform	2016	TBD	TBD	TBD	TBD	TBD	TBD	Data for this indicator will be collected and reported annually	

<sup>3</sup> Note: The SPEED+ ME&L Plan is still in draft form and waiting formal approval from USAID. Thus this table is likely to change in future Quarterly reports.

Indicator	Unit of Measure	Disaggregation	Baseline Year	Baseline Value	LOA Target	FY2017 Target	FY2018 Target	FY2019 Target	FY2020 Target	Achieved to date	Observation
Activity Objective 1: An Improved Agricultural Policy Framework											
1.1 Number of agricultural and nutritional enabling environment policies analyzed, consulted on drafted or revised, approved and implemented with USG assistance (EG.3.1-12)	# policies	Policy area; process/step	2016	0	3	0	1	1	1	<p>Tributação autónoma (policy area: enabling environment for private sector investment; Process/step: analyzed)</p> <p>Land Tenure (policy area: land and natural resources tenure, rights and policy. Process/step: analyzed)</p>	Activities related to Tributação Autónoma were carried out from SPEED
1.2 Number of for-profit private enterprises, producer's organizations, water user's associations, women's groups, trade and business associations and community-based organizations (CBOs) that applied improved organization-level technologies or management practices with USG assistance (EG.3.2-21)	# of entities	Type of organization	2016	0	3	0	1	1	1	0	
1.3 Percentage of female participants in USG-assisted programs designed to increase access to productive economic resources (assets, credit, income or employment) (GNDR-2)	% of women	None	2016	0	35%	25%	30%	33%	35%	0	
1.4 Enabling the Business of Agriculture score	Score	None	2016	90.6	This is a context indicator. SPEED+ will collect and report the data but has no direct control of the figures					Data for this indicator will be collected and reported annually	

Indicator	Unit of Measure	Disaggregation	Baseline Year	Baseline Value	LOA Target	FY2017 Target	FY2018 Target	FY2019 Target	FY2020 Target	Achieved to date	Observation
1.5 Value of agricultural imports	US Dollars	None	2015	TBD	This is a context indicator. SPEED+ will collect and report the data but has no direct control of the figures					Data for this indicator will be collected and reported annually	
1.6 Value of agricultural exports	US Dollars	None	2015	TBD	This is a context indicator. SPEED+ will collect and report the data but has no direct control of the figures					Data for this indicator will be collected and reported annually	
1.7 Percent change in agricultural gross domestic product (GDP) (EG.3-c)	% change	None	2015	TBD	This is a context indicator. SPEED+ will collect and report the data but has no direct control of the figures					Data for this indicator will be collected and reported annually	
1.8 Percentage of national budget invested in agriculture (EG.3-d)	% of national budget	None	2015	TBD	This is a context indicator. SPEED+ will collect and report the data but has no direct control of the figures					Data for this indicator will be collected and reported annually	
Activity Objective 2: An Improved Trade and Investment Policy Framework											
2.1 Number of reforms/policies/ regulations/ administrative procedures in each of 5 stages of development (IR 4.1)	# of reforms/p olicies/ regulation s/administr ative procedure s	Stage of development	2016	0	4	0	1	2	1	WTO Trade facilitation agreement (stage of development: official approval).	Activities related to TFA were carried out from SPEED
2.2 Trading Across Borders ranking IO 2 context)	Rank	None	2016	129	This is a context indicator. SPEED+ will collect and report the data but has no direct control of the figures					Data for this indicator will be collected and reported annually	
2.3 Time to export/import along corridors (IR 3 Context Ind 1)	Hours	Imports vs exports; trade corridor	2017	TBD	TBD	--	--	--	TBD	Data to be collected and reported during baseline and end-line	
2.4 Cost to export/import along corridors (IR 3 Context Ind 2)	USD	Imports vs exports; trade corridor	2017	TBD	TBD	--	--	--	TBD	Data to be collected and reported during baseline and end-line	
2.5 Ease of Doing Business Rank in:	Hours	None	2016	14 hrs	This is a context indicator. SPEED+ will collect and report the data but has no direct control of the figures					Data for this indicator will be collected and reported annually	



Indicator	Unit of Measure	Disaggregation	Baseline Year	Baseline Value	LOA Target	FY2017 Target	FY2018 Target	FY2019 Target	FY2020 Target	Achieved to date	Observation
Time to import: Border compliance				24 hrs						Data for this indicator will be collected and reported annually	
Time to import: Documentary compliance				78 hrs						Data for this indicator will be collected and reported annually	
Time to export: Border compliance											
Time to export: Documentary compliance				70 hrs						Data for this indicator will be collected and reported annually	
2.6 OECD 11 Trade Facilitation indicators: Information availability Involvement of the trade community Advance rulings Appeal procedures Fees & charges Formalities (Documents) Formalities (automation) Formalities (procedures) Internal border agency cooperation External border agency cooperation Governance & impartiality	Score	None	2016	.7 .67 0 .63 1.33 .33 .67	This is a context indicator. SPEED+ will collect and report the data but has no direct control of the figures					Data for this indicator will be collected and reported annually	
										Data for this indicator will be collected and reported annually	
										Data for this indicator will be collected and reported annually	
										Data for this indicator will be collected and reported annually	
										Data for this indicator will be collected and reported annually	
										Data for this indicator will be collected and reported annually	
										Data for this indicator will be collected and reported annually	

Indicator	Unit of Measure	Disaggregation	Baseline Year	Baseline Value	LOA Target	FY2017 Target	FY2018 Target	FY2019 Target	FY2020 Target	Achieved to date	Observation
				1.1						Data for this indicator will be collected and reported annually	
				1						Data for this indicator will be collected and reported annually	
				2						Data for this indicator will be collected and reported annually	
				.57						Data for this indicator will be collected and reported annually	
2.7 Logistics Performance Index score	Score	None	2016	2.68	This is a context indicator. SPEED+ will collect and report the data but has no direct control of the figures					Data for this indicator will be collected and reported annually	
Activity Objective 3: An Improved Power Policy Framework											
3.1 Number of policy reforms/ laws/ regulations/ administrative procedures drafted and presented for public/ stakeholder consultation to enhance sector governance and/or facilitate private sector participation and competitive markets as a result of USG assistance (PA 29)	# of policy reform/law /regulation /administrative procedure	Focus of reform; drafted vs presented;	2016	0	4	1	1	1	1	0	
3.2 Number of energy sector laws, policies, strategies, plans or regulations officially revised, adopted or implemented as a result of USG assistance that enhance energy sector governance and/or facilitate private sector participation and competitive markets, and/or encourage investment in clean and cleaner, small scale and off-grid options, and/or support	# of policy reform/law /regulation /administrative procedure	Focus of reform; stage	2016	0	2	0	1	0	1	0	

Indicator	Unit of Measure	Disaggregation	Baseline Year	Baseline Value	LOA Target	FY2017 Target	FY2018 Target	FY2019 Target	FY2020 Target	Achieved to date	Observation
gender integration in the energy sector (PA 30)											
Activity Objective 4: An Improved Water Policy Framework											
4.1 Number of laws, policies, or regulations that address water security, integrated water resource management, and/or water source protection officially proposed, adopted or implemented as a result of SPEED+ assistance	# of laws, policies, or regulations	Stage of development; type	2016	0	1	0	1	0	0	0	
4.2 Number of action plans implemented for water security, integrated water resource management, and/or water source protection as a result of USG assistance (HL.8.3-2)	# of action plans	Action plan type	2016	0	2	0	1	1	0	0	
4.3 Number of people educated on tools, approaches, and/or methods for water security, integrated water resource management, and/or water source protection as a result of USG assistance (HL.8.3-1)	# of people	Sex	2016	0	TBD	TBD	TBD	TBD	TBD	0	
Activity Objective 5: An Improved Biodiversity Conservation Policy Framework											
5.1 Number of laws, policies, or regulations that address biodiversity conservation and/or other environmental themes officially proposed, adopted or implemented as a result of USG assistance (EG.10.2-5)	# laws, policies, regulations	Stage of development; conservation law compliance category	2016	0	2	0	1	1	0	0	
5.2 Number of people trained in sustainable natural resources management and/or biodiversity conservation as a result of USG assistance (EG.10.2-4)	# of persons trained	Sex; conservation law compliance category	2016	0	TBD	TBD	TBD	TBD	TBD	0	

Indicator	Unit of Measure	Disaggregation	Baseline Year	Baseline Value	LOA Target	FY2017 Target	FY2018 Target	FY2019 Target	FY2020 Target	Achieved to date	Observation
Cross cutting:											
CC1: Number of participants attending SPEED+ workshops/conferences/trainings	# of participants	Sex; type of participant; type of event	2016	0	350	200	240	290	350	0	
CC2: Number of persons trained with USG assistance to advance outcomes consistent with gender equality or female empowerment through their roles in public or private sector institutions or organizations (F Gender-8)	# of persons trained	Sex	2016	0	50	35	40	45	50	0	
CC3: Number of legal instruments drafted, proposed or adopted with USG assistance designed to promote gender equality on non-discrimination against women or girls at the national or sub-national level (F Gender-1)	# of legal instruments	Stages achieved with USG assistance	2016	0	3	0	0	2	1	0	



U.S. Agency for International Development  
1300 Pennsylvania Avenue, NW  
Washington, DC 20523  
Tel: (202) 712-0000  
Fax: (202) 216-3524  
[www.usaid.gov](http://www.usaid.gov)