



Quarterly Report FY17 Q2

January 01 – March 31, 2017

Supporting the Policy Environment for
Economic Development (SPEED+)

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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
AIAS	Water and Sanitation Infrastructure
AMOS	Safari Operators Association
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
CRA	Mozambique Water Regulator
CSO	Civil Society Organization
CTA	Confederation of Business Associations
DCOP	Deputy Chief of Party
DFID	U.K. Department for International Development
DINAT	National Land Directorate
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
FIPAG	The Water Supply Investment and Asset Fund
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
ICAJU	Cashew Institute of Mozambique
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
SINAS	National Information System for Water and Sanitation
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
SUWASA	Sustainable Water and Sanitation in Africa Project (USAID)
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 Program
UPS	United Parcel Service
USAID	U.S. Agency for International Development
USDA	U.S. Department of Agriculture
USTDA	U.S. Trade and Development Agency
WALIS	Water for Africa through Leadership and Institutional Support
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. Highlights of key deliverables are included in the table below; additional details and activities are provided in the following report.

Table 1: Highlights of Key Activities

Task	Activities This Quarter	Next Steps
<i>Cross Cutting</i>		
SPEED+ Official Launch	<ul style="list-style-type: none"> SPEED+ was officially launched on February 13, 2017 in Maputo. 140 guests attended the launch event. 	SPEED+ will organize a project team-building retreat next quarter.
<i>Agriculture</i>		
Review of PODA Value Chains (Cashew, Rice)	<ul style="list-style-type: none"> SPEED+ worked with the Mozacajú project to support INCAJU address policy reforms for the cashew sector. SPEED+ analyzed key legal reforms that might be considered in a new Cashew Law and reached agreement with INCAJU to support development of a revised Cashew Law and examine the economic impacts of the export tax. A working group has also been created to guide the work. 	Continue to support INCAJU with specific legal drafting for the new cashew law; undertake and economic analysis of the cashew export tax.
	<ul style="list-style-type: none"> SPEED+ held meetings with DNPCI to define possible SPEED+ intervention in the rice value chain 	Discussions with DNPCI and USAID on possible support to the rice value chain.
Autonomous Tax	<ul style="list-style-type: none"> SPEED+ engaged with the Tax Authority (AT) and CTA to revive discussions on the autonomous tax (<i>tributacao autonoma</i>). SPEED+ will work with CTA and AT to conduct a joint field trip to three provinces to identify legal reforms that will encourage more formal businesses to purchase inputs from informal and small scale farmers. 	Conduct field trip with AT and CTA to 3 provinces. Define reform priorities after the field trip.
Improvement of Land Administration	<ul style="list-style-type: none"> SPEED+ agreed with MITADER and the donor working group to provide support in policy and legal reform related to land administration. Following a USAID land tenure mission recommendations, SPEED+ finalized a SOW to support implementation of land administration reforms. 	SPEED+ will contract Ian Rose and Bruno Lopez to identify and support ways SPEED+ can support implementation of land reforms next quarter.
<i>Trade and Investment</i>		
TFA Ratification and Implementation	<ul style="list-style-type: none"> SPEED+ supported MIC to formally notify the WTO that Mozambique ratified the WTO Trade Facilitation Agreement (TFA). The TFA came into force during the quarter and SPEED+ worked with MIC to set up a National Trade Facilitation Committee and supported with initial meetings, including a trip to an NTFC meeting in Geneva. SPEED+ supported Customs officials to draft text on key procedures related to appeal, testing of goods, and goods rejected due to sanitary, phytosanitary or technical issues. 	SPEED+ will continue to support operation of the NTFC. SPEED+ will also support drafting of SOWs for implementation of Cat C commitments.
Develop of National Trade Portal	<ul style="list-style-type: none"> SPEED+ analyzed existing trade portals and will present on Trade Portals, together with the Southern Africa Trade and Investment Hub (SATIH) next quarter. 	SPEED+ and SATIH will make a presentation to the NTFC on trade portals next quarter.
Development of AGOA strategy	<ul style="list-style-type: none"> SPEED+ worked with MIC to develop a SOW for the AGOA utilization strategy and contracted Michael Blakeley to lead the team in drafting the AGOA Strategy. SPEED+ also coordinated with SATIH. 	Mr. Blakeley will begin work on the AGOA Strategy next quarter.
Improving Sanitary and Phytosanitary (SPS) Framework	<ul style="list-style-type: none"> SPEED+ worked with the Mozambique SPS Committee to reach agreement on a SOW for the activity and contracted 	Mr. Magalhães will begin work next quarter.

	João Magalhães to support SPS work related to meeting WTO SPS requirements.	
Review EIF Tier 2 Proposals on SPS and TBT	<ul style="list-style-type: none"> • SPEED+ helped organize a visit by donors to INIP and INNOQ laboratories to help further support of each institutions Enhanced Integrated Framework (EIF) proposals for financial and technical assistance. 	Support MIC in meeting EIF requirements so that Mozambique's requests can advance.
Quality Standards for Trade	<ul style="list-style-type: none"> • SPEED+ worked with INNOQ to reach agreement on a SOW for the activity and contracted Ed Nemeroff to lead the work, which will focus on meeting WTO TBT requirements and building capacity at INNOQ to ensure standards support and not negatively impact trade; attention will be paid to standards for the oil and gas industry. 	Mr. Nemeroff and team will begin work next quarter.
Corridors Competitiveness (Maputo and Nacala)	<ul style="list-style-type: none"> • SPEED+ supported CTA to attend the Maputo Corridor Logistics Initiative's (MCLI) Twelfth AGM and Transport Forum. Findings and recommendation from the Maputo Corridor study disseminated to key stakeholders. • SPEED+ worked with the Northern Development Corridor (CDN) to finalize a SOW to begin work on analyzing costs and time to transit along the Nacala Corridor, from the Port of Nacala, through Malawi to Tete. 	SPEED+ will organize a Business Breakfast on Trade and the Maputo Corridor next quarter. SPEED+ will also work to finalize approvals and begin work on the Nacala Corridor study in Quarters 2 and 3.
<i>Business Environment</i>		
Getting Electricity	<ul style="list-style-type: none"> • SPEED+ worked with the National Directorate of Energy and EdM to finalize a plan to disseminate Decree 10/2016 nationwide, which streamlines electricity connections and which will help Mozambique's Doing Business indicators in the area. 	SPEED+ will begin production of a communications campaign to disseminate Decree 10/2016
Mozambique Stock Exchange	<ul style="list-style-type: none"> • SPEED+ is working with the Mozambique Stock Exchange (BVM) to analyze strategies to encourage firms to list on the BVM to access alternatives to traditional bank finance. During the quarter, a draft SOW was developed and SPEED+ are identifying experts to undertake the activity, which is expected to begin in the next quarter. 	SPEED+ will finalize approvals and aim to begin work with the Mozambique Stock Exchange next quarter.
Labor Law / Minimum Wage	<ul style="list-style-type: none"> • SPEED+ is working with CTA to evaluate the framework for minimum wage, considering international best practice, the government's goals for employment creation and Mozambique's current state of economic development. • SPEED+ will also support CTA with a study on legal reforms that can feed into discussions on updating the 2007 Labor Law. 	Consultants Mr. House and Mr. Lafleur will be in Mozambique next quarter to commence work on minimum wage. SPEED+ will finalize a SOW on the labor law to discuss with USAID.
Public Participation Law	<ul style="list-style-type: none"> • SPEED+ began discussions to attempt to revive the draft Public Participation Law. 	SPEED+ will organize a Business Breakfast on the topic next quarter.
Business Breakfasts	<ul style="list-style-type: none"> • SPEED+ held its first Business Breakfast on Doing Business indicators 	Additional Business Breakfasts will be organized next quarter.
<i>Energy</i>		
Power Sector Study	<ul style="list-style-type: none"> • SPEED+ finalize the power sector study, engaged stakeholders and finalized a detailed work plan. 	Implementation of the work plan will begin next quarter, starting with on-grid.
Energy Efficiency at EdM	<ul style="list-style-type: none"> • SPEED+ discussed ways of implementing energy efficiency programs, such as residential lighting, commercial lighting, and industrial HVAC, with EdM's new Energy Efficiency Division. 	SPEED+ will develop SOWs to support energy efficiency activities with EdM and discuss with USAID.
Support the Independent Energy Regulator (ARENE)	<ul style="list-style-type: none"> • SPEED+ provided input to the proposed law for an independent energy regulatory authority submitted to the parliament for approval. 	Next quarter, Mr. Ashley Brown will continue work on supporting the new regulator.
On-grid regulatory and transaction support	<ul style="list-style-type: none"> • SPEED+ received by-in by MIREME on the proposed technical assistance for on-grid support. We will draft SOWs for support of Mr. David Waltenberg and Taciana Lopez. 	SPEED+ will seek approval for consultants and aim to begin work next quarter.
<i>Water</i>		
Implementing the Decree for Private Water Suppliers	<ul style="list-style-type: none"> • SPEED+ prepared a road map for 2017-2020 which was approved by DNAAS after discussions at a workshop attended by DNAAS, CRA, FIPAG, AIAS, Municipalities for Maputo and Matola, AFORAMO, and ARA, 	SPEED+ will begin work on disseminating the decree nationwide and prepare SOWs to support implementing regulations and tariffs.
Mapping Water Providers	<ul style="list-style-type: none"> • DNAAS' database SINAS (National Information system for Water and Sanitation) is changing its data collection system to integrate recommendations made by SUWASA. 	SPEED+ will support changes to the database and start mapping in the coming quarters.

<i>Biodiversity</i>		
Biodiversity Action Plan	<ul style="list-style-type: none"> • SPEED+ has reached to an agreement with ANAC and USAID on revised work plan priorities areas of intervention, which include i) promote youth engagement in monitoring conservation; ii) support development of co-management regulations and transparent tendering for Niassa Reserve and Tchuma-Tchato; iii) support the development of hunting regulations for the safari sector. 	SPEED+ will discuss details for moving forward with the action plan with USAID and SPEED+ new Biodiversity Portfolio Manager next quarter.
Strengthening Enforcement of the Conservation Law	<ul style="list-style-type: none"> • USAID requested that SPEED+ support the PGR to develop training materials for judges and prosecutors. 	SPEED+ will develop a SOW for the work to discuss with USAID and aim to being work next quarter.
Conservation Co-Management Plan	<ul style="list-style-type: none"> • SPEED+ reached agreement with USAID and BIOFUND on a co-management of conservation areas study. 	A consulting team led by Peter Lindsey will begin work on the co-management study next quarter.

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) which runs from August 26, 2016 through August 25, 2020. 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+ provides 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+ promotes improved fiscal transparency, tax policy and economic and environmental governance across all aspects of its programming. The project supports 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 January 01, 2017 through March 31, 2017. It is organized in two main sections: (1) Technical Activities and (2) Management and Administration. Section 1 is organized by component and generally follows the structure of the Year 1 work plan to enable reporting against work plan activities. Annex 1 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

During the current quarter, SPEED+ focused on the following activities.

1.1 Review of the PODA Agriculture Value Chains

Context: The Government of Mozambique's (GoM) Operational Plan for Agrarian Development (PODA) 2015-2019 identifies 15 strategic products: maize, rice, beans, vegetables, fruticulture, roots and tubers, banana, sugar cane, wheat, sesame, soya, cashew, cotton, poultry and livestock.

This quarter: During the quarter, SPEED+ worked with MASA within this framework to support enhanced policy approaches to support development of two of these value chains: cashew and rice.

- *Cashew:* SPEED+ engaged with the National Institute for the Development of Cashew (INCAJU), TechnoServe (TNS) and other stakeholders to assess policy reforms in the cashew value chain. SPEED+ continued to work with our contracted consultant, Louise Williams, to provide recommendations on the draft cashew law. SPEED+ also developed a detailed memorandum outlining our support to INCAJU in the development of the new law and regulations, the supporting economic analysis on the export tax, as well as the necessary public consultation to ensure that the draft legislation reflects the needs of those operating along the cashew value chain. SPEED+ also participated in a TNS sponsored field visit to Ivory Coast to learn how the Ivory Coast increased its cashew production in the last 10 years (from 6,300 tons in 1990 to over 700,000 tons in 2016) and its plans for policy reforms to promote its cashew processing industry.
- *Rice:* As MASA's main office for coordinating technical assistance, SPEED+ also met with MASA's National Directorate for Planning and International Cooperation (DNPCI) to identify areas of cooperation. SPEED+ was asked to consider support for the rice sector. MASA has introduced a National Rice Development Program 2016-2027 (NRDP), which focuses on the production of certified seeds, support for small rice producers in seed selection, processing and storage, and supply of fertilizers and herbicides. Mozambique has a comparative advantage for producing and exporting rice in SADC but there are many constraints that limit the development of this crop. In the coming quarters, SPEED+ will consider policy reforms that can help development of the rice sector.

Results: This reporting period, SPEED+ created and maintained engagement with cashew sector stakeholders and reached agreement with INCAJU to provide support on drafting draft cashew legislation, supporting the consultation process and undertaking related studies on economic effects of the cashew tax.

Next steps: SPEED+ will continue to engage with INCAJU and stakeholders, develop a scope of work (SOW) for an economic analysis of the cashew export tax, and start drafting input to the Cashew law, and start the consultation process. The aim is to have a law ready by July 2017 and supporting regulations by March 2018. SPEED+ will continue to engage with DNPCI finalize the

scope of SPEED+'s support to the rice value chain. Discussions with MASA will also focus on other policy measures mentioned in PODA, including regulations for production by contract, and establishment of safeguard measures that support value chains without negatively impacting farmers and other actors.

1.2 Support Mid-Term Review of PNISA

Context: The National Agriculture Investment Plan (PNISA) 2013-2017 is ending this year and MASA, with support from the World Bank, will begin evaluation of PNISA in the next quarter. It is expected that MASA will revise and extend PNISA through 2020 and while preparing a 10-year strategic plan for 2021-2030.

This quarter: SPEED+ met with USAID, the World Bank and MASA to discuss possible support for the evaluation and revision of PNISA. It was agreed that any related SPEED+ support for the review would consider MASA's formal presentation of its plans to the donor community in May 2017 and any related World Bank support for the review.

1.3 Support to New Alliance BAWG

Context: As part of its commitment to the New Alliance framework, Mozambique signed Letters of Intent (LoI) with private sector companies to dialogue on removing obstacles to realizing their planned investments. The Business Advisory Working Group (BAWG) was established as the forum to address 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.

This quarter: SPEED+ met the BAWG Acting President, the CTA agriculture sub-committee, and DNPCI. MASA and CTA would like to see BAWG increase its size and scope, however the BAWG Acting President disagrees, preferring to address and resolve obstacles raised by those companies that had signed LoIs with the government under NA.

Next steps: SPEED+ will work with support BAWG in scheduling a meeting next quarter to address how the group should move forward. This meeting will also discuss revision of the New Alliance matrix and development of the New Alliance and Grow Africa progress report 2015-2016.

1.4 Update the New Alliance Policy Matrix

Context: The New Alliance is a shared commitment between the Government of Mozambique, private sector and Development Partners to achieve sustained and inclusive agricultural growth and raise millions of the country's poor out of poverty. The New Alliance Grow Africa annual review is the primary accountability mechanism for all Cooperation Framework commitments. The annual review brings together stakeholders to discuss progress against commitments and to generate a mutually agreed country progress report for inclusion in the New Alliance/ Grow Africa Progress Report.

This quarter: MASA requested USAID support in updating the NA policy matrix. SPEED+ met DNPCI to discuss this and development of the Joint New Alliance and Growth for Africa report 2015-2016. There are two options for refreshing the policy matrix: 1) simplify the consultation process and focus on issues that are MASA's direct responsibility; or 2) continue with a matrix

that includes policy commitments from other ministries but with stronger coordination, and engagement from the other ministries. MASA indicated they prefer the second option.

Next steps: SPEED+ will continue dialogue with DNPCI about revision of the NA matrix.

1.5 Autonomous Tax (*Tributação Autónoma*)

Context: The Autonomous Tax is a 35 percent tax on non-documented expenses levied under the Value-Added tax (VAT) Code, on transactions made by persons not registered within the tax system. Autonomous Tax impacts those buying from small producers (almost 5 million farmers) resulting in significant cost increases, and thus renders many business models which involve sourcing raw materials from smallholders unviable. The Tax Authority (AT) believes all small producers should register for Simplified Tax for Small Taxpayers (ISPC - *Imposto Simplificado para Pequenos Contribuintes*). However, in rural areas, uptake of the ISPC has been very low due to low rates of literacy, lack of information, lack of desire to engage with government, lack of ID documents which prevents tax registration, and the need for any registered ISPC-payer to travel long distances to pay tax.

This quarter: SPEED+ engaged with AT and CTA to agree on a proposal to resolve the constraints that are impeding the use of ISPC by farmers. A detailed proposal was developed and agreed upon to undertake a field trip to selected districts in Maputo, Gaza and Nampula with 10 representatives from CTA, AT and SPEED+. The team will meet stakeholders including companies, associations, cooperatives and smallholder producers to identify fiscal measures that will not only guarantee effectiveness and efficiency in tax collection but also end the need for Autonomous Tax. The mission will include three staff from AT head offices in Maputo, joined by one provincial AT representative in each province. It will also include two staff from CTA head offices joined by two local CTA representatives in each province, and two SPEED+ team members. The mission will identify the reasons why invoices and "*talão de venda*" are not used by smallholder producers, and recommend short term measures for revision of the ISPC Code, so that vendors are registered in the tax system and purchasers are no longer subject to Autonomous Tax since the small farmers will be able to issue tax-approved documentation to support sales.

Next steps: Next quarter, SPEED+ will support AT and CTA to undertake a field trip to identify constraints to use of ISPC in rural areas. CTA and AT will then present a joint proposal about ways to resolve the situation.

1.6 Improvements to Land Administration

Context: Mozambique's land administration is complex and despite having a good land law, there are many bureaucratic and implementation problems which inhibit investments in the agricultural sector.

This quarter: MITADER presented its priorities for land sector reform at a meeting with donors during the quarter, which SPEED+ attended. MITADER indicated they needed US\$153 million for land reform activities over the next five years and requested support. SPEED+ committed to focus on the land policy and legal framework and on capacity building with a total allocation of US\$1 million during the project. Based on the meeting with MITADER as well as the findings of the USAID Land Assessment in December 2016, SPEED+ finalized plans for short-term

consultants Ian Rose and Bruno Lopez to work with MITADER and SPEED+ on finalizing concrete plans for SPEED+ support, which may include:

- National Land Cadaster in Mozambique (SIGiT): including improving Institutional Commitment to SIGiT; addressing gaps in functionality; defining modalities for active maintenance; and identifying methods for extension to districts;
- Decentralization of approvals for DUATs to District: best Modality (*Serviços Distritais das Actividades Económicas – SDAE, Serviço Distrital de Planeamento e Infra-Estruturas – SDPI, others?*);
- Procedural Clarity and streamlining (what can be done without changing law or regulation);
- Priorities for legal reform given possible opening (ease transferability; *cessão de exploração*; simplify *plano de exploração* requirements; DUAT revocation).

DINAT Annual Report – There is a variety of information available about land-related matters, but this is often not systematized or gathered in one place, making overall monitoring of progress on land administration difficult to measure and quantify. This being the case, MITADER has requested SPEED+ support to develop the first edition of an Annual Report that will collect information on land issues in Mozambique as well as communicate and disseminate results of the government's efforts to improve land administration, including documenting progress towards DINAT's objectives as set out in its work plan, and analyzing the impact of the land program including results of partnerships with other stakeholders at both the local and national levels. The report will serve as a model for future reporting and as a baseline for measuring performance and results at district, provincial and national level. At the same time, MITADER is aware of the need to more effectively communicate the results of land administration to the public in a way that can easily be understood and interpreted. The Annual Report is therefore expected to be graphically attractive, easy to read and to contain useful data and statistics for the government's stakeholders and for the public in general. Following a request from DINAT (National Land Directorate), SPEED+ started to gather the necessary data, prepare the report in consultation with the MITADER and to assist with its publication and dissemination. During the quarter, SPEED+ worked closely with Mr. Sérgio Covane, the head of the Department for Monitoring and Evaluation which is responsible for the production of the report, to agree on the contents and structure of the report and then to start working with different departments and officials from DINAT to collect the necessary data and information to write the report. We expect to continue supporting DINAT finalize the Annual Report in the coming quarters.

Next steps: Consultants Ian Rose and Bruno Lopez will begin work with SPEED+ during the next quarter to develop a specific work plan and budget for SPEED+ support. SPEED+ will also continue to participate in the meetings of the Donor Working Group on Land to finalize the tasks assigned to the group and present the results to MITADER. SPEED+ will finalize DINAT's 2016 annual report.

1.7 Reducing Cost of Fertilizer

Context: Mozambique's National Fertilizer Program, approved in July 2012, aims to increase the use of fertilizers by small farmers. The program identifies key constraints and policy options to reduce import costs, improve accessibility and availability, and encourage domestic production and distribution.

This quarter: SPEED+ met the National Directorate of Agriculture and Forests (DNAS) to better understand fertilizer-related issues and government priorities. While Mozambique is considered to have a good overall regulatory and legal framework for the fertilizer business environment, there still constraints that increase costs of fertilizer, which results in lower use. SPEED+ also met AFAP Mozambique, which provides technical assistance to Mozambique in the fertilizer sector, to discuss policy-related areas in which SPEED+ may can work with AFAP.

Next steps: One of the areas SPEED+ and AFAP disused was the need to update a previous study to evaluate the structure of the cost of fertilizer as well as to study the feasibility of producing fertilizer from guano, and lime, both widely available in the country. We will discuss the possibility of supporting this work, jointly with AFAP, with USAID in the coming quarters.

1.8 Implementation of Seed Policies

Context: High-quality seed can help increase yields and improve quality, which can help increase incomes to farmers. MASA has developed a Program for Strengthening the Seed Chain. There is a regulatory framework in place to create the market conditions necessary to foster a competitive private seed sector but there are still many practical limitations and constrains to its' development.

This quarter: SPEED+ met DNAS to understand the government's position on the seed sector. DNAS indicated that SPEED+ could focus on issues related to the implementation of seed policies and regulations, including certification, quality and multiplication. SPEED+ also met APROSE, the dialogue platform for the seed sector. APROSE suggested that SPEED+ support USEBA (Government Seed Unit) to improve its ability to act as the national seed authority. SPEED+ also met with the Southern Africa Seed Trade Project and discussed areas for collaboration and will assist the Seed Trade Project with implementation of trainings in Maputo on SADC Seed Inspection training with APROSE and IIAM in the coming quarter.

Next steps: SPEED+ will work with support the Seed Trade Project implement training next quarter and define further interventions, in collaboration with the Seed Trade Project, that will help advance regional seed trade.

1.9 Review MASA Agriculture Service Centers

Context: Mozambique's National Agricultural Mechanization Program (PNMA) aims to increase production and agricultural productivity by at least 7% per year. Under PNMA, MASA established Agrarian Service Centers (CSA) to promote mechanization along six development corridors through Public-Private Partnerships (PPP). To implement the PNMA, GoM invested US\$ 97.6 million for the acquisition of machinery, equipment and technical assistance. There has been concern among both the donor community and private sector about the efficacy of the CSA model and a review of the operation of this system was included in the SPEED+ work plan.

This quarter: SPEED+ met FDA (*Fundo de Desenvolvimento Agrário*). FDA would like SPEED+' assistance to establish a standardized PPP model to manage the service centers. There are 123 CSAs established in the country of which 98 are PPPs and 25 are public sector managed.

Next steps: SPEED+ will map the current situation of the CSAs and their management approach.

1.10 Review Mozambique's Commodity Exchange

Context: The Mozambique Commodity Exchange (BMM) was created in 2012 and is affiliated to the Ministry of Industry and Commerce (MIC). The BMM has a storage capacity of approximately 85 thousand tons and 21 silos. It was conceived to reduce the transaction costs and risks in agriculture. The Warehouse Receipt System (WRS), operates through BMM offering a finance mechanism for farmers and traders. WRS are linked to a market information system. The recently revitalized Mozambique Institute of Cereals (ICM) wants to ensure a proper management of BMM's warehouses through public-private partnerships.

This quarter: SPEED+ met ICM, to discuss possible areas of support, which includes supporting on development of a strategic and operational plan for ICM as well as mapping warehouses and silos. SPEED+ also made a presentation at the first National Agricultural Marketing Forum, in Mocuba on the 24th of March of 2017 in which the President and various Minister attended. The meeting aimed to prepare for commercialization of an anticipated production surplus. SPEED+' presented the project. And SPEED+ exchanged information with the Southern Africa Trade and Investment Hub (SATIH) and UT Grain Management that are working with regional agriculture value chains and development of WRS.

Next steps: SPEED+ will work with ICM to identify areas for support and will continue to support SATIH in implementation of the WRS.

1.11 Other Activities

SPEED+ also explored other potential areas for possible support, including:

1.11.1 Forestry Policy Diagnostic and Reform Implementation Plan

At the request of MITADER, SPEED+ met the National Directorate for Forestry (DNF). DNF requested support for the formulation of a Forestry Policy and Strategy, and revision of the forestry sector legal framework and is preparing a concept note to outline the support required.

1.11.2 Irrigation Policy Diagnostic and Reform Implementation Plan

MASA's National Institute for Irrigation (INIR) has the mandate for planning development and management of land and water resources for agrarian production. SPEED+ met INIR and INIR requested support to develop an Irrigation Policy and Strategy and supporting legislation including PPP regulations. SPEED+ will evaluate possible entry points since irrigation is not in the year 1 work plan.

1.11.3 The Banana Bunch Top Virus (BBTV)

Banana Bunch Top Virus (BBTV) was recently identified in Gaza province. It is a disease spread by insects which feed on sap plants. SPEED+ met CTA, Frutisul and the Plant Protection Department to discuss BBTV. Frutisul presented an action plan which would raise awareness among stakeholders, train MASA extension workers and technicians from producing companies on identification and disease management, map the disease, carry out lab testing and establish

domestic quarantine and exit control sites. CTA and Frutisul requested SPEED+ support for the action plan and the project will analyze assistance which it can provide.

COMPONENT 2: AN IMPROVED TRADE & INVESTMENT FRAMEWORK

During the current quarter, SPEED+ focused on the following activities.

2.1 TFA Ratification and Implementation

Context: During this quarter, the WTO Trade Facilitation Agreement (TFA) came into force, when the threshold of two thirds of WTO members completing domestic ratification was reached. Official notification of Mozambique's ratification to the WTO took place in January 2017.

This quarter: SPEED+' focus turned from supporting ratification, to implementation of the agreement. SPEED+ supported MIC to operationalize the National Trade Facilitation Committee (NTFC), which will oversee and coordinate implementation. The NTFC met, and addressed topics related to the Committee's structure and work plan, as well as reviewing progress on implementation of the agreement. Work began on a legal instrument to institutionalize the committee, and terms of reference and a work plan for the committee were drafted. GoM, SPEED+ and USAID participated in WTO meetings in Geneva to share experiences on the NTFCs.

Progress on implementing Category B provisions (those which Mozambique does not plan to request further financial and technical assistance for) continued. SPEED+' work included supporting Customs officials to draft appropriate text on key procedures (related to appeal procedures, testing of goods, and goods rejected due to sanitary, phytosanitary or technical issues), which need to be published or included in the official regulations to comply with the TFA. The project worked with Customs on data related to average release times, and a diagnostic of the potential for using Single Electronic Window data for compliance with the provision in the TFA related to regular publication of data on release times.

Category C items require financial and technical assistance. SPEED+ identified potential donors for all 10 provisions in this category. Specialist input is now needed to develop detailed Terms of Reference to raise the necessary funds. Outside of Category C items, SPEED+ also raised the importance of the development of a National Trade Portal and will, in coordination with SATIH, make a presentation on Trade Portals at the next NTFC meeting.

SPEED+ attended the 1st NTFC international forum in Geneva organized by UNCTAD in collaboration with ITC, WBG, WCO, WTO, and support of USAID, GIZ, and the governments of Finland, and the UK. The forum aimed to empower NTFCs to meet TFA requirements and provided an opportunity to share experiences. Discussions covered establishing and sustaining an NTFC and highlighted the need to legalize the NTFC, develop an implementation roadmap and annual work plan, ensure strong private sector engagement, and have an effective secretariat. Participants noted that countries should identify champions to drive the trade policy reform agenda, and engage with key stakeholders to ensure strong political will.

SPEED+ also had meetings with Mozambique's Permanent Mission in Geneva, and the Grow Africa focal point for Mozambique. Mozambique's permanent mission is the liaison between the NTFC and the International Trade Facilitation Committee. The meeting with Grow Africa was to learn about their plans to promote private investment in Mozambique, in line with the NA agenda.

Results: SPEED+ supported Mozambique in implementing the action plan for Category B commitments, which aims for compliance in 6 category B provisions by the end of 2017, and compliance in the remaining Category B provision by end of 2018. SPEED+ supported the National Trade Facilitation Committee with the development of draft texts on test procedures (commitment 5.3) and rejected goods (commitment 10.8) which, once completed, will be published on the Customs website to meet TFA commitment 1.1 and 1.2 on publication and information on the internet. SPEED+ also worked with Customs on revising legislation to meet Mozambique's TFA obligation on rejected goods. The TFA provision stipulates that goods refused entry into Mozambique should be allowed to be returned to the exporter. Current practice in Mozambique does not allow this as Customs claim that goods are rejected only because they are illegal (e.g., guns) or because they would be a danger to the public (e.g. spoiled meat for example). In both cases, current practice is to destroy the items. SPEED+ worked with Customs to agree that unless the goods are illegal or constitute a danger to the public, they can be returned to the exporter if they are denied entry into Mozambique. Updates to national legislation will incorporate these changes, by end of 2017. Provision 1.4 of the TFA requires submission of a list of where all information on various issues related to trade can be found. SPEED+ worked with the GoM to identify TFA-related legislation and the online location of relevant information, which will be reviewed at the next NTFC and then submitted to the WTO. SPEED+ helped move forward the institutional arrangements for Trade Facilitation, including preparing a briefing for the Minister of Industry and Commerce on the structure of the NTFC, supporting a NTFC meeting in March including the updating of the NTFC workplan and Category B implementation roadmap, and working with the MIC legal department to develop internal procedures (*regulamentos internos*) to incorporate the NTFC into the ministry. SPEED+ also provided support to MIC staff in advance of their participation in training at the WTO in Geneva and worked with staff from the Single Window operator on data related to average release times.

Next steps: The structure and terms of reference of the NTFC are expected to be approved, and implemented. The committee expects to receive a first draft of the legal document that formally creates it. The committee is expected to approve a final text on key provisions which will then be published. SPEED+ will assist stakeholders undertake a field visit to two customs posts (one land based and one port), to verify *in situ* some of the findings from the diagnostic of data from the Single Electronic Window. SPEED+ will work with specialists from the European Union to refine Category C terms of reference and prepare them for financing. And SPEED+, together with SAITH, will present on a National Single Window at the next NTFC meeting.

2.2 AGOA Utilization Strategy

Context: 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. For Mozambique to be able to take full advantage of AGOA preferences, GoM needs a comprehensive AGOA strategy that targets the full range of supply-side constraints to trade.

This quarter: SPEED+ continued engaging with MIC's focal points and began gathering data on export trade in coordination with SAITH.

Next steps: Work on the development of the AGOA strategy will begin next quarter.

2.3 Reducing Import/Export Costs on the Nacala Corridor

Context: 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. 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.

This quarter: SPEED+ continued working to finalize the scope of work in close coordination with the Northern Development Corridor (CDN). Implementation of FastPath2 is scheduled to begin next quarter.

2.4 Improving Sanitary and Phytosanitary Certification (SPS) Framework

Context: Efficient and cost-effective SPS services are a key element of agricultural exports. SPS regulations in Mozambique need to follow WTO commitments and best international practice so they do not unnecessarily impede trade. SPEED+ is working with the national SPS Committee to strengthen their National Enquiry Point and National Notification Authority as well as to review Mozambique's SPS Framework.

This quarter: SPEED+ continued working with the SPS Committee and MIC to finalize the scope of work and secure government buy in. Implementation of the work will begin in June 2017.

2.5 Strengthening Public Participation in the Legislative Process

Context: SPEED assisted a group of civil society organizations to develop a law to strengthen public participation in the legislative process. A draft law that was developed in 2014. The next step is to promote public consultation and debate about the draft. SPEED+ spoke about the draft at a meeting with the chair of the parliamentary commission on Agriculture, Economy and Environment. The chair indicated that the commission will support the initiative because one of the main challenges they face when receiving draft legislation from the government, is ensuring there has been sufficient public consultation.

This quarter: SPEED+ began preparing for a Business Breakfast on the Public Participation Law which will be held next quarter.

2.6 Review EIF Tier 2 Proposals on SPS and TBT

Context: Under the Enhanced Integrated Framework (EIF), Mozambique has submitted two proposals related to SPS and technical barriers to trade (TBT). The EIF National Implementation Unit is seeking funding for these projects and submitted them to the Trade Subcommittee of the Private Sector Working Group (PSWG). USAID asked SPEED+ to arrange a visit for the Trade Subcommittee to the laboratories of the National Fisheries Inspectorate (INIP) and the National Quality Standards Institute (INNOQ).

This quarter: SPEED+ organized visits to INIP and INNOQ on March 30th. 20 people visited the INIP lab and 23 people the INNOQ lab, with participants from MIC, INIP, INNOQ, Austrian Development Cooperation, EU Delegation, German Embassy, GIZ, Netherlands Embassy, US Embassy, USAID and SPEED+. Two presentations preceded the visits and enabled participants to learn about the labs' role in ensuring SPS and TBT compliance and understand their technical and financial needs. INIP and INNOQ highlighted the need for improving the policy and legal framework, as well as the need for equipment, training, and expanding their services.

Results: The visits led to increased awareness of INIP and INNOQ's activities and their institutional capacity building needs and initial commitments for support were made by donors.

Next steps: SPEED+ will circulate a report, and debrief the PSWG about the visit. SPEED+ will work with INIP and INNOQ to implement the joint workplan.

2.7 Quality Standards for Trade

Context: 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.

This quarter: SPEED+ worked with INNOQ to agree interventions to strengthen the National Enquiry Point and National Notification Authority as well as to support the National Quality Infrastructure (NQI). SPEED+ also assisted with development of a workplan for American National Standards Institute (ANSI) to work with INNOQ. ANSI will deliver a workshop on NQI policy and enable Mozambican businesses to learn more about the importance of standards, talk about an NQI and INNOQ's new Strategic Plan, hear about WTO TBT and SADC issues and talk about public participation in the standards setting process. SPEED+ also discussed about supporting an INNOQ workshop on World Metrology Day (May 22, 2017).

Results: SPEED+ ensured GoM buy-in is ensured developed a joint workplan. ANSI and INNOQ's positions on their workplan were aligned.

Next steps: Implementing begins in early May with consultants (Ed Nemeroff and Thomas Leonard) arriving to start work with INNOQ. Coordination with SAITH and ANSI during the implementation of this activity will be ongoing.

2.8 Other activities

SPEED+ also engaged in the following activities:

2.8.1 Trade policy and strategy

Context: Mozambique's Trade Policy, (PEC) is outdated having been developed in 1998. MIC intends to develop a new Trade Policy and SPEED+ was asked by MIC to undertake the work.

This quarter: SPEED+ worked with MIC to review and finalize the SOW and is working to identify consultants to under the development of a new Trade Policy for Mozambique.

2.8.2 Maputo Corridor

Context: There is concern among the private sector about the rising costs of trade, particularly due to fees charged for mandatory services along international transport corridors. These include charges for the use of international road terminals and non-intrusive inspection (scanning). The effect is an increase in the cost of international trade which contributes to reduced competitiveness of Mozambican exports, increased costs of imports, and the risk of traffic diversion to more competitive ports in the region.

This quarter: SPEED+ supported CTA to attend the Maputo Corridor Logistics Initiative's (MCLI) Twelfth AGM and Transport Forum. CTA made a presentation about the impact of the Ressano Garcia terminal (Km4) on the Maputo Development Corridor. The discussion which followed focused on the need to reduce the fees, streamline procedures based on international best practice, and improve border coordination in line with the TFA. CTA briefed the PSWG about the MCLI meeting.

Result: Findings and recommendation from the Maputo Corridor study were presented.

Next steps: SPEED+ will organize a Business Breakfast on Trade Facilitation at which this topic will be presented.

2.8.3 Compliance with the Enhanced Integrated Framework (EIF) Phase 2 Requirements

SPEED+ was asked to support MIC meet EIF phase 2 (2016-2022) requirements of a mid-term review, audit and work plan. SPEED+ attended weekly planning meetings, worked with the consultants, and provided inputs for the evaluation. As per EIF coordinator recommendations, Mozambique focused on getting the Phase 1 evaluation report completed as it would provide the baseline for the Phase 2 work plan. So, in FYQ2, SPEED+ assisted Mozambique with the evaluation report. Once the evaluation is completed, the work plan will be finalized in FYQ3 with SPEED+ support, with the aim of submitting both plans simultaneously.

2.8.4 TIFA coordination meetings

SPEED+ engaged with MIC and AT to review progress and ensure the implementation of the TIFA matrix.

2.8.5 Strengthening the Food Fortification Regulatory Framework

The GoM approved the Food Fortification Regulation in 2016. MIC is now developing an implementation plan. However, there are concerns from private sector that the regulation is not aligned with existing international food fortification standards. SPEED+ was asked to share findings and recommendations from work conducted under the previous project and assist MIC in addressing the private sector concerns.

2.8.6 Stakeholder engagement

2.8.6.1 Coordination with SAITH (Southern Africa Trade and Investment Hub)

SPEED+ continued to coordinate with SATH to ensure synergies and avoid duplication of work. Specific areas of common interest include the AGOA strategy, SPS and TBT frameworks, Nacala corridor assessment, warehouse receipts and a National Enquiry Point.

Private Sector Working Group

SPEED+ participated in the Private Sector Working Group (PSWG). SPEED+ also attended the Donor Trade Sub-Committee (TSC).

2.9 Business Environment

SPEED+' business environment sub-component focused on developing its work plan this quarter.

2.9.1 Doing Business indicators

Starting a Business

This indicator measures time and cost and Mozambique is 134th. Revision of the Commercial Code will simplify and reduce procedures when registering a business by:

- Removing the requirement for physical presence at the notary
- Merging all fees into a single payment
- Introducing a fixed fee schedule to replace the existing percentage based fees

SPEED+ will work with MIC, Ministry of Justice (MJ) and CTA to review the Commercial Code.

Dealing with Construction Permits

SPEED+ held meetings were held with Maputo Municipality (CMM), MIC and the World Bank to identify the ways to improve this indicator. Mozambique is currently placed 130th. The activities required are:

- Update and improve the CMM website and ensure that all information concerning documentation required and fees to obtain building license are available.
- Disseminate information.
- Introduce a pre-application meeting at CMM to provide applicants with information about requirements.
- Update software financed by SPEED to allow applicants to apply for licenses online and track applications.

SPEED+ is preparing to undertake these activities.

Getting Electricity

This indicator records the number of procedures to obtain a permanent electricity connection as well as the time and cost to complete them. Mozambique is 168th.

SPEED Bridge commissioned the study proposing changes to the system and based on the recommendations, GoM approved Decree 10/2016, which reduced procedures from 7 to 5, reduced days for obtaining a new connection from 91 days to 54 days, and eliminated the need to provide a bank guarantee. The Decree moved all licensing procedures to the National Electricity Company (EdM), eliminating the need for companies to deal with both EdM and National Directorate of Energy (NDE).

However, Decree 10/2016 was not implemented. SPEED+ intervened and the Vice-Minister of the Ministry of Mineral Resources and Energy (MIREME) agreed the decree would now be implemented. This now needs to be communicated to the public. SPEED+ is working with MIREME to develop a communications campaign, which will be implemented in the following quarter.

2.9.2 Mozambique Stock Exchange (BVM)

Access to credit in Mozambique is complex and expensive. SPEED+ is working with the Mozambique Stock Exchange (BVM) to analyze strategies to encourage firms to list on the BVM to access alternatives to traditional bank finance. During the quarter, a draft SOW was developed and SPEED+ are identifying experts to undertake the activity, which is expected to begin in the next quarter.

2.9.3 Minimum wage study

CTA has asked SPEED+ to commission a study to evaluate the framework for minimum wage, considering international best practice, the government's goals for employment creation and Mozambique's current state of economic development. The study will also analyze the policy, political economy and the historical background to the current minimum wage system, as well as looking at other countries' minimum wage systems and will propose reforms. During the quarter, a SOW was developed and agreed with CTA and consultants (James LaFleur and William House) are expected to begin work in the following quarter.

2.9.4 Strengthening public advocacy on BEE

In 2015, CTA and GoM approved a new model for Public-Private Dialogue (PPD). The Prime Minister, leads new PPD model through Business Environment Monitoring Councils – CMAN. CTA requested support from SPEED+ for the next CMAN. However, the meeting was postponed because CTA and MIC have not reached an agreement about the agenda to be presented by the Prime Minister. During the quarter, SPEED+ also worked to try to revive the draft Public Consultation Law, which, if passed, will help ensure there will be an effective Public-Private Dialogue and consultation during the legislative process.

COMPONENT 3: AN IMPROVED POWER & WATER POLICY FRAMEWORK

During the current quarter, SPEED+ focused on the following activities.

3.1 Power Sector Activities

3.1.1 Power Sector Study

Context: SPEED+ conducted a study of the power sector to provide an overview of issues within the Power Africa framework and to identify areas for SPEED+ to support. The study was carried out by a team, which included Jeffrey Rector, Ashley Brown, USAID/Mozambique and USAID/Southern Africa and SPEED+.

The work plan approved by USAID/Mozambique following the scoping study is outlined below:

- Workstream 1: On-grid IPP law, Legal and transaction support: (1) Implement REFIT; (2) Transaction and legal support for pilot IPPs; and (3) Support clarification of legal framework for on-grid IPPs;
- Workstream 2: Off-grid IPP law and regulatory environment: (1) Mini-grid mapping and pilot activity and consensus on an off-grid strategy; (2) Drafting of off-grid IPP enabling legislation; and (3) Review of VAT and import duties for renewable energy equipment;
- Workstream 3: Support for independent regulator: (1) Review of ARENE draft law and implementing regulations; (2) Define capacity needs for ARENE; and (3) a potential activity of designing of an informative website for ARENE;
- Workstream 4: Strengthening EDM: (1) Explore options for energy efficiency activities; (2) Support the establishment of a clear and transparent interconnection process to encourage new investments, what includes reviewing grid code.

This quarter: SPEED+ held meetings were held with stakeholders, and prepared a work plan.

Results: The work plan will facilitate engagement with counterparts to clarify and agree on priorities for implementation.

Next Steps: Meetings with MIREME, FUNAE, CNELEC and EDM to coordinate on implementation of activities, starting with On-Grid.

3.1.2 On-grid IPP law, regulatory and transaction support

Context: Power generation can be provided competitively by independent producers. For independent grid-connected generation to attract overseas capital and flourish, the legal rights of private producers must be clear and consistent with international best practice. There are several independent power projects under development. One of these projects is the Inhambane wind farm, a 30-megawatt wind project which USAID has provided transactional support to for five years.

This quarter: SPEED+ engaged with MIREME and a detail plan of activities is now under discussion with the National Directorate of Energy (DNE), and the Legal Department. MIREME has also requested assistance in mapping new power generation opportunities. MIREMEs legal

department recognizes the need to review energy related legislation, with special focus on the Electricity, PPP and Procurement Laws to attract and facilitate IPP investment.

Results: MIREME has agreed in principle to work with SPEED+ on various issues.

Next Steps: In consultation with counterparts SPEED+ will develop scopes of work for consultants to provide transaction-related support to MIREME. We have identified one international expert (David Waltenberg) and one local expert (Taciana Lopez) to provide support on implementation of on-grid activities.

3.1.3 Off-grid IPP Law and regulatory environment

Context: Rural electrification improves people's quality of life and enables economic growth. In Mozambique, approximately 70% of the population has no access to electrical power. GoM and Power Africa aim to have 100% grid access by 2030. This will require the use of mini-grids which can be operated by utilities, dedicated private companies, or community-based organizations. The National Electrification Strategy (NES) is being financed and managed by the World Bank with EdM as its main counterpart to help shape the off-grid regulatory framework and this is expected to be released in the coming quarter.

This quarter: SPEED+ met FUNAE to identify short-term technical assistance requirements. FUNAE asked for assistance to draft technical standards for mini-grids.

Next Steps: SPEED+ will coordinate with DfID's BRILHO project and follow up with FUNAE and other institutions to identify areas of work. SPEED+ will also provide necessary support to sign DFID's Energy Africa Compact for Mozambique. And SPEED+ project staff will begin a review of VAT and import duties for renewable energy equipment outlined in DFID's report and propose necessary improvements and seek buy-in from major stakeholders such as MIREME, Ministry of Finance, private sector (CTA).

3.1.4 Energy Efficiency at EdM

Context: Programs that increase the energy efficiency of power demand have the effect of making power that is not consumed available for new customers (or the same customers adding new load). A study completed for USAID by ICF International found that the most cost effective and most likely to succeed opportunities are in residential lighting, commercial lighting, and industrial HVAC.

This quarter: SPEED+ discussed an Energy Efficiency Plan with EdM and agreed SPEED+ would support EdM's new Energy Efficiency Division.

Next steps: SPEED+ will hold meetings with EdM and agree on a specific action plan, develop SOWs and discuss next steps with USAID.

3.1.5 Support to EdM to implement streamlining of corporate connections

See above 2.9.1

3.1.6 Support the Independent Energy Regulator

Context: For GoM to achieve its goals for electrification and access to energy it must establish an Independent Energy Regulator. The draft law creating ARENE (the Energy Regulatory Authority) is pending approval.

This quarter: SPEED+ reviewed the draft law creating ARENE and provided inputs for CTA to submit to Parliament. The comments focused on the need to strengthen the institutional framework within which ARENE will carry out its mission. Some of the central elements relate to insulation from short term political pressures, transparent and accessible decision-making processes, agency structure, defining procedural and substantive principles which must be adhered to, and defining applicable methodologies to be applied. SPEED+ worked with CTA to carry out discussions at parliament on the draft. During this process CNELEC, which is to be transformed into ARENE, asked SPEED+ for assistance with its institutional conversion into the energy regulator.

Results: SPEED+ worked with CTA on comments on the ARENE law that was before Parliament and that would improve the draft law creating ARENE. CTA presented comments on the draft law to Parliament. After discussions with CTA, CNELEC and Parliament, the ARENE law was updated to adjust the law to incorporate comments by SPEED+. CNELEC agreed the comments were good and it was agreed that SPEED+ would work with ARENE to include the proposed reforms into implementing regulations once the law has passed. The final law has not yet been published.

Next steps: Based on the discussions held with CNELEC and the information that they have provided, SPEED+ will begin work with ARENE to build capacity and implement their role as a regulator. Ashley Brown will provide initial support to ARENE in the coming quarter. In addition, once the ARENE law is passed, we will provide an analysis of aspects of the law that were updated based on SPEED+ recommendations.

3.1.7 Power Africa Transaction Tracker (PATT)

Context: The PATT transaction tracker is an online system tracking all the current generation transactions and the stages required to reach financial close.

This quarter: SPEED+ updated the PATT.

Next Step: Review PATT to included new projects and pipeline projects.

3.2 Water Sector Activities

Private water providers are an essential component of the water supply network in urban areas and often offer the only option for consumers. SPEED+ will provide support to DNAAS in implementation of the Decree on Private Water Suppliers. Technical standards and implementing regulations still need to be defined to give full effect on the legislation. SPEED+ will support the development of regulations and support the dissemination of the new regulations through a targeted communication campaign.

During the quarter, SPEED+ hired Claudette Lavallee as an Embedded Water Adviser to National Directorate for Water and Sanitation (DNAAS). The Embedded Adviser supported DNAAS to (a)

draft their 2017 work plan and (b) develop a proposal for financing the development of the National Water and Sanitation Information System (SINAS). The proposal was submitted and approved by the Water for Africa through Leadership and Institutional Support (WALIS).

3.2.1 Drafting Water Sector Roadmap for SPEED+ Support

Context: From 2011 to 2015, the USAID-funded SUWASA program worked with the National Directorate of Water to develop the legal framework to legalize the Private Water Providers. SUWASA recommended a pilot project to test the new legislation but DNAAS prefers to go directly to full implementation.

This quarter: SPEED+ prepared a road map for 2017-2020 which was approved by DNAAS after discussions at a workshop attended by DNAAS, CRA (Water Regulatory Council), FIPAG (Water Supply Investment and Assets Fund), AIAS (Water and Sanitation Infrastructure Management Board), Municipalities for Maputo and Matola, AFORAMO (Association of Private Water Providers), and ARA (Water Regional Administration).

Results: The roadmap was approved and initial activities agreed.

3.2.2 Mapping of Private Water Providers

Context: Private Water Providers (FPAs) started offering water services in the early 2000s, and gradually increased in number, until, in 2010, FIPAG inventoried FPAs in greater Maputo (Maputo, Matola and Marracuene) and counted 400 service providers. In 2013, SUWASA carried out a second inventory, also in the greater Maputo area, that showed there were about 816 FPAs. In addition, new FPAs have been building systems to offer water services in many other parts of the country. It is important that the government keep track of the growth of FPAs throughout Mozambique for licensing, water management and planning purposes. SPEED+ will work with DNAAS to update the inventory of FPAs and map FPAs throughout Mozambique to provide an updated and accurate overview of where FPAs are active. This will also be an important tool to support decision makers on setting water policy in Mozambique.

This quarter: DNAAS' database of FPAs is called SINAS (*the National Information System for Water and Sanitation*). SINAS is in the process of changing its data collection approach from a paper-based to an electronic approach using mobile technology. This process may take up to two years to implement, test and ensure reliability. While SINAS is being updated, DNAAS requested SPEED+ to support starting the inventory and mapping exercise for the FPAs throughout Mozambique and then integrate the result into the SINAS database.

Next steps: SPEED+ will support DNAAS in its effort to inventory and map FPAs throughout Mozambique. In the coming quarters, SPEED+ will work with DNAAS to design a detailed SOW and budget for a realistic and cost-effective mapping of FPAs, and then work with USAID to review and proposed work, and once approved, work with DNAAS to carry out the mapping exercises.

3.2.3 Regularization of Private Water Providers

Context: The decree establishing the regulation for private water providers requires a technical standard for to introduce coherence among the various regulatory functions (public health, water

quality, water utility licensing, etc.) and to improve regulatory capacity at all levels. Technical and service standards are required that are broad and provide the right incentives for improving services to all types (low, middle and high income) of consumers.

This quarter: DNAAS is working to finalize the technical standard for private water providers, which will be released for comments and approval. However, since the legislative process will take time, DNAAS plans to use interim guidelines start licensing existing FPAs using temporary licenses.

Next steps: DNAAS will release the technical standards and SPEED+ may support the public comment period for the technical standard and support adoption and implementation of the standard.

3.2.4 Support Dialogue Around Water

Context: The process of developing the decree on private water providers highlighted the importance of a participatory approach of legal reform. As a result, DNAAS aims to continue engaging in consultation during implementation of the decree.

This quarter: The embedded advisor has supported DNAAS to engage in communication with stakeholders through an introductory workshop on March 9th that helped to build awareness of the new decree and the upcoming work around developing implementing regulations.

Results: The workshop about implementation of the decree (see 3.2.1) was the first in what is expected to be a series of engagements with stakeholders.

Next steps: DNAAS is planning meetings to discuss tariffs, provisional licenses, mapping, and dissemination of information.

3.2.5 Implementing the Communications Strategy

Context: SUWASA prepared a communication strategy but it has not been implemented. This activity was delayed until the next quarter.

3.2.6 Capacity building for Licensing Authorities and Private Water Providers

Context: Following a workshop with stakeholders in the water sector, the Licensing Authorities decided they needed a to provide more information to the public on how to obtain a private water provider license. It was decided that a pamphlet containing the step by step guidelines elaborating the steps necessary to obtain a private water license would be helpful. In the coming quarters, SPEED+ with work with DNAAS to develop and disseminate guidelines for obtaining a license. At the same time, we will work to build capacity at DNAAD to efficiently implement the decree and license private water providers.

3.2.7 Other Water Sector Activities:

Support to DNAAS on proposal for WALIS Funding

Context: Once water providers have been issued a license to provide water services, the entity receiving the license and all details about that license and licensee should be captured in a database. For provision and sustainability of water services, it is important to have a clear overview of how many licenses have been issued and where the private water providers are located in the country. DNAAS has an information system called SINAS (*Sistema Informação Nacional de água e Saneamento*). But SINAS has deficiencies and does not produce timely the information needed to take appropriate licensing decisions. USAID, through SPEED+ and WALIS, is considering to support DNAAS to (a) map the current private water providers and put this information into a database (see 3.2.2) and (b) through WALIS funding, improve the SINAS database.

This quarter: DNAAS submitted an expression of interest to the USAID-funded WALIS program. The expression was approved by WALIS and DNAAS was asked to prepare a more detailed proposal, which SPEED+ helped DNAAS to prepare. Following consultations with WALIS, DNAAS and other donors active in the sector, it was decided, that the WALIS funding would focus on 5 provinces not covered by other donors: Maputo, Inhambane, Sofala, Manica, and Cabo Delgado. The other provinces will be covered by donors already working in these areas as: BTC in Gaza, UNICEF in Tete, Swiss cooperation in Niassa, DIFD in Nampula and Zambezia.

COMPONENT 4: BIODIVERSITY CONSERVATION

During the current quarter, SPEED+ hired a Biodiversity Portfolio Coordinator, presented options for a Portfolio Manager, met with ANAC and Biofund, and participated in Biodiversity Working Group meetings as well as SPEED+ focused on the following activities.

4.1 Preparation of ANAC Operational Plan

Context: The previous SPEED project supported ANAC to develop a strategic plan. ANAC has requested additional assistance from USAID to make the plan operational.

This quarter: SPEED+ met ANAC to discuss the preparation of their Operational Plan. ANAC mentioned that the operational plan was no longer a priority and instead asked for SPEED+ support on the following: (1) training to support law enforcement; (2) pilot implementation of monitoring technology; (3) reorganization, tendering and monitoring for safari areas (*Coutadas*); (4) development of a legal framework for private investment in game farming (*fazendas*); (5) assisting the National Safari Operators' Association (AMOS) to operate more effectively; and (6) development of uniform governance and management systems for conservation areas, and support to Niassa Reserve and Tchuma-Tchato community conservation areas; and (7) help promote youth engagement in monitoring conservation. SPEED+ will align interventions with the strategic objectives outlined in "[Measuring Impacts: Measuring Efforts to Combat Wildlife Crime](#)".

Results: SPEED+ is developing an activity plan taking into account the proposals from ANAC and USAID.

Next steps: SPEED+ will update the activity plan taking into account input from ANAC and USAID.

Results: SPEED+ is in the process of discussing priorities for meeting requests from ANAC, which will be through a new Biodiversity Action Plan which will be developed and discussed with USAID and ANAC next quarter (see 4.6 below).

4.2 Review of Draft Regulations for New Conservation Law

Context: Mozambique passed a Conservation Law in 2014. In 2016, amendments were proposed to rectify omissions in the original law, primarily on areas related to penalties, fines and broader authority to prosecute wildlife trafficking and poaching crimes. The amendments are pending promulgation by the President, which is expected to be completed next quarter. ANAC is working on regulations for the Conservation Law.

This quarter: SPEED+ discussed the possibility of supporting public consultation on the regulation, with ANAC. This is such an important opportunity to help promote a public participation process for feedback on the draft regulations.

Next steps: Mozbio is working with ANAC on potential support to organize a public forum to review the regulations. SPEED+ follow-up with Madyo Couto for an update and potential partnership to support this effort.

4.3 Harmonization of Conservation Legislation

Context: The Conservation Law provides an overarching framework for conservation. However, conservation-related issues are covered in a variety of other legislation from the forestry and wildlife and environmental legislation to the penal code. To equip the government with a framework adequate to addressing the threats to the country's natural environment, the various overlapping and sometimes contradictory legislation needs to be analyzed and streamlined to harmonize terminology, remove contradictions and strengthen penalties and enforcement.

This quarter: SPEED+ and ANAC discussed developing a harmonized conservation framework.

Results: ANAC noted that harmonization was no longer needed, but SPEED+ will consider options for harmonization with USAID if still a priority, including possibly raising the topic at a conservation donor group meeting to determine the need and value of a harmonized framework.

4.4 Strengthening Enforcement of Conservation Law

Context: MITADER, Ministry of Justice and the Attorney General's office (PGR) have indicated interest in improving law enforcement in conservation. Other stakeholders including managers of national parks, game farms and hunting concessions are also interested in reforms to enforcement.

This quarter: USAID requested that SPEED+ support the PGR to develop training materials for prosecutors (and potentially judges).

Next steps: SPEED+ will move forward with this activity and will develop a SOW for Luisa Capalao and an international or domestic legal expert to support development of training materials to

strengthen the judicial sector to implement the updated 2014 Conservation Law for increased wildlife crime prosecutions.

4.5 Conservation Areas Management Plan

Context: Conservation Areas (CAs) have been recognized globally as the most effective means of conserving biodiversity and the associated cultural assets. However, achieving effective conservation while encouraging sustainable development is challenging. SPEED+ is working with Biofund, donors and ANAC to develop strategies for more effective management and governance of conservation areas. This involves establishing a framework for CA management to inform ANAC decision-making on appropriate co-management arrangements with the private sector for improved CA management.

This quarter: SPEED+ began working with Biofund to carry out a study of co-management models CAs.

Next steps: The study is expected to begin next quarter with consultants Peter Linsley, Mouton Bhaghai and Bruno Nanchale.

4.7 Donor mapping

Context: SPEED+ will map donors working in conservation and biodiversity to avoid duplication of efforts and identify opportunities for collaboration.

This quarter: Biofund has developed a donor database template that was shared with those working in conservation. In addition, USAID has asked SPEED+ to map partners working on the wildlife trafficking chain.

Next steps: By mid-April, the donor map for conservation and biodiversity will be available on the Biofund website (<http://www.biofund.org.mz/>). The template for mapping donors working in wildlife trafficking will be circulated.

4.8 Other

4.8.1 Stakeholder engagement

Context: Building relationships with GoM, NGOs, and civil society provides opportunities to align their activities and drive long-term sustainability by improving planning and performance. USAID has identified stakeholder engagement as a key function of SPEED+' biodiversity component.

This quarter: SPEED+ met IMPACTO, Environmental Resources Management (ERM), World Wildlife Fund (WWF), Wildlife Conservation Society (WCS), MozBio, and AMOS, participated in two meetings of the Biodiversity Conservation Donor Working Group, and in a workshop organized by IIAM (Institute of Agricultural Research) about "Red List and Important Plant Areas".

Results: SPEED+ became familiar with work being carried out by other institutions, evaluated areas of cooperation, and strengthened relationships with other stakeholders working in conservation.

Next steps: SPEED+ will continue engaging stakeholders in its activities and continue networking.

4.8.2 Strengthening the Management Performance of Mozambique Safari Operators Association (AMOS)

Context: The Safari Operators Association (AMOS) promotes sustainable and ethical hunting. However, the association has many limitations and SPEED+ was asked by ANAC, and AMOS to support the association by training members and strengthening their ability to meet international hunting standards.

This quarter: SPEED+ met AMOS and is considering supporting the association to: (1) develop a wildlife map and map safari operators to define priority areas for training and wildlife restocking; (2) train professional hunters and (3) develop legislation conducive to investment in the hunting sector.

Next steps: SPEED+ will discuss this possible with USAID in the next quarter and, if decided this is an priority area for support, SPEED+ will continue working with AMOS to develop SOWs.

2. MANAGEMENT AND ADMINISTRATION

2.1 SUMMARY

During the quarter, SPEED+ finalized negotiation of a contract for the SPEED+ offices, which will be co-located with the USAID FtF Value Chain project to ensure cost savings and synergies. SPEED+ also finalized procurement of health insurance for project staff. The subcontract to Cimpogest was finalized as well. A new procurement for the updated SPEED+ project website was finalized during the quarter and is expected to be launched in the coming quarter. A SPEED+ Procurement Manager (Ms. Sarah Caldeira) was identified during the quarter and we are aiming to have her start during the following quarter. Monitoring and evaluation and gender activities are outlined below.

2.2 SPEED+ LAUNCH EVENT

SPEED+ was officially launched on February 13, 2017 in Maputo. 140 guests including the US Ambassador to Mozambique, and the Vice Minister of Industry and Trade and representatives of the private sector, government, donor community and civil society attended. SPEED+' Chief of Party of delivered a presentation about the project, the Ambassador spoke about the US' relationship with Mozambique and the Vice Minister highlighted the importance of the project for the country.



Ambassador Pittman opening the launch of the USAID SPEED+ Project

2.3 BUSINESS BREAKFASTS

SPEED+ has scheduled 12 Business Breakfasts (BB) during 2017 with 3 events focusing on each of the 4 components. The aim of the BBs is to present a policy reform topic related to SPEED+ focus areas and to solicit stakeholder feedback to help orientate the project's work.

The first BB on March 10 discussed "*Doing Business-Strategy to improve Mozambique's position*". The Minister of Industry & Commerce and 80 guests attended the 2-hour event. USAID provided opening remarks, CTA spoke about their role in business environment reforms, the World Bank spoke about the short and medium term reforms that Mozambique should adopt to improve its position, and MIC spoke about the actions they are taking to improve the business environment. This was followed by 45 minutes of debate. Feedback from participants was positive.

2.4 COMMUNICATION

During the quarter, SPEED+ finalized the selection of the Communications Manager Abilio Cossa, who was approved by USAID and will begin the beginning of the next quarter. During the quarter, SPEED+ established a SPEED+ Facebook Page, updated the SPEED+ website with new branding of SPEED+, and updated technical and project team pages. Technical staff started working on blogs, which we will aim to post to the website next quarter. SPEED+ also began

consolidation of our contacts database, which will be used for email campaigns once the Communications Manager is on board.

2.5 MONITORING, EVALUATION AND LEARNING (ME&L)

Following comments from USAID on the Monitoring, Evaluation and Learning Plan (ME&L plan) (SPEED+ 16-R004), the ME&L Specialist focused this quarter on reviewing and updating the ME&L plan. Because of the adjustment, the summary M&E table in Annex 2 includes some changes and fewer indicators than those reported in the Q1 report. During the quarter the ME&L Specialist also worked towards developing and implementing the ME&L system which consisted of the elaboration of a Standard Operations Procedure Manual and data collection tools. An ME&L workshop will be held early next quarter with Erika Dunmire. Although some SPEED+ staff are already familiar and using the ME&L data collection tools, the workshop will be essential to systematically guarantee data collection in a timely matter and to make informed decisions.

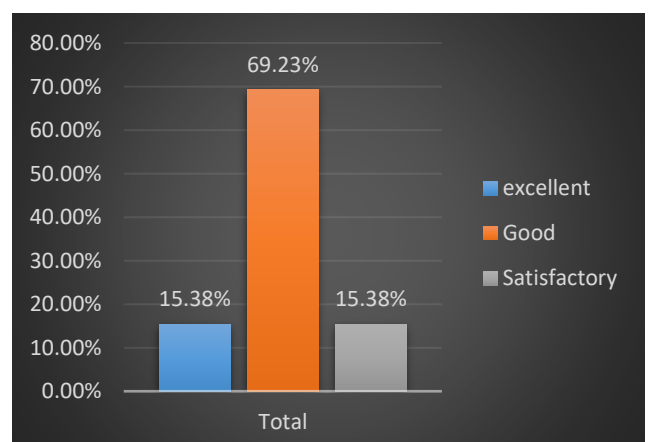
DAI’s proprietary Technical and Administrative Management Information System (TAMIS) will be the main repository of all project information and activity tracking. SPEED+ is in contact with the TAMIS team to incorporate the ME&L tools and indicators into the platform so that efficient and effective data collection, analysis and storage can take place. In the next quarter, SPEED+ will also work towards collecting baseline data for some of the indicators, especially those related to time/cost to import/export along Nacala corridor and for the indicators related to the water and power component following the approval of the ME&L plan.

As part of SPEED+ commitment to learning, SPEED+ administered a feedback form during the business breakfast and during the workshop organized by the water component in line with the implementation of the legislation concerning private sector water supply. 90.2% of the participants selected “excellent” or “good” rating for the overall quality of the business breakfast and 84.61% selected “excellent” or “good” for the overall quality of the workshop regarding private sector water supply. Please see the graphs below for more details:

Figure 1: Participants overall satisfaction with the business breakfast



Figure 2: Participants overall satisfaction with workshop about private sector water supply



SPEED+ has also been collected gender related data. Out of the 94 participants that attended SPEED+ organized workshop, 26 were female (27.65%).

Table 2-1 Female participants in SPEED+ workshop

Workshop title	Male	Female	Total
Business breakfast: Doing business indicator	43	16	59
Private sector water supply	25	10	35
Total	68	26	94

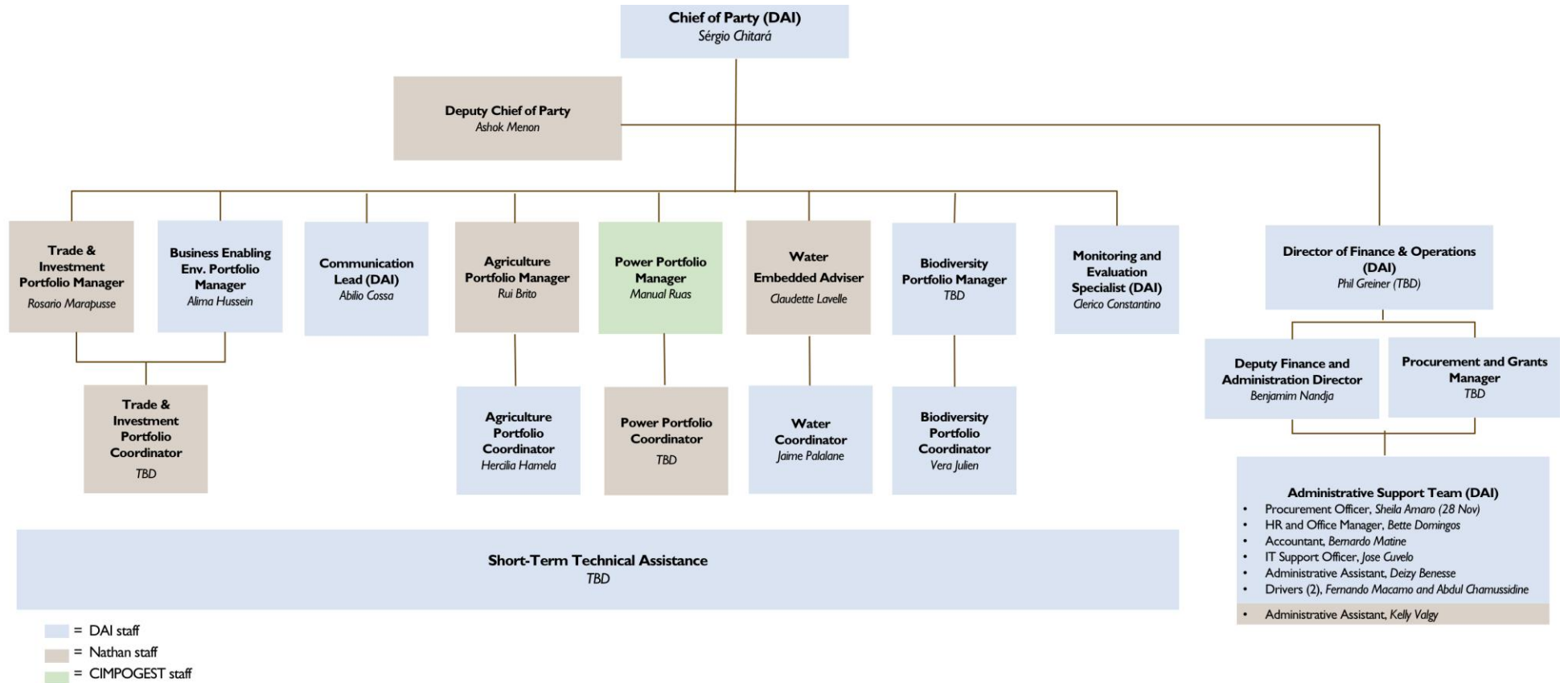
SPEED+ is acutely aware of the need to provide more opportunity for female participation in SPEED+ activities. Therefore, SPEED+ will continue to strive to create and involve more women in its activities and anticipates that the target of having at least 40% of women attending SPEED+ workshop/seminar will be achieved over the life of the project.

SPEED+ will continue to closely monitor its activities and anticipates that most of the targets set for FY2017 will be met. In addition, SPEED+ will continue to elaborate and submit weekly reports to USAID.

2.6 GENDER ACTION PLAN

SPEED+ gender check list was completed for our cashew work and checklists are in the process of being drafted for other programmatic areas. At the same time, SPEED+ is working to bring a short-term Gender Expert in the next quarter to host a workshop for SPEED+ staff on sex and gender terms, review gender issues as they relate to policy reform and to SPEED+ components, see how we can work with counterparts on gender implications of SPEED+ supported technical assistance, and learn about USAID's Gender Equality and Female Empowerment Policy. SPEED+ ME&L Expert, Clerico Constantino, has been reviewing gender related indicators that are part of the SPEED+ ME&L plan.

Figure 1: SPEED+ Organigram



2.7 PLANNED TASKS AND INTERVENTIONS FOR NEXT REPORTING PERIOD

Agriculture

- *Cashew policy work* – Continuation of support to Incaju to development of a new law and development of a SOW for discussion on the economic effects of the cashew export tax.
- *Tributação Autónima* – Rosemin Faquir lead a field mission with CTA and the AT on the *Tributação Autónima*.
- *Land* – Ian Rose and Bruno Lopez will be in Mozambique during the next quarter to begin work on land issues.

Trade

- *AGOA* – Work will begin work on the AGOA Utilization Strategy in the next quarter.
- *SPS* – Work will begin work on the SPS Notification Authority in the next quarter.
- *TBT* – Work will begin work on the TBT Notification Authority in the next quarter.
- *Nacala Corridor* – USAID provided feedback on the Nacala Corridor work during the quarter. We will finalize approvals and aim to begin work during the next quarter.
- *Trade Facilitation* – Caroline Ennis will continue to provide support to the NTFC, including a presentation on Trade Portals.

Business Environment

- *Stock Exchange* – SPEED+ expected to finalize consultant selection and submit an approval for the work to begin next quarter.
- *Getting Electricity* – SPEED+ will begin implementation of the communications campaign to highlight legal changes that were implemented to expedite new electricity connections during the next quarter.

Energy

- *On-Grid* – We will aim to finalize approval requests for consultants David Waltenberg and Taciana Lopez to begin on-grid work in the next quarter.
- *ARENE* – We are expecting that Ashley Brown will return to Mozambique to support the ARENE work in the next quarter.

Water

- *Private Water Suppliers* – We expect to focus on supporting consultancies on setting tariffs for the implementing regulations for the private water sector decree, as well as focus on communications-related activities related to the decree.

Biodiversity

- *Co-Management Models for Conservation* – SPEED+ expects to finalize approvals and begin work in the next quarter.

- *Training Materials on the New Conservation Law for the PGR* – SPEED+ will finalize a SOW and aim to begin work in the next quarter.

Project Management

- *SPEED+ Retreat* – SPEED+ will hold its retreat early next quarter.
- *Gender* – SPEED+ will continue to develop gender checklists for project activities and finalize a SOW for our Gender Expert to work with SPEED+ during the next quarter.
- *ME&L* – SPEED+ will continue to update the ME&L plan with data. In addition, Erika Dunmire, our ME&L Expert, will travel to Maputo to train staff on the ME&L systems and begin development of the project ME&L baseline.
- *Business Breakfast* – SPEED+ will continue to organize Business Breakfasts next quarter, starting with Trade Facilitation and the Public Participation Law.

2.8 FINANCES AND BUDGET

Table 2-2 below provides detailed information on SPEED+'s actual project expenditures from its inception in August 2016 to March 31, 2017. As of August 25, 2016, USAID has obligated \$18,620,000.00 to SPEED+. As of March 31, 2017, the project has spent \$1,871,597.74. Table 2-3 shows expenditures to date by project component and funding stream.

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

Line Item	Budget	Obligated Budget	Mortgage	Expenditures (August 25-March 31, 2017)	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	\$1,319,509.78	\$10,515,075.67	\$22,328,844.75
Materials	\$10,767,831.01	\$5,388,654.67	\$5,379,176.34	\$492,979.56	\$4,895,675.11	\$10,274,851.45
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	\$1,812,489.34	\$16,161,410.96	\$34,103,696.20
Indirect Costs	\$1,291,062.94	\$646,099.70	\$644,963.24	\$59,108.40	\$586,991.30	\$1,231,954.54
Total	\$37,207,248.47	\$18,620,000.00	\$18,587,248.47	\$1,871,597.74	\$16,748,402.26	\$35,335,650.74

Table 2-3: Actual Expenditures (Technical Components)

Component	Funding Source	Budget	Obligated Amount	Mortgage	Expenditures (August 25-March 31, 2017)	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	\$586,142.04	\$3,833,857.96	\$10,576,032.46
Component 2: Improved trade and Investment Policy Framework	Trade Africa (TA)	\$11,162,174.50	\$8,700,000.00	\$2,462,174.50	\$596,391.25	\$8,103,608.75	\$10,565,783.25
	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	\$417,980.81	\$2,082,019.19	\$8,139,686.34
	Water	\$1,488,290.03	\$1,000,000.00	\$488,290.03	\$94,008.50	\$905,991.50	\$1,394,281.53
Component 4: Improved Biodiversity Conservation Policy Framework	Biodiversity	\$4,836,942.30	\$2,000,000.00	\$2,836,942.30	\$177,075.14	\$1,822,924.86	\$4,659,867.16

Component	Funding Source	Budget	Obligated Amount	Mortgage	Expenditures (August 25- March 31, 2017)	Pipeline	Remaining Budget
Total		\$37,207,248.48	\$18,620,000.00	\$18,587,248.48	\$1,871,597.74	\$16,748,402.26	\$35,335,650.74

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 2-4: Level of Effort (25 August - 31 March 2017)

Personnel Category	Approved LOE (Workdays)	Total Billed to Date (March 31, 2017)	Remaining
U.S National (USN) Labor Long-Term	2,169.00	128.50	2,040.50
USN Labor Short-Term	3,068.00	327.38	2,740.63
CCN Labor Long-Term (Professional Staff)	15,997.00	627.00	15,370.00
CCN/TCN Labor Short-Term	3,872.00	194.52	3,677.48
Total	25,106.00	1,277.40	23,828.60

ANNEX 1: DOCUMENTS PUBLISHED IN FY2017 Q1

Publication	Due Date	Approval Number	Approval Date
Quarterly Report #1	30 days of end of quarter 1	SPEED+17-R001	2/23/2017
Monitoring, Evaluation & Learning Plan	45 days of contract award	SPEED+17-R002	3/24/2017

ANNEX 2: SUMMARY ME&L TABLE

Indicator	Reported to:	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												
1. Ease of Doing Business Rank		Rank	None	2017	137	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												
2. 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 once a policy reform is being undertaken	
3.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 once a policy reform is being undertaken	
4.Value of new investments		US Dollars	Policy reform	2016	0	\$50 mil	0	\$10 mill	\$15 mill	\$25 mill	Data for this indicator will be collected once a policy reform is being undertaken	
5.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 once a policy reform is being undertaken	
Activity Objective 1: An Improved Agricultural Policy Framework												

Indicator	Reported to:	Unit of Measure	Disaggregation	Baseline Year	Baseline Value	LOA Target	FY2017 Target	FY2018 Target	FY2019 Target	FY2020 Target	Achieved to date	Observation
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)	PPR, FTFMS	# policies	Policy area; process/step	2016	0	12	3	3	3	3	0	
1.2 Number of for-profit private enterprises, producers organizations, water users 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)	PPR, FTFMS	# of entities	Type of organization	2016	0	16	4	4	4	4	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)	PPR	% of women	None	2016	0	35%	25%	30%	33%	35%	No program designed to increase access to productive economic resources conducted.	

Indicator	Reported to:	Unit of Measure	Disaggregation	Baseline Year	Baseline Value	LOA Target	FY2017 Target	FY2018 Target	FY2019 Target	FY2020 Target	Achieved to date	Observation
1.4 Enabling the Business of Agriculture score in:												
1.4.1 Seed		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	
1.4.2 Fertilizer		score	none	2016	46.1	TBD	-	-	-	-	Data for this indicator will be collected and reported annually	
1.4.3 Machinery		score	none	2016	42.5	TBD	-	-	-	-	Data for this indicator will be collected and reported annually	
1.4.4 Markets		score	none	2016	83.9	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	
1.4.5 Finance		score	none	2016	29.8	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	
1.4.6 Transport		score	none	2016	60.7	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	
1.5 Value of agricultural imports		US Dollars	None	2015	179,144,000	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	76,465,000	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)	FTFMS	% 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)	FTFMS	% 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												

Indicator	Reported to:	Unit of Measure	Disaggregation	Baseline Year	Baseline Value	LOA Target	FY2017 Target	FY2018 Target	FY2019 Target	FY2020 Target	Achieved to date	Observation
2.1 Value and quantity of AGOA exports from Mozambique		USD	None	2016	1,470,131	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	
		Kilograms	None	2016	687,759	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	
2.2 Time to export along Nacala corridor		hours	None	2017	TBD	TBD	-	-	-	-	Data to be collected and reported during baseline and end-line	
2.3 Time to import along Nacala corridor		Hours	none	2017	TBD	TBD	--	--	--	-	Data to be collected and reported during baseline and end-line	
2.4 Cost to export along Nacala corridor		Hours	none	2017	TBD	TBD	-	-	-	-	Data to be collected and reported during baseline and end-line	
2.5 Cost to import along Nacala corridor		Hours	None	2017	TBD	TBD	-	-	-	-	Data to be collected and reported during baseline and end-line	
2.6 Person hours of training completed in business enabling environment supported by USG assistance (E.G 4.6.1-16)	PPR	Number (of persons hours)	Sex	2017	0	TBD	-	-	-	-	0	
2.7 Ease of Doing Business Rank in:		Rank	None	2017	106	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	
• Trading across borders		Hours	None	2017	14	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	
• Time to import: Border compliance		Hours	None	2017	14	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	
• Time to import: Documentary compliance		hours	None	2017	24	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	
• Time to export: Border compliance		Hours	None	2017	78	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	Reported to:	Unit of Measure	Disaggregation	Baseline Year	Baseline Value	LOA Target	FY2017 Target	FY2018 Target	FY2019 Target	FY2020 Target	Achieved to date	Observation
<ul style="list-style-type: none"> Time to export: Documentary compliance 		Hours	None	2017	70	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	
<ul style="list-style-type: none"> Starting a business 		Rank	None	2017	134	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	
<ul style="list-style-type: none"> Dealing with construction permit 		Rank	None	2017	30	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	
<ul style="list-style-type: none"> Getting electricity 		Rank	None	2017	168	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	
<ul style="list-style-type: none"> Registering property 		Rank	None	2017	107	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	
<ul style="list-style-type: none"> Getting credit 		Rank	None	2017	157	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	
<ul style="list-style-type: none"> Paying taxes 		Rank	None	2017	112	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	
a. OECD 11 Trade Facilitation indicators <ul style="list-style-type: none"> Information availability 		Score	None	2016	.7	TBD	-	-	-	-	Data for this indicator will be collected and reported annually	
<ul style="list-style-type: none"> Involvement of the trade community 		Score	None	2016	.67	TBD	-	-	-	-	Data for this indicator will be collected and reported annually	
<ul style="list-style-type: none"> Advance rulings 		Score	None	2016	0	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	
<ul style="list-style-type: none"> Appeal procedures 		Score	None	2016	.63	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	Reported to:	Unit of Measure	Disaggregation	Baseline Year	Baseline Value	LOA Target	FY2017 Target	FY2018 Target	FY2019 Target	FY2020 Target	Achieved to date	Observation
• Fees & charges		Score	None	2016	1.33	TBD	-	-	-	-	Data for this indicator will be collected and reported annually	
• Formalities (Documents)		Score	None	2016	.33	TBD	-	-	-	-	Data for this indicator will be collected and reported annually	
• Formalities (automation)		Score	None	2016	.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		
• Formalities (procedures)		Score	None	2016	1.1	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		
• Internal border agency cooperation		Score	None	2016	1	TBD	-	-	-	-	Data for this indicator will be collected and reported annually	
• External border agency cooperation		Score	None	2016	2	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		
• Governance & impartiality		Score	None	2016	.57	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)	Power Africa	# of policy reform/law/ regulation/ administrative procedure	Focus of reform; drafted vs presented;	2016	0	TBD	-	-	-	-	0	

Indicator	Reported to:	Unit of Measure	Disaggregation	Baseline Year	Baseline Value	LOA Target	FY2017 Target	FY2018 Target	FY2019 Target	FY2020 Target	Achieved to date	Observation
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 gender integration in the energy sector (PA 30)	Power Africa	# of policy reform/law/regulation/administrative procedure	Focus of reform; stage	2016	0	2	0	1	0	1	0	
3.3 Number of MW from transactions that achieved financial closure (PA 10)	Power Africa	MW	Technology; Qualified Transaction vs Power Africa Transactions; USG vs Non-USG	2017	0	TBD	-	-	-	-	0	
Activity Objective 4: An Improved Water Policy Framework												
4.1 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)	PPR	# of people	Sex	2016	0	656	132	324	100	100	0	

Indicator	Reported to:	Unit of Measure	Disaggregation	Baseline Year	Baseline Value	LOA Target	FY2017 Target	FY2018 Target	FY2019 Target	FY2020 Target	Achieved to date	Observation
4.2 Number of people gaining access to safely managed drinking water service as a result of USG assistance (HL.8.1-2)	PPR	# of people	Rural vs urban;	2017	TBD	550,000	-	250,000	250,000	50,000	0	
4.3 Number of private water providers active in Mozambique		# of water provider	Sex; Rural vs urban	2017	TBD	220	-	80	80	60	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)	PPR	# laws, policies, regulations	Stage of development; conservation law compliance category	2016	0	4	0	2	1	1	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)	PPR	# of persons trained	Sex; conservation law compliance category	2016	0	60	0	20	40	60	0	
Cross cutting:												
CC1: Number of participants attending SPEED+ workshops/conferences/trainings		# of participants	Sex; type of participant; type of event	2016	0	350 (40% women)	200	240	290	350	134 (30.59% women) (81 public sector; 27 civil society; 26 private sector	
CC2: Number of persons trained with USG assistance to advance outcomes consistent with		# of persons trained	Sex	2016	0	50	35	40	45	50		

Indicator	Reported to:	Unit of Measure	Disaggregation	Baseline Year	Baseline Value	LOA Target	FY2017 Target	FY2018 Target	FY2019 Target	FY2020 Target	Achieved to date	Observation
gender equality or female empowerment through their role in public or private sector institutions or organizations (F GNDR – 8)											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