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Improving Institutional Management and Sustainability of the Confederation of Mozambican Business Associations (CTA)

Executive Summary

March 2008

This publication was produced by Nathan Associates Inc. for review by the United States Agency for International Development.

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Executive Summary

The Confederation of Mozambican Business Associations (CTA) was formally created in 1999 from a working group of business associations in Mozambique. Its main purpose is to spearhead the private sector's push for an improved economic and business environment. Over time, its role has grown to meet the changing demands of the private sector, the government and the international community. The principal interlocutor between the private sector and government, demands on CTA have grown exponentially over the years as a result of its demonstrated success in representing private sector concerns before government. Unfortunately, CTAs internal institutional organizational structure and staffing plan has not kept pace with CTAs rapid growth. The portfolio of private sector issues CTA must now address, and the workload that accompanies that important portfolio, is vast and place overwhelming demands on management and technical advisers. CTAs increasing importance to economic reform in Mozambique can cause CTA to become a victim of its own success – unless it focuses internally and addresses some of the institutional, financial and organizational issues that need to be addressed to ensure CTAs continued growth and success.

CTA is at a critical juncture in its development as an organization. CTA is growing and needs to ensure its internal structure, management, staff and internal regulations keep pace with its growth. CTAs recognition of these challenges led it to request a study from the USAID Trade and Investment Project that provided recommendations on how to address some of these organizational, institutional and sustainability issues. The team consisted of four consultants: Beryl York and Sergio Chitara as well as Fernando Mattos and Claudio Gastal of the Brazilian Competitiveness Movement.

The following is a summary of the main points and recommendations raised by the consultants. Detailed analysis and recommendations are provided in the full report. The report is divided into three main parts: Part 1 provides analysis and recommendation on how to improve CTAs organizational management; Part 2 provides analysis and recommendations on how to ensure CTAs financial sustainability; and Part 3 provides analysis and recommendations on the establishment of a unit for the analysis of economic and public policy.

PART 1 – IMPROVEMENT OF CTA’S ORGANIZATIONAL MANAGEMENT

Part 1 of the report provides a focused examination of CTAs current institutional and management capabilities and provides recommendations on easily implementable changes that can help CTA to achieve organization sustainability in the short run. The report does not recommend any major overhaul of the CTA institutional and management system – just some relatively simple improvements that we believe can assist CTA in functioning better as an organization, achieving its mandate, representing its constituency well and influencing meaningful change to the economic and business environment in Mozambique. The report also contains a lot of specific examples from anonymous interviewees – representatives of the public and private sectors, current and former staff at CTA, donors, etc. – of ways in which CTA might improve. What follows is a short summary of some of the main recommendations contained in Part 1:

1. ***Update Overall Goals and Objectives of CTA*** – The Consultative Mechanism initiative is evolving and has produced some real success. However, other areas, particularly those concerned with developing the capacity of its members and the institutional development of CTA have lagged behind. In addition to technical goals and objectives outlined in CTAs Strategic Plan for 2004-2009, CTA might want to consider adding some additional management and institutional reform goals and objectives, including those related to developing capacity of its members. To start this process, CTA should define clear objectives and targets for those technical goals and objectives outlined in its Strategic Plan. That process should be continued through annual formal planning processes at which an annual plan is developed which links directly into the long term strategic plan. Without such alignment, a multiplicity of agendas, conflicts in identifying priorities, confusion among staff and fewer achieved results will likely continue.
2. ***Update Structure and Function of CTA*** – Although the current internal management structure works relatively well, adding a few new functions can help function better as an organization. The report provides a detailed proposal for a new organizational structure – which includes the creation of a Steering Committee; changing the *Member Services* Unit to an *Institutional Relationships* Unit (few new functions have been added to take into account the need for capacity building for members as well as providing member services); reinforcing the Policy Unit (see Part 3 of the report); and adding new units under finance and Administration (Human Resources; Support Staff and Information Technology). The report contains detailed descriptions and recommendation on specific functions for each of CTAs internal units.
3. ***Add Additional Staff*** – Adding new Units at CTA will require additional staff. For instance, it is recommended that the jobs of the Technical staff of Consultative Mechanism Unit be reorganized into two different positions – a *Technical Advisor* who actually provides technical assistance in the area of policy position creation and a *Work Group Coordinator* who will provide all the logistical support needed for the various work groups. If sectoral pelouros are streamlined (see report for recommendations), this may not require additional staff but would require a redeployment of existing staff into these two types of positions. If the logistics were removed from the Technical Advisor’s job and the pelouros regrouped in a

more streamlined way, then there could be two to three Technical Advisors for all the pelouros and one to two coordinators handling the logistics for all the pelouros. In addition, the report recommends adding a Relationship Advisor to the Institutional Relationships; adding up to 3 economists, 1 lawyer and 1 business management specialist to the Policy Unit (see Part 3 of the report); and adding a Human Resources Manager, Support Staff and Information Technology Specialist to the Finance and Administration Unit. Detailed job descriptions for each new staff member as well as recommended reporting relationships are presented in the report.

4. **Add a Deputy Director** – The growth and importance of CTA has put immense pressure on the Executive Director to respond to a plethora of requests from various institutions. This leaves the Executive Director with minimal time to focus on the day-to-day management of the organization. A Deputy Director can assist in the internal management of the organization (a detailed description of the capabilities of an ideal Deputy Director is included in the report). An interim short-term (6-8 months) independent-minded Deputy Director with strong organizational management skills should be hired in the near future to assist with putting in place systems and structure to help CTA function better. That position would turn into a permanent Deputy Director position after the initial consultant has completed their restructuring work.
5. **Clarify Roles** – A clear definition of roles, and acceptance of those definitions, can help CTA function more efficiently and effectively as an organization. The report provides concrete recommendations and guidelines for roles of the Executive Director, a Deputy Director, the Board and the Steering Committee.
 - *The Executive Director* would provide overall leadership and management of CTA – managing internal and external constituents of CTA to work together to generate policy that can influence government policy reforms; would provide oversight of financial management and fundraising activities – including assisting with donor relations and developing fundraising strategies; would focus on technology and communication issues – including maximizing the role and uses of technology in the accomplishment of CTAs goals; and would focus on policy and legislation issues – including representing CTAs interest on key policy issues before the government..
 - *The Board* on the other hand, as defined in the Articles of Association, would focus on strategic, advisory and diplomatic roles. It would work closely with the Executive Director and empower him to run the internal organization. It would set policies and strategies and advise on issues concerning the business environment. And it represents CTA to Government, the business community, donors, international community, etc.
 - *The Steering Committee* – Since the Board is made up of volunteers who have major business commitments as well as a deep commitment to diverse Board activities, it is suggested that an Ad Hoc Steering Committee be created. It would not be staffed by specific individuals but will be staffed by a cadre of volunteer on-call individuals from business, consultancies, etc. who step in to provide particular advice or expertise on

issues that are under current consideration. This could ease the burden of the Board and allow them to better balance their time between Board activities and the demands of their private business commitments.

6. ***Add Planning and Human Resources Systems*** – CTA has to formalize planning mechanisms. Some plans do exist but they do not provide an integrated approach to meeting targets and achieving results. The report provides recommendations on operational planning activities and suggestions on the party responsible for ensuring the activity is completed. For instance, the report recommends: revisiting and revitalizing the current strategy plan by ensuring the plan has performance indicators to measure progress and that it prioritizes goals and has timelines; Developing an Annual Work Plan; Developing Unit Work Plans; and Integrating and Communicating Work Plans among staff. The report also recommends strengthening Human Resource systems, including: developing transparently recruiting systems to ensure the right people are in the right positions; developing rules of conduct and communicating those rules to create a “Culture of CTA”; ensuring full and accurate employee records are kept, including establishing a database on all staff to use for manpower planning; create learning opportunities for staff to provide knowledge and skill training; and establish clear standards of performance for staff and hold staff accountable for performance.

7. ***Create Clear Communication Channels*** – Organizations communicate in two directions: internally to staff and externally to “customers” – members, business community, civil society, government, donors, media, and the international community. Faulty internal communications lead to mistakes, confusion, and discouraged staff. Poor external communications can jeopardize image and hurt the lobbying/ advocacy efforts of CTA. Any overall management strategy therefore must include effective communication plans, methods, and means in order to succeed. It was revealed to the consultants during interviews that some communication issues- goals and objectives are not clearly understood and/or aligned, members are not being communicated with effectively, few things are put in writing so that there is a lack of consistency in many decisions. Good methods of communication won’t solve all problems but they will help. The report provides a communication matrix that elaborates the best channels of communication with CTA stakeholders. They identify the key stakeholders, list possible communication methods, and then indicate the best means for communicating with specific audiences. The matrices should help in choosing the best channel for communicating needed information. That does not mean that the quality of the communication is guaranteed. But it does help select the best means.

PART 2 – FINANCIAL SUSTAINABILITY¹

Sustainability is a major challenge for a private, non-profit organization like CTA. By improving CTAs internal organizational management structure (Part 1 of the report), CTA can contribute to its sustainability. By providing excellent analysis of economic and business environment issues

¹ Part 2 of the report was written by the Brazilian Competitiveness Movement and content and recommendations are the sole responsibility of MBC. As MBC formed part of the study team, main recommendations from MBC are included in this Executive Summary as are some additional recommendations and extrapolations of content included in MBCs report. MBCs main report to CTA is also included as Part 2 of the report.

and effectively lobbying for reform (Part 3 of the report), CTA can also contribute to its sustainability. Part 2 of the report focuses the financial aspects of CTA and its ability to raise funds². It uses a model developed by the University of Wisconsin that asks fundamental questions that, when answered, can help managers of nongovernmental organizations diagnosis problems and develop strategies and practices to effective management and oversight of the organization.

8. ***Focus on Establishing Strong Financial Management and Oversight*** – Effective and responsible financial management and oversight is critical in CTAs effort to become sustainable. Responsibly and transparently managing its operational budget and resources can help bring the confidence necessary for associations, government, donors and other potential financing sources to support CTAs efforts to improve the business environment. The report provides detailed overview of perceptions derived from interviewees and recommendations on improving financial management and oversight. For example, some key financial management and oversight recommendations include:

- *Conduct Independent Audits* – implementation of regular annual independent audits can help strengthen the accuracy and reliability of CTAs financial records – and can be an essential tool to obtaining additional funding.
- *Produce Periodic Financial Statements* – producing periodic financial statements can help bring visibility to the origin of resources and show how resources are being spent – and can also help improve transparency of CTAs activities.
- *Implement an Annual Budget Process* – Although there is a planning process that creates and approves the annual plan and budget, there is a gap in the management of the plan and in its follow-up. It is important for CTA to systematize follow-up of the annual plan and budget and to implement professional financial administration.
- *Create a Financial Control Policy* – CTA should consider revising and strengthening its financial control policy, including policies for cash flow, approval of expenses and approval and use of non-predicted expenses. Criteria should be established that specify by whom and the procedures necessary for authorizing expenses.
- *Create a Reserve Fund* – CTA should work with current financial partners to establish a reserve fund that can ensure the temporary sustainability of CTA in the unlikely event that operational funds dry up.

9. ***Heterogeneity of Funding Sources*** – CTA needs to increase funding sources and shift ratios of donors to other funding sources. Currently, CTA receives almost three-quarters of its

² Part 2 of the report also provides some detailed analysis and recommendations on areas covered in other areas of the report, such as vision/mission of CTA, the structure and governance of CTA and the social dimensions related to CTAs sustainability – particularly in defining roles and communication with counterparts.

funding from donors. The remaining financing comes from the Government of Mozambique and a very small amount from dues from associations.

- *Associations* – As CTA is a representation of the private sector through their trade associations, the percentage should be reversed – a majority of its operational budget should come from association dues. At this stage of Mozambique’s economic development, it is unlikely and unrealistic to expect that CTA can obtain a majority of its operational budget from association dues. As the economy grows, CTA should expect to increase dues and be financially sustainable from contributes from member associations. However, CTA must ensure it continues to represent the interests of the private sector well to the government and improve the business environment. At the same time, CTA should consider offering additional services to its membership that will demonstrate a tangible value of monthly membership dues.
- *Donors* – One donor, USAID, provides a majority of funding for CTAs operational budget. The Swiss, through ASDI, provide a substantial amount of funding for additional technical areas. CTA should be aware that reliance on a 1-2 donors for a period of more than 5 years is highly risky as donors typically will not provide operational support for associations like CTA for longer than 5 years – except in exceptional circumstances. Donors like to assist associations like CTA become self-sustainable. This is not to say that other donors are not available to take over financial support of CTA – they are – and CTA should be courting other donors by showing its proven track record of success in improving the business environment in Mozambique. At the same time, CTA should look to reduce its reliability on donor resources and look instead to offering services to its members and the private sector.
- *Government* – The Government of Mozambique recently, and for the first time, made a significantly large contribution to CTA. Unfortunately, this contribution was not mandated by law and can be withdrawn in the future. Funding from Government can be useful and is done in other countries – however CTA must ensure its independence from Government and ensure it retains the ability to critique economic policies of the government without threat of funding being withdrawn. In Brazil, for instance, funding for private sector confederations are mandated by law with a very small percentage of tax revenue going directly to the confederations. This support continues even when political parties change, ensuring a steady and reliable source of funding for the confederation. CTA should consider the possibility of lobbying government to pass a law that a small share of tax revenue go directly to CTA to support operational expenses.

10. ***Develop a Fundraising Strategy*** – In order to help increase funds and increase the heterogeneity of funding sources, CTA should work on developing a fundraising strategy. The strategy should define potential funding sources and detail steps necessary to obtain funding from that source. For instance, if CTA would like to receive additional funds from Government, it should work on a strategy to lobby government for a share of tax revenue to support operational expenses. Should CTA wish to increase funds from donors, they should be aware of the budget planning cycles of donors as well as the numerous other requirements

necessary to receive funds from donors. Many donors, for instance, require historical financial statements, capability statements and track records of success. CTAs fundraising strategy should also incorporate raising funds from the private sector. This process should link closely with the annual strategic planning process, as products produced by and results achieved by CTA can contribute to success in raising funds.

11. ***Develop Promotional Material*** – Promotional material can help in providing an overview of the mission and objectives of CTA; conveying the achieved results of an organization; providing a historic record of activities; and present a professional image of CTA – all useful for new funding sources
12. ***Create Linkages with Business Confederations Overseas*** – linkages with similar organizations overseas, through memorandums of understanding or cooperative agreements, can help CTA tap into potentially other sources of resources – financial or technical.

PART 3 – ESTABLISHMENT OF A UNIT FOR THE ANALYSIS OF ECONOMIC AND PUBLIC POLICY (SEAE)

Part 3 of the report presents rational for formalizing and strengthening a unit for the analysis of public policy. The core of CTAs work is centered on analysis of economic and public policies the effect its constituency. It is therefore imperative that CTA has internal capacity to adequately analyze, disseminate the analysis to it membership and dialogue with the government on outcomes of its analysis. The report draws heavily on the current process for economic and public policy analysis at CTA. The report attempts to formalize a process at CTA that is not yet formalized by providing detailed recommendations and concrete steps necessary CTA can consider as it moves to formalize and strengthen such unit. The report includes proposed vision and mission statement, strategic objectives as well as recommendations on proposed staffing and optimal qualifications for the proposed position. Below are a few main considerations included in the report:

13. ***Reinforce the Study Services and Economic Analysis (SEAE) Unit*** – The consultants considered the possibility of the creation of an independent and autonomous research unit or “think tank” at CTA but believed in the end that the more advantageous route for CTA would be to instead formalize and strengthen its current Study Services and Economic Analysis (SEAE) unit. Distancing analytic economic analysis on key business environment constraints to economic development from the lobbying and public-private sector dialogue process may not be advantageous for CTA at this stage. The consultants recommended that the Unit have a simple structure, be flexible and have a strong analytic capacity. SEAE should also have the ability to:
 - Work closely with donors to bring in additional analytic capacity when necessary;
 - Articulate problems faced by the private sector;
 - Identify (with assistance from Pelouros) specific issues that require analysis;

- Understand implications of the issues and problems raised as well as any proposed solutions;
 - Prepare terms of reference for in-depth studies, work with consultants on the studies and present report recommendations to CTA and its Pelouros;
 - Prepare discussion papers, position papers as well as other relevant documentation necessary for advancing issues of importance to CTA.
14. ***CTAs Proposed Internal Regulations Already Provide a Foundation for the Unit*** – The proposed Internal Regulations for CTA make reference to a unit that provides “study services and economic analysis” (“Serviços de Estudos e Análise Económica (SEAE)). The Internal Regulations go on to clearly specify the goals and objectives of SEAE, including: identifying areas for analysis; elaborating discussion papers; preparation of terms of reference for in-depth studies; participating in the study teams; disseminating results of the studies; monitoring and evaluating the implementation of agreed upon report recommendations; and organizing capacity building activities centered around economic and human development in Mozambique.
15. ***Current Processes for Research and Analysis Work Well, but Need to be Formalized*** – The consultants believe the current process works well, but needs to be formalized and implemented systematically. The report outlines specific recommendations CTA might consider for this process, including flow charts and diagrams. Basically, the recommendation center on the following process: when Pelouros identify a problem, SEAE should prepare a discussion paper and distribute the paper for analysis and discussion by the Pelouros. If further research is needed, either SEAE can internally undertake the analysis or when additional capacity is required, an in-depth study can be requested, terms of reference for the study is drafted and SEAE then works with the consultants commissioned for the study. Once the study is completed, the report recommendations are assessed internally and a CTA position paper is drafted. The position paper is then used as the basis for discussion with the government.
16. ***Ensure that SEAE Undertakes Independent Research and Analysis*** – The consultants note that it is imperative that the SEAE be transparent and independent when undertaking research. They note that the research undertaken should be done using methodology and principals universally accepted. SEAE should be able to conduct analysis independently and give an independent opinion on issues studied and recommendations that will benefit the economy and ultimately the private sector. Potential vested interests in CTAs constituency should refrain from impacting the outcome of any analysis – the outcome of an analysis could very well positively impact a different part of CTAs constituency. Analysis completed by SEAE should inform CTA of the advantages and disadvantages and the cost and benefits of adopting or not adopting a particular policy or supporting a particular issue. Only when the analysis is completed should CTA and its Pelouros digest the information, decide on its final position and draft any necessary position papers.

17. ***Work Closely with Pelouros and Associations*** – The consultants note that if the SEAE is to work as planned, their staff needs to coordinate regularly with Pelouros. CTA should ensure that SEAE staff regularly participates in meetings of Pelouros. At the same time, Pelouro Focal Points responsibilities should be increased to work directly with SEAE staff on: identification of problems/issues to be studied; preparation of discussion documents; elaboration of terms of reference; analysis and discussion of studies; and in the preparation of discussion documents. Working closely with Associations can help in the identification of important issues to analyze as well as in the dissemination of ideas and tools that can help Members contribute to the improvement of the business environment.
18. ***Collaborate with other Research Institutions*** – The consultants noted that various institutions in Mozambique undertake studies of issues of interest to the private sector. They recommend that SEAE work to establish a permanent mechanism to interact and collaborate with other institutions on economic and public policy issues. These partnerships can help to increase capacity in undertaking analysis of key issues, help to develop common positions and help to build capacity when disseminating information and recommendations on any given issue.
19. ***Publicly Disseminate Research*** – The consultants note that the research be disseminated publically, clearly stating that the views expressed in the report are not necessarily those of CTA or its membership. Results of the research can be used by government, civil society, academia, donors as well as a host of other actors in the commonly-shared goal of improving the business environment and embracing market-led reforms.
20. ***Create Concise Position Papers*** – Once issues have been analyzed and discussed within CTA, it will be important for CTA to clearly communicate these positions on various policy issues to Government. By writing clear and concise position papers of 1-2 pages, publishing on the CTA website and sending to relevant Government Ministries, CTA ensure that their messages on policy reform are available when necessary. This can also serve as a good base for discussion with Government on various policy issues during the Private Sector Conference.
21. ***Identify Fewer Issues for Analysis*** – The consultants note that the CTA agenda for improving the business environment is too broad and this impacts the ability of CTA to adequately focus on and follow-up on issues of importance – and especially impacts the ability of SEAE to undertake necessary research and analysis on any given issue. They recommend that a major focus should be on the establishment of objective criteria to select agenda priorities and that only 1-2 main issues per Pelouro (24 issues in total) be selected for further analysis by SEAE at any given time.
22. ***Monitoring and Evaluation*** – It will be important for SEAE to routinely monitor how the studies, discussion and position papers it produces are used in order to identify any additional support or analysis required to improve economic and public policy and improve the business environment. At the same time, SEAE will need to periodically evaluate its processes (e.g., identification of issues, working with Pelouros, etc.), efforts (e.g., undertaking research,

analyzing issues, etc.) and tools (discussion and position papers, etc.) used in conducting and disseminating research.

23. ***Hire New Staff*** – The consultants recommend that if SEAE is to work as intended, 5 additional staff should be hired – 1 Senior Economist, 2 junior economists, 1 lawyer and 1 business management specialist. The additional staff can be either Mozambican and/or international – so long as qualifications are met. The report give detailed recommendation on ideal qualifications for each proposed candidate.



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Full Report

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1. Organizational Stability

RATIONALE AND APPROACH

CTA was formally created in 1999 as a national non-profit, non-governmental economic organization entitled – Mozambican Confederation of Economic Associations. Its objectives, composition and mandates are iterated in the Articles of Association. In 2003 a far reaching organizational study was done. It posited a number of changes and development needed for the organization and planned an implementation approach over a 3 to 5 year period. Although some recommendations were implemented, the development of the CTA has a long way to go.

There are many reasons for slow development of organizations. They include: lack of technical capacity, the urgent needs of the “business” to generate some concrete outputs, and the level of the high change in the environment in which the organization exists. CTA was and is still living under all these constraints. CTA is now at a point where it is moving from its beginnings to its adolescence and like all adolescents it must to understand its’ rules, roles, responsibilities and boundaries.

There is a need for the CTA to professionalize and formalize the way it operates. Therefore the approach to this part of study is a focused one. It examines the capabilities, and changes necessary for sustainability of the internal organization which provides critical operational support. It is based on the “here and now”, and looks for ways to improve CTA’s ability to meet its **goals** and objectives .This requires an examination of various organizational components that are in place and recommendations as to what needs to be created and/ or formalized.

It examines a variety of organization facets some of which are:

- Mission and goals
- Structure
- Roles of Board
- Roles and responsibilities of Executive Director
- Responsibilities of professional staff

- Planning and human resources systems
- Communication channels

The assessment at first takes a “snapshot” of various components of CTA as a baseline for further capacity building. Although the focus centered on the internal organization, a number of interviews were done with the Government, business community, and donors in order to obtain their views. This helped to diagnose some needs which have to be addressed. Lastly, some practical recommendations are made relating to Immediate “Fixes”, Near Term “Fixes” And Longer Term Initiatives.

METHODOLOGY

Information was gathered through a series of interviews with various stakeholders and other relevant parties. They included: Government, Donor, Board, members, Executive Director, professional staff, staff who have moved outside the organization, former Board member, and businessmen. It also included a review of key organization documents. Some were: Articles of Association, Ernst & Young Report of 2003, Strategic Plan completed at end of 2003 for 2004-2009, draft of internal regulations and CASP Conference Documents 2007. This allowed us to take a “snapshot, identify some issues and recommend some next steps for development.

SNAPSHOT

The “snapshot” is adapted from the McKinsey Capacity Assessment Grid which is an instrument designed for non-government organizations which are similar to CTA. The grid consists of seven key elements of an organization and uses descriptions to assess its current situation. It ranks them in three areas:

- Clear need for increased capacity
- Basic level of capacity
- Medium level of capacity

It is **not** a scientific tool for it is difficult to quantify the dimensions of capacity. However there are “best practices” which govern NGO organizations and this grid uses capacity development indicators to give an overview and point the way to increasing organizational development and therefore sustainability, It is just one tool which can be helpful in building capacity .

ELEMENTS	Clear need for increased capacity	Basic level of capacity	Medium level of capacity
I. Mission and vision clarity		Mission exists but lacks broad agreement and is not well integrated with current goals and objectives	
Vision - future	There is a conflict between		

ELEMENTS	Clear need for increased capacity	Basic level of capacity	Medium level of capacity
	the activities that support stated mission and vision in both the Articles of Association and the Strategic Plan 2004-2009		
Overreaching goals	Vision not translated into key sets of concrete goals, inconsistent knowledge within the organization of what it aims to achieve		
II. Overall Strategy	Strategy is unclear, has little influence over day to day behavior		
Targets	Targets are few and not closely linked to an informed strategy, this confuses staff		
Program Relevance	Other programs especially in relation to (member relations) need to be defined and aligned with mission and goals		One Core program is defined (consultative mechanisms) and is working
Funding model	Organization highly dependent on a few donors		
III. Organizational skills Performance Measurement	Very limited measurement and tracking of performance, collects data on some activities lacks data-driven measurements in several areas		
Strategic Planning		Ability to develop strategic plan, current plan exists however it is not aligned to annual plans and is not the driver of current objectives and outputs	
Financial Planning	No financial planning, only one budget for entire organization, performance to budget not monitored by financial staff		
Operational planning	Operation runs on day-to-day basis , often resulting in staff working to unclear priorities		
Human resources planning	There is no Human Resources Plan		
Revenue generation	Concepts such as fee-for services and other possible revenue sources have not been explored		
Partnership and alliance development	Early stage of use of partnerships and alliances		
Business community presence and involvement			CTA is recognized as an institution which has access to and dialogue with government. It has had several successes in the area of policy creation and legal reform
Public Relations and Communication	Organization makes limited use of PR/marketing, needs to improve communication especially to its members		

ELEMENTS	Clear need for increased capacity	Basic level of capacity	Medium level of capacity
Influence of Policy Making			Organization proactively and Organization proactively and reactively influences policy – making in an effective manner and is ready for and is often called on to participate in substantive policy discussions and also initiates discussions
Organizational processes	Limited set of planning, review , decision making processes, used by a few but not many , not uniformly used by staff, little monitoring of processes		
IV. Human Resources- staffing levels		Most critical positions are filled , however there are vacancies and the need for additional staff	
Board – composition and commitment			Good diversity in fields of expertise, has high profile, high willingness to invest in the organization and good commitment to organization’s success
Board involvement	Is too close to the day-to-day operation, although reasons for this may be valid, it results in staff confusion as what priorities are to be done		
Staff	Most staff feel they are not working to their capabilities or effectively, experience level not high, additional staff needed	Pelouros vary in terms of participation and work outputs	
V. Systems Planning	Planning is ad hoc, not supported by systemically collected data		
Decision Making		Appropriate decisions makers known, but process often breaks down	
Human Resources – recruiting developing, and retention	Need a Human Resources plan		
Knowledge Management	No formal system to capture knowledge and keep of history of internal knowledge		
Technology- email and website	Need for reliable email system, website not yet functional		
Databases and management reporting	No system for tracking members, program outcomes, financial information		
VI. Board Governance	Currently too involved in day to day		Written by laws, legal framework in place
Organization Design		Some organizational entities are clearly defined, others are not, organization chart needs some modification	
Interfunctional Coordination		Interaction between	

ELEMENTS	Clear need for increased capacity	Basic level of capacity	Medium level of capacity
		units generally good, but coordination issues exist and could reflect uncertainties related to job roles and work priorities	
Job Design		Positions exist for most key jobs but job descriptions need updating with clear description of responsibilities	
VII. Culture- Shared beliefs		Beliefs exist somewhat but are not clearly aligned with organization's goals	

FINDINGS

Goals and Objectives of CTA

In the Articles of Association the Mission states that CTA is to contribute to the economic and social development of Mozambique through the use of consultative mechanisms with the Government which exert a positive influence for policy creation and legal reform. The Mission also the advocates the strengthening and capacity building for its members as well as influencing civil society in general to understand and support the newly emerging private sector.

The Mission of CTA as stated in its Strategic Plan for 2004-2009 is:

To foster a dynamic private sector which supports the social and economic welfare of Mozambique through the development of policy positions and the advocacy of these positions with the Government in order to promote and contribute to an effective business environment

To build a strong and participative association movement which will voice its concerns, provide suggestions for improving the business environment and use the technical strengths, resources and “voice” of CTA to be the negotiator and advocator with the Government.

The strategies for achievements include:

- Participation- Build a network
- Representivity – Ensure broad range of associations are represented
- Internal Organization- Create a dynamic and flexible organization
- Alignment – Align members’ interests to get consensus for long term objectives
- Services and communication- Offer services to promote members’ capacity and ensure information is communicated to members

- Financial sustainability

The Consultative Mechanism initiative is evolving and has produced some real success. However the other areas, particularly those concerned with developing the capacity of its members and the institutional development of CTA have lagged behind.

Although the plan exists, CTA's policies and strategies have not been translated into clear objectives and targets. A major issue centers on the lack of formal planning. An annual plan which should link directly to the long term strategic plan does not formally exist and/ or does not function as a working instrument. This lack of alignment has resulted in a multiplicity of agendas, conflicts in identifying priorities, confusion among staff and fewer achieved results.

Feedback on Goals and Objectives of CTA

Members unclear about current mission and objectives both at the association level and even more so the constituency (companies) level

Members are often not uniformly represented by the present association structure and there are no criteria for what constitutes an association. Because of the diverse makeup, and varying strengths of associations' members often feel that their concerns are not addressed; their concerns are not aligned with CTA's concerns

Members strongly feel that the need to strengthen the capacity of associations which many think are one of the key purposes of CTA, is not being done in any effective way

Provincial members feel they are forgotten

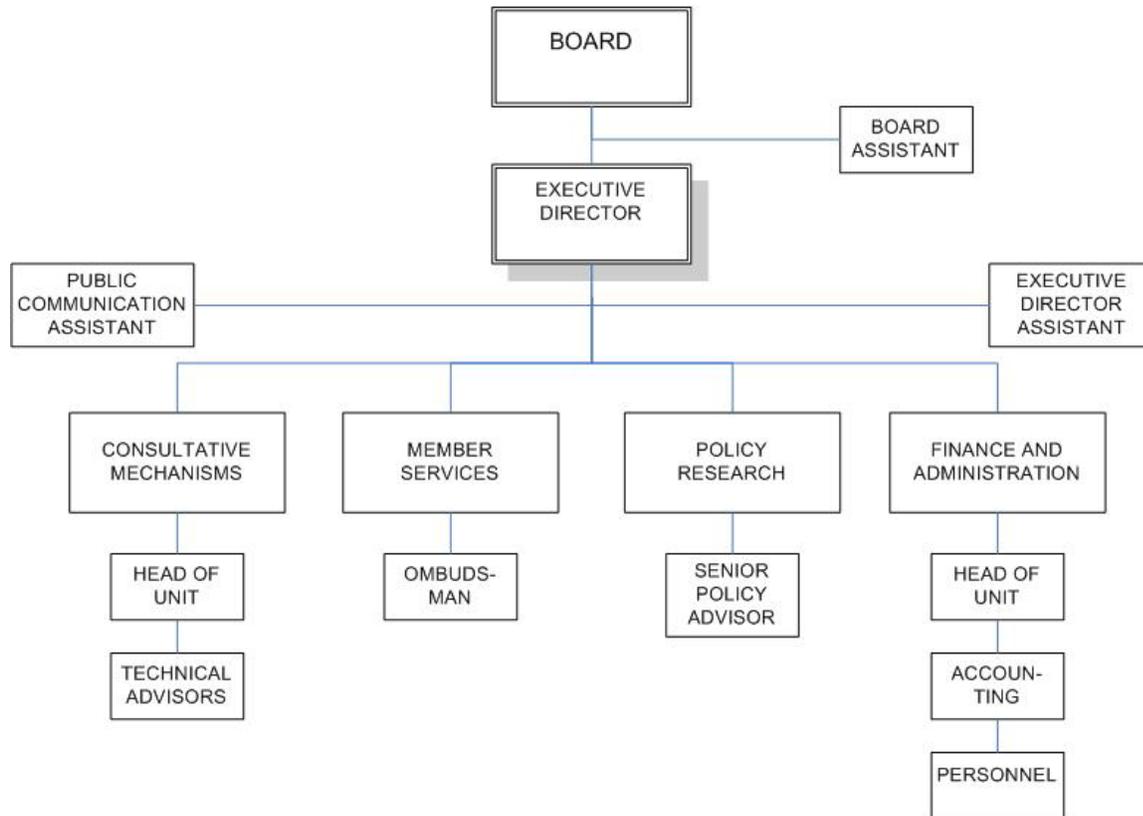
Government feels that in some instances CTA does not have a clear uniform position on some of the policy positions they advocate so that the views of CTA key representatives are not in consensus

Staff feels unclear about current objectives and/or focus of CTA

Staff feels CTA reacts to everyone rather than working from priorities

STRUCTURE AND STAFF AT CTA

CURRENT STRUCTURE OF THE INTERNAL ORGANIZATION



The staff includes:

- Executive Director
- 4 Technical Advisors
- 1 Ombudsman
- 1 Senior Policy Advisor
- 1 Head of Finance and Administration
- 1 Accountant
- 1 Assistant
- 1 Executive Secretary
- 1 Board Assistant
- 1 Public Communication staff
- 3 Regional Antenna staff
- 1 office support
- 1 driver

The staff supports approximately 60 associations, 14 working groups (pelouros), the Board, various Councils and Assemblies. They respond to the requests of 40 or more outside groups, the Government of Mozambique. They also organize many large meetings and the annual private sector meeting (CASP).

The structure is simple and flexible. At this time, there is no need for any major change in order to provide the proper support for CTA's sustainability. Some suggestions for modification will be discussed in the recommendations section of this report.

Staffing is a major issue here. There are not adequate staff resources to handle the increase in workload and in the diverse activities being asked of the staff due, in part, to the increased visibility of CTA. Four staff handles 13 pelouros, and the one staff handles 1 pelouro along with of a number of different responsibilities. The member services area is not really functional with one staff member providing ombudsman services, some advice concerning the legal aspects of associations, and as well as attempting some membership communication. There are no formal systems for communicating with members. This results in members not knowing about the activities and results achieved or having different perceptions on what CTA's role is in relation to its members. The regional antenna staff is not effectively functional as yet.

The Executive Director's responsibilities are far reaching, varied, demanding and at this time, almost overwhelming. He is constantly in meetings, called to sit on many boards, travels outside the country to provide advice to others and at the same time must manage the day to day operations. There is no deputy director position at CTA and therefore delegation possibilities are few; the head of the Consultative Mechanism Unit just left CTA, the one able staff member in Member Services has a variety of responsibilities, but at times acts as the deputy, The Head of Finance and Administration is new to the position. The Senior Policy Advisor provides tremendous support to the Executive Director and the technical staff but also is a one person staff of the policy Unit. In short, the commitments undertaken by the Executive Director and the lack of staff members are creating a real obstacle to effective performance.

Therefore the Board, unwillingly, has had to step in and direct some of the day to day activities. Although the intentions are good, the results are not. The Board feels that they are spending too much of their valuable time on "EXECUTIVE" functions, the staff is confused about their priorities and reporting relationships and the time of the Executive Director is not well spent. The staffing issues - numbers needed, role clarification, job descriptions, reporting relationships need to be addressed immediately.

Feedback on Structure and Staff of CTA

Members don't know the roles of the internal support organization – its roles, abilities to support and its constraints. and so have varying expectations of what the Secretariat should do for them

Donors are aware that the internal organization of CTA could work more effectively

Staff are unclear about their job roles , activities and responsibilities

Staff are conflicted about who they really report to

Staff feel that recruitment process and compensation are not formalized or fair

Staff have no formal performance evaluation and little recognition for work done

Board feels there must be a better balance between the participation of the volunteers and the technical support provided by the internal staff

Board is concerned that the credibility of CTA with the Government which is high at this time could change if organizational performance is not addressed

Board wants the Executive Director to be a strong manager, as well as a having an entrepreneurial mindset, a real understanding the of the policy issues, diplomatic skills and knows that these are “ difficult shoes to fill”

Business community feels that CTA should hire staff who have more business background and/or experience so as to better understand the issues and challenges facing the private sector

FUNCTIONS OF CTA

A clear set of functions will help the effectiveness of CTA and serve to operationalize its objectives, determine its human resources and other resource needs. CTA now supports four functions.

Consultative Mechanism- This function is the most fully operational of the four. The function does support the current achievements of CTA They include:

- Acting as a platform for dialogue between the private sector and the Government, civil society, and international governments and agencies.
- Providing a method for discussion of relevant economic issues effecting the private sector which will finally generate a policy position to lobby/ advocate for working groups
- Indicate problems, investigate issues, assess and evaluate policy advice provided by economic experts
- Policy discussions between working groups and various levels of Government are supported by using the schedule of formal meetings with various levels of Government
- Building a broad network linking the private sector to the Government
- Working with a annual prioritized agenda stemming from CASP in order to solve short term issues and/ or make progress on longer term ones

Membership Services- This function is basically moribund. It is staffed by one member who has many diverse responsibilities aside from providing member services. Currently the function includes:

- Providing some ombudsman services to associations
- Providing some legal advice concerning association issues to associations

- Providing some tracking of membership dues

Policy Research Unit- This unit is staffed by a Senior Policy Research Analyst. Its functions include:

- Generating research through identifying needs of CTA and working groups for research integration
- Creating TORs for studies, consultants
- Evaluating outputs of research work generated
- Providing quick economic analyses to support working groups
- Assisting working groups when needed in finalizing their outputs
- Generating articles for publication

Finance and Administration

- Budget and accounting
- Personnel recording keeping

Feedback on Functions of CTA

Staff- There are problems with the organization of the pelouros, the processes that they use, and the outputs they produce. Pelouros should be combined and or redesigned.

Active Pelouro- The level of participation, level of outputs, process or organization, and level of understanding some of the policy ramifications within the working groups needs to be addressed. Some groups work well and contribute a great deal. Other groups are not functional. There should be better monitoring and accountability for the level of participation and outputs produced by pelouros.

Staff – Need effective IT support

Staff- Need clear priorities concerning CTA's goals/ objectives in order to direct research generation

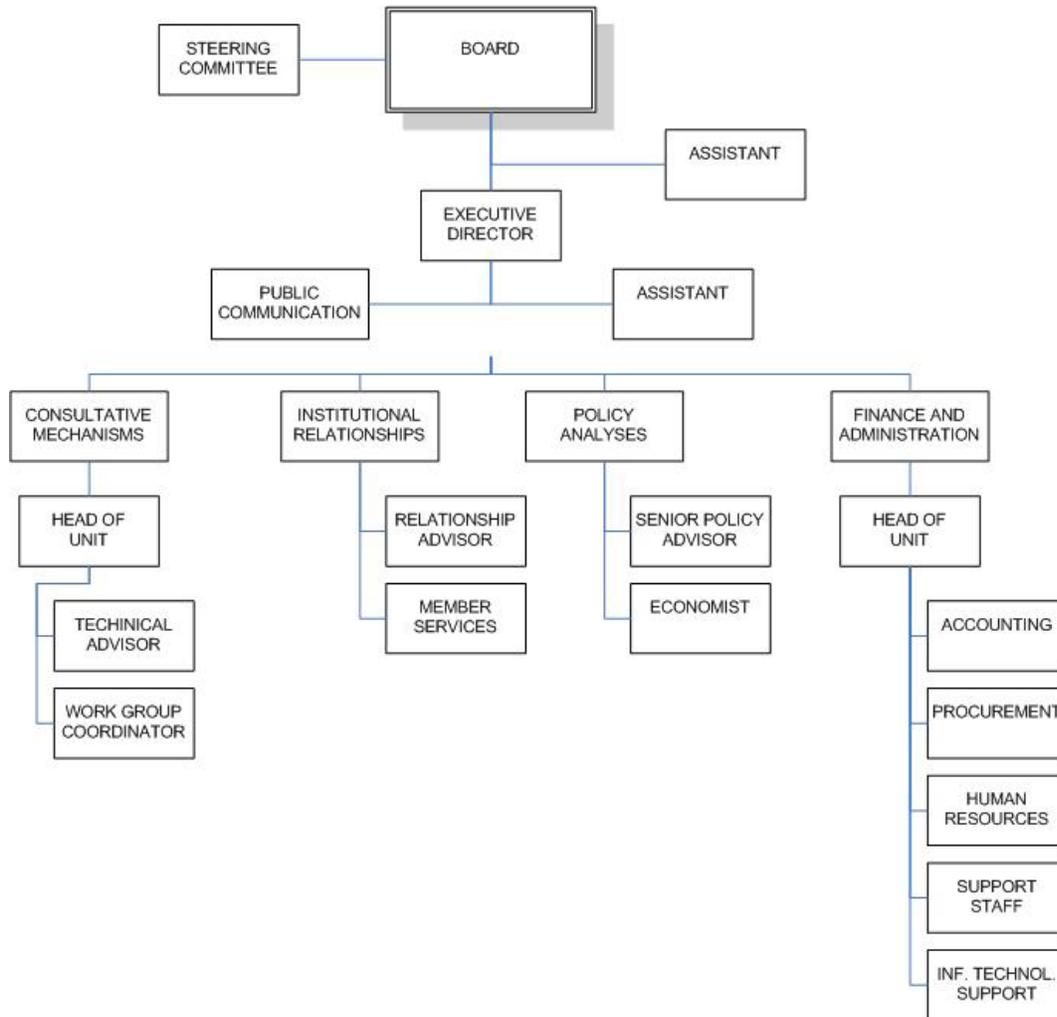
Government feels there is a need to further institutionalize regular meetings between CTA and the Government. The meeting schedule exists on paper but at times does not happen. The focal point interactions with the various Ministries are deemed very important and need to be strengthened.

RECOMMENDATIONS

The recommendations include some practical suggestions and models for organizational development in specific areas.

Recommendations on Structure

PROPOSED MODIFICATION TO INTERNAL ORGANIZATION CHART OF CTA



- The structure adheres to and refines the original functions proposed in the Articles of Association
- The structure reflects the Mission and objectives of CTA
- The functions are logically grouped reflecting the key operational activities of CTA
- The structure requires little extra staffing but staffing proposed is necessary in order for the organization to operate effectively

- The Finance and Administration Unit is designed to provide needed administrative and institutional support services needed for operational efficiency

Although it was decided to change structure and staff in a minimal way at this time in order for some real time implementation to take place, as time passes additional changes especially in staffing, such as the addition of a Deputy Director will be needed.

Recommendations on Functions of CTA

Consultative Mechanisms

The functions of this unit will remain the same.

Institutional Relationships

This function has been revamped and renamed to take into account the need for capacity building for members as well as providing member services.

The functions of this unit could include;

- Defining strategy for improvement of member relations
- Developing plans for increasing membership and sponsorships
- Being a link between member associations and other CTA units and entities
- Developing annual communication plan to ensure that all necessary information and knowledge is sent to membership including Regions
- Building and maintaining a membership data base
- Analyzing communication channels and deciding best method for communicating with various members keeping specific constraints in mind
- Providing inputs to and updating website which should include both pertinent information to members and also broad topics concerning the business environment
- Providing links with organizations which could be resources to CTA
- Surveying members to ascertain association needs as well as member satisfaction
- Searching for knowledge resources which could be helpful in educating members
- Providing CTA Executive Director and Board with feedback on the effective and ineffective performance of associations
- Looking for opportunities for sponsorships or partnerships with companies and organizations
- Looking for ways to provide knowledge resources to increase the knowledge and functions of associations
- Providing special services – ombudsman and legal support concerning creation of an association, bylaws etc.

Policy Analyses

The functions are similar to existing functions with an emphasis on **policy analysis and advice** as well as research. This could include:

- Generating research through identifying needs of CTA and working groups for research integration
- Creating TORs for consultants, studies etc.
- Evaluating outputs of research generated
- Providing quick economic analyses to support working groups
- Assisting working groups when needed in finalizing their outputs
- Writing articles etc. and coordinating with Communication Unit the best use of media for publication
- Providing advice to CTA Board, Executive Director and staff on an integrated set of strategic priorities needed for the development of economic policy positions
- Ensuring that CTA cross-departmental work programs and policy positions which are developed are consistent with current goals and objectives of CTA
- Identifying important emerging and future issues and their implications for economic development in Mozambique

Finance and Administration

- Planning, organizing and controlling the actions of the finance and administration unit
- Ensuring proper finance, budget and personnel systems are developed and followed
- Coordinating the activities of the accountant –expenses, payments, payroll
- Administering wage and salary programs
- Ensuring CTA'S compliance with all government and donor requirements
- Maintaining records and ensuring CTA'S financial statements are accurate
- Ensures all government reporting requirements are met
- Providing administrative oversight to all human resources functions such as recruitment, performance management, training
- Ensuring that procurement system is followed
- Ensuring that support staff- office, cleaning, transport have clear work directives
- Providing oversight to IT support ensuring that all IT processes work effectively

Public Communication

- Creating of CTA brochure which creates an 'IMAGE' for the organization
- Preparing information material, media inputs, and presentations to groups in business, government, and civil society

- Providing information to journalists/media concerning the roles and results of the work of CTA
- Organizing media events
- Overseeing media database
- Coordinating content needed in a CTA web-based information portal - this would incorporate specific information and resources dealing with economic issues relating to the private sector, CTA success stories, links to further information and resources etc.
- Planning seminars and workshops
- Producing news letters and bulletins, coordinate with Policy Unit and obtain articles for publication

Recommendations on Staff Improvements

Consultative Mechanisms

Staff cadre; 1 Head of Consultative Mechanisms, 3 Technical Advisors, 2 Work Group Coordinators- **total 6**

The Head of Unit position is vacant and must be filled quickly. Although this assessment cannot create full job descriptions for each staff member, we have created responsibilities for certain positions.

Head of Consultative Mechanisms

Responsibilities could include:

- Coordinates work of the technical staff of this unit through planning, directing, controlling and monitoring work of staff
- Acts as link between technical staff and the Executive Director and the Board
- Prepares annual work plan for unit clearly identifying key priorities
- Harmonizes and coordinate work plans of pelouros
- Coordinates with Finance and Administration to ensure that budget supports unit activities and provide administrative personnel information for employee records
- Works closely with the Presidents and Vice Presidents of the pelourous to support their needs and provide resources
- Works with Senior Policy Analyst to identify the kinds of policy research, and studies needed for pelourous
- Provides Institutional Relationship unit with information concerning the work of the pelourous.

The jobs of the Technical staff of Consultative Mechanism Unit have been reorganized into two different positions – a **Technical Advisor** who actually provides technical assistance in the area of policy position creation and **Work Group Coordinator** who will provide all the logistical support needed for the various work groups. This may not require additional staff but would require a redeployment of existing staff into these two types of positions.

If the logistics were removed from the Technical Advisor’s job and the pelouros regrouped in a more streamlined way, and then there could be two to three Technical Advisors for **all** the pelouros and one to two coordinators handling the logistics for all the pelouros. **At most one more staff member might be added to the existing cadre.**

Suggestion from staff for reconfiguring, the pelouros was sensible.

It consists of:

Sectoral Pelouros	Topics
Agriculture/Agriprocessing	
Energy, Infrastructure and Public Works	
Industry and Information Technology and Communication	
Tourism	
Commerce and Pharmacies	
Transport	
Cross- Cutting Pelouros	
Finance and Fiscal Reform	Bankruptcy etc
Security and Legal Reform	Corruption etc
Intl Relations becomes Regional Integration and Competitiveness	Relevant regional issues, SADC etc.
Work and Social Security	
Industry and Commerce	Competitive and procurement issues

Technical Advisor reports to Head of Unit

Responsibilities could include:

- Assists in devising Work Plan for assigned pelouros
- Assists coordinator in preparing agenda
- Ensures that the priorities selected for the matrix are followed
- Facilitates the discussions of pelouros and records minutes
- Coordinates with Policy Analyses unit for research and policy information and/ or studies needed
- Performs internet research on required topics
- Helps prepare/ drafts of work group reports

Work Group Coordinator

Reports to Head of Unit and performs a variety of non-technical tasks to support all the pelouros.

Responsibilities could include:

- Prepares invitations to meetings
- Produces documentation needed for meetings
- Ensures minutes of meetings are produced and sent to appropriate parties
- Assists in seminar, workshop , government meetings, conference logistics - venues etc
- Files all relevant documents of pelouros
- Writes correspondence, answers general inquiries

Institutional Relations

Staff cadre includes: 1 Institutional Relations Coordinator, 1 Member Services Coordinator

total: 2

Institutional Relations Coordinator

Responsibilities could include:

- As Head of Unit coordinates work of unit and provides direct link on all member activities to Executive Director
- Provide information to members
- Selects best channels of communication so that entire membership gets information in a timely manner
- Links with CTA website supplier to ensure that website is continually updated
- Develops plans to increase membership
- Provides feedback to Executive Director and Board on member needs and constraints
- Coordinates with Antenna staff to provide information to Regional members
- Provides feedback on effectiveness of associations to Board and General Assembly
- Provides membership information to Public Communication staff for inclusion in various media
- Links with Finance for information on membership dues payments and reports delinquencies to Executive

Member Services Coordinator

Responsibilities could include:

- Reports to and coordinates with Institutional Relations Coordinator to ensure all communications relating to member services reach entire membership in a timely manner
- Responsible for all communications – phone, letters, emails, information, updates etc. to members
- Ensures library (should have one) and archives updated
- Acts as focal point for all member demands
- Identifies opportunities and /or needs for knowledge and education for members
- Provides Board with information concerning the work performance of Associations
- Updates member data bases with current information

Policy Analyses

Staff cadre- 1 senior Policy Advisor Head of Unit, 1 Economist **total: 2**

Finance and Administration

Staff cadre- 1 Head of Unit, 1 Accountant, 1 Human Resources Assistant 1 IT support **total: 4**

Human Resources Assistant

Responsibilities could include:

- Maintains and updates employee personnel records
- Coordinates recruitment documentation
- Maintains HRIS (human resources information system)
- Produces required HR reports
- Ensures all government requirements are in compliance
- Administers procedures concerned with attendance, vacations, leaves
- Assists senior management and Executive Director in administrative duties concerning performance management, training, employee relations and HR policy development

Information Technology Support

- Responsibilities could include:
- Maintains and updates a comprehensive website
- Monitors email system and ensures that it functions effectively
- Performs needed activities as network administrator to ensure the sustainability of the system
- Conducts daily backup processes of the system

- Maintains equipment to prevent downtime and expensive repairs
- Implements all security arrangements such as user ID, passwords firewalls etc.
- Monitors and ensures proper licensing for software/ hardware
- Maintains a Helpdesk providing users with support and advice
- Ensures stock of computer supplies available
- Provides budgetary information to Head of Finance and Administration

Public Communication

Staff cadre 1 **total: 1**

Public Communications Specialist:

Responsibilities could include:

- Develops communication plan to promote CTA 's activities and programs
- Educates various stakeholders about the importance of CTA's advocacy for private sector enterprise
- Generates events- workshops, seminars etc to promote CTA'S activities
- Works with major media sectors including print, radio, and television to promote activities and successes of CTA
- Serves as a web publisher
- Develops relationships with journalists and updates them on CTA's activities
- Writes and distributes press materials- news letters, marketing bulletins, background information, fact sheets, etc
- Handles media inquires from all stakeholders
- Develops a media database

3.6 Executive Director

The current Executive Director is leaving CTA for another opportunity. It is paramount that the search/recruitment process be started quickly in order to have a smooth transition of leadership. A model Job Description of this position is included in the **ANNEX**.

Roles of the Executive Director, Board and Steering Committee

Roles of Executive Director

The Executive Director should be: a Manager, a Leader, and an Advocate

Management and Leadership

- Manage internal and external constituents of CTA to work together to generate policy that can influence governmental policy and legal reforms
- Effectively manage and lead a team which is empowered to run the various operations of the CTA allowing the Executive Director to play a more strategic role
- Support a high functioning Board who will assist the efforts of the CTA

Financial Management and Fundraising

- Assist with donor relations and develop fund raising strategies
- Be aware of donor possibilities and match them to either CTA's interest and / or needs
- Coordinate with donor agencies so that there is no duplication of assistance offered
- Create and manage a realistic budget for CTA , including restricted and unrestricted revenue sources

Technology and Communications

- Understand and maximize the role and uses of technology in the accomplishments of CTA's goals
- Ensure that publications and information released to the media are accurate and consistent with CTA'S goals
- Advocate extensive media campaigns so that members, the business community, the public and the government learn about the work of the CTA
- Use the power of the media to “ Brand” CTA as an active and successful advocate for policy creation and legal reform

Policy and Legislation

- Represent CPA'S interest on key legislative issues and when appropriate propose changes and gather support needed for change to take place
- Interpret, clarify and apply CPA's policies and procedures to ensure they are aligned with the law and regulations
- Have a clear understanding of the policy issues in order to best ascertain the best ways to obtain policy change
- Ability to frame the problem as a collective issue with the policy solution thereby shifting from a narrow to broad focus

Best Practices

- Ensure that CTA, both as an organization and by the behaviors of its staff, presents itself as an unbiased entity and make decisions based on best interests of the business environment as a whole
- Collaborate with international organizations and make use of any initiatives that have been successful which may be relevant to CTA

Roles of the Board

The role of the Board is very clearly iterated in the Articles of Association.

- Its roles are strategic, advisory, and diplomatic. It links closely with the Executive Director and empowers him to run the internal organization.
- It sets policies and strategies and advises on issues concerning the business environment
- It creates, revises and ensures compliance with policies in areas of human resources, planning, finance, communication and organizational operations
- It reviews resource needs and plans for financial sustainability
- It reviews operating budgets and financial plans
- It ensures that CTA’S work is evaluated in relation to its goals and objectives
- It sets criteria for membership and monitors effectiveness of member participation
- It monitors the outputs of the pelouros
- It represents CTA to the larger community – Government, business community, donors, international community, etc

Role of the Steering Committee

This is a suggestion for an additional component to the organization. Since the Board is made up of volunteers who have major business commitments as well as a deep commitment to diverse Board activities, it is suggested that an Ad Hoc Steering Committee be created. It will not be staffed by specific individuals but will be staffed by a cadre of volunteer on-call individuals from business, consultancies, etc. who step in to provide particular advice or expertise on issues that are under current consideration. This could ease the burden of the Board and allow them to better balance their time between Board activities and the demands of their private business commitments.

Planning and Internal Systems at CTA

CTA has to formalize planning mechanisms. Some plans do exist but they do not provide an integrated approach to meeting targets and achieving results

Operational planning includes

PLANNING ACTIVITY	RESPONSIBLE PARTY
Revisit and revitalize current Strategic Plan	Board and Executive Director
Ensure plan has performance indicators to measure progress	Board and Executive Director
Plan prioritizes goals and has timelines	Board and Executive Director
Develop Annual Plan which integrates with planned strategies	Executive Director
Develop Unit Work Plans	Unit Heads
Ensure Unit Plans are integrated with Annual Plan	Executive Director
Communicate Unit Work Plans and assign work activities to staff	Unit Heads

Work to priorities as outlined in plans	Staff
Modify plans when necessary but use them as guides	Everyone

Human Resources System includes

GOALS	OBJECTIVES	STRATEGIES	ACTIONS
Staffing Ensure the right people with appropriate skills are in the right position	Develop transparent recruitment policy and procedures Develop terms and conditions of employment Develop compensation system	Establish , according to priorities, a staffing plan and set hiring timelines	Develop or revise Job Descriptions Implement recruitment activities Hire best qualified staff
Rules of Conduct Ensure rules of conduct become the basis for the culture of CTA	Communicate and ensure staff understands the rules and complies with them	Develop an employee handbook which includes key policies and rules concerning the conditions of work	Manual topics include; Code of Conduct, Conditions of Employment, Work Rules, and Benefits etc. Publish Manual
Employee Records Ensure full and accurate Employee records are kept	Establish data base on all staff to use for manpower planning, training and development Establish system for keeping personnel records Establish policy about access to personnel files	Develop record keeping system Update system Use HRIS software to facilitate record keeping	Records must include legal documents retention documents performance related documents
Training and Development Create learning opportunities for staff	Provide knowledge and skill training Develop competencies to increase skills and knowledge capacity of CTA	Connect learning to performance and rewards Investigate various training approaches Develop training plans	Perform training needs analysis Choose training approaches that will be appropriate such as formal workshops, on-the-job training, distance learning Link employees performance to rewards, appraisals and ongoing training
Performance Management Establish clear standards of performance for staff	Hold staff accountable for their performance	Develop standards of performance for key job responsibilities	Develop appraisal process and rating system Train staff on how to appraise performance Ensure that appraisals are used to evaluate performance, increase productivity , identify and recognize superior performance and identify training needs

Communication Systems at CTA

Organizations communicate in two directions: internally to staff and externally to “customers” – members, business community, civil society, government, donors, media, and the international community. Faulty internal communications lead to mistakes, confusion, and discouraged staff. Poor external communications can jeopardize image and hurt the lobbying/ advocacy efforts of CTA. Any overall management strategy therefore must include effective communication plans, methods, and means in order to succeed. In the brief time spent in the organization a full

communication audit was not possible. However our interviews revealed some communication issues- goals and objectives are not clearly understood and/or aligned, members are not being communicated with effectively, few things are put in writing so that there is a lack of consistency in many decisions .Good methods of communication won't solve all problems but they will help.

This report focused on two approaches:

- Using the Organization Chart and Job Descriptions as communication tools
- A compilation of various channels of communication available to CTA, and pinpointing what works best for a specific audience.

Organization Chart and Job Descriptions as Communication Tools

If an Organization chart is well designed and used, it helps avoid the pitfalls of communication breakdown. A good organizational chart and the accompanying job descriptions that go with individual positions should clearly spell out responsibilities and levels of authority and the coordination links.

The levels of the organization not only document the reporting structure but indicate how communication moves up and down the organization. The channels of vertical communication are not a one-way street. They should serve as a means for frontline staff to relay important information to management and for management to disseminate consistent directives to subordinates.

Chain of command is also useful if used. Currently the CTA staff is getting many and often conflicting directives. It makes better communication sense that all internal staff directives are filtered down from the Executive Director, to Unit Head to staff. The horizontal communication links should be indicated in job descriptions which should not only describe the key duties of each position but indicate the coordination links to unit heads, to other internal units and to outside contacts such as the pelouros.

These two tools can guide three effective means for internal communication.

Enabling – This is the downward flow of communication as seen in the hierarchal levels of the organization chart. At each stage in the downward flow of information staff should receive information to help them do their jobs. It makes possible delegated, specialized and coordinated activities to be communicated top down.

Compliance – This is the upward flow of communication – from staff to Unit Head, to Unit Head to Executive Director, from Executive Director to Board, etc. In the upward flow the purpose is to report progress, results, compliance, or problems.

A well used Organization Chart becomes a system for communication where there is input (downward communication), processing (staff carries out duties), output (something is accomplished) and feedback (information flows upward). If it works well, then stakeholders get the information they need, and management gets the indication that their directives are being implemented properly.

Lateral- This is the information that flows back and forth between staff. It is labeled coordination. It is less mirrored in the organization chart and is more revealed in job descriptions where coordination links are detailed within key responsibilities. E.g. the need for Technical Advisors to communicate with Senior Policy Analyst to obtain needed policy research or studies to assist them and the pelouros in creating policy positions. This form of communication is more voluntary and discretionary. It is also based on reciprocation- you help me and I will help you. What is essential to good lateral communication is team communication.

All of these communication flows need to be understood and nurtured by the organization. A well crafted organization structure and clearly defined Job Descriptions are no miracle cures but are helpful tools.

Communication Matrix

The following matrices illustrate the best channels of communication with CTA stakeholders. They identify the key stakeholders, list possible communication methods, and then indicate the best means for communicating with specific audiences. The matrices should help in choosing the best channel for communicating needed information. That does not mean that the quality of the communication is guaranteed. But it does help select the best means.

	Government	Donors	Associations	Private Sector	Peloros	Civil Society	Staff	Board	Consultants
Website	●	●	●	●	●	●	●	●	●
Telephone	●	●	●		●		●	●	
Email	●	●	●		●		●	●	●
Letters	●	●	●				●	●	
E-mail mkt			●	●		●			●
News-letter			●	●		●			●
News (Insert)						●		●	
Brochures			●	●		●			
Radio and TV				●		●		●	
Seminars			●	●	●				●
Conferences	●	●	●	●	●	●	●	●	●

	Government	Donors	Associations	Private Sector	Peloros	Civil Society	Staff	Board	Consultants
General Reports			●		●		●	●	●
Policy Papers	●	●			●		●	●	
Regional Antenas			●	●					
Library			●	●	●	●	●		●
Archives							●	●	●
Audits	●	●	●					●	
Discussion Papers					●				
Meetings	●	●	●		●				
Result Reports	●	●					●	●	
TORs									●

Explanations for some channels of communication:

While of the communication channels are self-explanatory, others need more explanation or rationale for use.

- WEBSITE. Its important components should include: background of CTA, member information, specific policy position papers, contact information, important links of other websites. It needs to be updated regularly .It should be in Portuguese and English.
- EMAIL – must use reliable system.
- PHYSICAL AND DIGITAL NEWSLETTER- It should be short, regularly published, bulletin-like focusing on latest news, articles, and upcoming events.
- CONFERENCES – Key channel for airing CTA’s position. A suggestion for change could be to hold the CASP conference every 2 years so that more time could be allotted to accomplishing the key results coming out of the matrix.
 - Have yearly Regional Conferences
 - Have once per year meeting with Prime Minister
 - Have 2 meetings per year between Sectors with their Ministers

All of the above is suggested so that the parties involved will have the appropriate time periods to achieve results.

- DISCUSSION PAPERS- are drafts of ideas and possible approaches which, after discussion will turn into policy positions
- POLICY PAPERS – are final results of lobbying/advocacy efforts and should reflect an alignment between CTA and the Government
- REGIONAL NETWORKS –Structure for communicating with regions and provinces

- ARCHIVE – Establish and maintain a Documents Management system which ensures retention of all necessary CTA documents

Next Steps

IMMEDIATE FIXES	NEAR TERM FIXES	LONGER TERM INITIATIVES
Email- Investigate Gmail for Small Business- eliminates server	Search and select executive director- Reiterate clearly roles of Board and Role of Executive Director and provide a clear mandate for Director to run the Operation of CTA	begin strategic planning for next 3-5 years- ensure strategic alignment for all stakeholders
Website- Make it operational – in Portuguese and English	Make decisions on structure and functional change suggestions and act	formulate needed human system –skills and knowledge training, performance evaluation etc.
Develop a membership data base and mailing list	If Technical Advisor and Work Group Coordinators' positions are accepted, reassign and deploy staff to these positions and create job descriptions	Set up centralized electronic archives to capture and maintain important CTA documents as part of a knowledge management system
Formalize a transparent and consistent recruitment and compensation system and implement	Institutional Relations- if change is accepted deploy and add staff and create job descriptions	Using the ISO 9000 requirements (which MBC Brazil successfully followed) develop and implement key management and financial systems
Hire Consultative Mechanisms unit head	Review strategic plan and update too reflect goals and objectives for 2008-2009	Create and implement a communication plan to educate, share successes, and provide information about CTA to all stakeholders
Review, modify if needed and approve internal regulations document	Create annual plan for 2008- set clear objectives and prioritize and ensure all supporting work plans are aligned with these priorities	
	Update existing job descriptions	

Organization development is a huge undertaking. In fact it never ends. The critical choices CTA has to take are: to decide to do it and to prioritize what has to be achieved in an incremental way so that the process is workable and aligned to current needs.

2. Institutional Stability (Social and Financial)

SUSTAINABILITY OR SELF-SUSTAINABILITY? SOME REFLECTIONS

Being self sustainable is a major challenge for organizations with CTA characteristics - private and non-profitable entity composed by associations. Consequently, it's important to clarify an important point: there are existing differences between self sustainability and sustainability, which apparently seem to be synonymous conceptions and have only a direct relation with the question of the mobilization of financial resources.

The concept of sustainability, which is generalized in terms of organization, began to be widely used in non-profit organizations, in its various fields. More and more, it started to be a daily pre-requisite imposed by private enterprises, donators or public organs that these actions must be sustainability or self sustainability oriented, so that they can be financed or supported.

According to a broader outlook on the necessity to overcome the sustainability challenge in non-profit organizations, we can conceptualize classifying it in organizacional, intellectual, financial and social:

- **Organizational Sustainability**, which concerns the methodologies of work, qualification of the human resources, quality of the work done and learning capacity of the institution;
- **Intellectual sustainability** I, which is the capacity of insertion and influence in the political realm, through a solid and continuous way, practicing the control and follow – up of the direct demands.
- **Financial sustainability**, which means to have the necessary financial resources to keep on developing its mission.
- **Social sustainability**, which represents the capacity of the organization to maintain the cohesion and the dialog between several interests and the reach for consensus, through the constant concern with the understanding of necessities and demands of the interested parts.

When agreeing with these concepts, it is important to be attentive to the inter-relation necessity between these dimensions in order to guarantee a real institutional sustainability, since we understand that these dimensions are simultaneously taking place in the organizational dynamics.

Not only does CTA have management crisis, but also institutional crises we would risk saying, crises of rationalities, due to either historical path or sustainability.

According to the presented concepts, it is possible to assert that either in dimensions restricted (to the financial matter) or broad aspects, sustainability becomes a bigger challenge day after day, demanding more than just management improvement, but the conciliation of values, institutional mission training and struggle for financial survival.

Another problem we should pay attention to concerning the challenge of sustainability is the necessity of understanding the existing differences in the origin of the resources resulting from partnerships with multiple agents (enterprises, governments, international organisms, donors — and, very rarely, in case of CTA, and beneficiaries).

Thus, it's necessary to value the feasibility of the mobilization strategies resource (generation and raising), taking into account the peculiarities of each region and unity, the local potentialities and, principally, if the goals are aligned with the institutional development. In other words, it must not be focused on having ready cash, but on the purpose to have this money.

Once again we assert: besides self sustainability it's necessary to guarantee the sustainability of the purposes and initiatives of the organization through the expansion and diversification of the ways and resource.

INSTITUTIONAL STRENGTHENING AS A WAY TO SUSTAINABILITY

According to this principle, the guarantee of sustainability will be a consequence of a process of institutional strengthening. Based on the previous explanations we can infer that the concept of institutional strengthening would be clearly understood as a way to boost up values and beliefs. Strengthening or institutional development, as some authors prefer to call, they are synonymous when they mean fortifying, making stronger, progressing in terms of organization and institution depending on the approach used.

Basically, the institutional development comprehends the processes and initiatives that aim to assure the institutional mission in a sustainable way; and to strengthen the strategic position of a certain organization in the society.

Therefore, some measures are necessary (i) to strengthen articulation capacity of promotion of initiatives of change processes, and (ii) to expand the social base legitimacy and credibility of the organization, as well as (iii) seek for the management and operational improvement.

According to the concept presented, it is possible to affirm that the financial sustainability of an organization can occur as a consequence of the institutional strengthening. However, this process only takes place when the development and of the organization capacity changes simultaneously.

In this sense, the institutional strengthening involves the capacity of making the difference and it demands the following topics:

- To reestablish a view, directives, objectives and formal bases, which might be a reaffirmation of what is already defined?
- To clearly assume, as a whole, a visionary outlook, where to get at and which ways or strategies will be used;
- To redefine of roles and advice functions, board of director and technical team, reaching a transparent agreement producing a synergetic and not a competitive action;
- The individual and team commitment with the personal development of each person belonging to the entity;
- To establish of a minimum level of resources (human, material and financial) and organizational structures adapted for the fulfillment of the mission.

To sum up, the challenge of sustainability must be after all faced as the constant monitoring and the evaluation of the achievement of the institutional mission.

It is possible to affirm that such universal demands, as well as the basic necessities in human beings, are ruled in the assertion and value identity as a requirement for the survival and organizational expansion.

FINANCIAL AND SOCIAL SUSTAINABILITY OF CTA

This section will cover aspects of Institutional sustainability of the CTA - Financial and Social. These aspects were the topics of the interviews and document analyses carried out during the period of 3rd to the 15th of December in Maputo, Mozambique.

The section is divided in three main parts consisting of a brief analysis of the information and its consolidation; the diagnosis of the situation and finally the recommendations.

These recommendations take into account the current capacity of CTA, which was described in the previous sections and need to be perfected and strengthened in order to achieve its goals, specially, when it comes to organizational structure.

Instead of focusing on long term recommendations or demand for structural changes, we look for basic solutions to basic problems that are harmful for the CTA operation.

Perceptions Concerning Financial Sustainability

As it was previously described, for this work, we consider the financial sustainability to be the ability to have the necessary financial resources to keep on developing its mission.

Basically, CTA has the following resources (2007):

- Associations (shares)
- International donators
- National government

In 2007, through information provided by the administrative team, CTA had an amount of U\$ 2.129.800,00 (two million one hundred and twenty nine thousand and eight hundred American dollars). These resources come from the following resources

	USAID	ASDI/PAC	GOVERNMENT	ASSOCIATIONS
Value	975.000,00	592.000,00	560.000,00	2.800,00
Percentage	45,78 %	27,79 %	26,29 %	0,14 %

Year 2007 – Interview and Documents

The CTA associations are committed to transferring resources monthly (shares) which can be freely invested and have continuous characteristics. The other resources come from sources with two major characteristics: they are not permanent and demand to be achieved in an established work plan with the expenses itemized as it's shown in the next chart.

	USAID	ASPI/PAC	GOVERNMENT
Validity of Agreement	2009		2007
Frequency of Transfers	Annual	Annual	Annual
Expenses	Signed initials	Signed initials	Signed initials

Year 2007 – Interview and Documents

As we can notice by the information in these first two charts, there is a concentration on few resources, with the insignificant participation of the final beneficiaries and the ones responsible for CTA, *i.e.* The associations.

Another speculation that can be done concerns the fragility of the permanence of the resources origin, since the agreements of resource transfer are annual and donators depend directly on the policies of the donating institutions.

As a result, because 99.99 % of the resources are managed under the protection of a work plan and signed initials of defined expenses, the freedom to use the resources is limited by the interests of the donators.

Some information that can help to develop a view on the situation of the CTA in terms of financial sustainability is the ones referring to the types of expenses and their respective values.

These values were grouped by similarity, based on budgets reparsed by the CTA team, referring to 2007. This stratification does not seek a value judgment on the amount spent or on what it's spent. However, it allows us to realize the unbalancing and respective fragility.

	USAID	ASPI/PAC	GOVERNMENT
Staff	420.000		
Training	5.000		
Advisers	200.000		20.000
Trips and Logistics	50.000		186.000
Infrastructure	120.000	10.000	42.000
Funding and Equipments	40.000		
support to Specific Persistence	140.000	35.166	
CASP and Regional CASP		59.000	70.000
Directive advice and Directorship			52.000
Regional antennas			30.000
Federations			20.000
Municipalities			84.000
Arbitration Center		135.500	
Business Forum and OMBUDSMAN		208.200	
Others			23.000
Services to the Clients		44.700	

Contingency		28.000	40.000
PAC (Tax, Fee and Await)		72.000	
TOTAL VALUE	975.000	592.000	567.000

Full budgets – US\$

This short analysis reveals the fragility of the financial dimension of the CTA. The concentration of financial resources in few sources linked to the objectives agreed with these donators produce a very strong dependence.

On the other hand, there is low representation of the values originating from the associations. Such associations are theoretically the most interested parts in the CTA development. They present a probable detachment between the objectives of the CTA and the expectations of the associates. This shows that there are problems in the social dimension.

Perceptions Regarding the Social Dimension

According to the information presented previously, the sustainability in the financial dimension has a tendency to be an effect of the social dimension.

Concerning the social dimension, during the interviews carried out in the period in Maputo, some points leading to fragility were pinpointed.

The concentration of CTA actions in the capital of the country, the lack of a of communication process structured among CTA, Associations and Enterprises, misunderstanding related to the roles between CTA and the government., lack of a structured process, between CTA and Government concerning analysis and negotiation related to priority issues, the lack of clear definition between the roles that must be fulfilled by the organizational structure of CTA among other points. These aspects make us believe that a search for a model of Institutional Sustainability goes through an ample reconsideration of the institution.

In order to show these points, a diagnosis done by means of gathered information in the interviews and analysis will be presented in the next section.

Nevertheless, it's advisable at this moment to explore a little the relation between communication and fundraising, before we get into the diagnosis of the CTA.

An efficient communication process is essential to reach credibility of an institution with the CTA. It is this process that stimulates associations, enterprises and people to check the results of institutions' actions.

Communication and Fundraising

Fundraising is one of the major challenges that organizations such as the CTA face presently. With the growing shortage of resources and the increase of the competitiveness to raise funds, the organizations are more and more obliged to perfect and innovate in fund raising strategies.

A great part of the success in the activities of fundraising depends on the relationship established with the donators. The potential donators are people or institutions that generally share the same mission, values, and general objectives of the organization and can be willing to contribute to the accomplishment of activities or projects developed.

Regardless of who these potential donators are (individual entities, public, private organizations, or multilateral agencies), it is certain that a fundraising campaign demands attention with the communication established in each of these target publics, which can be made easier when an appropriate communication plan is prepared.

The efforts of communication of the organization must be objected to increase the potential donators' awareness about the organization, their activities and most importantly, problems that the entity tries to solve through its actions.

As most people or institutions that support an organization like CTA have values and common opinions on social, economical or environmental causes, it is fundamental that the entity develop programs of communication that provide a favorable atmosphere for donations likewise favoring the establishment of long lasting relationships with these social actors.

An organization can use different media to interact with its clients (personal contacts, letters, phone calls, e-mails or website) and, generally, it arranges institutional materials like booklets, paperbacks, folders, reports or newspapers. The care in the preparation of these materials is very important because these materials show an image of the organization to different public that might grow interested in the organization (stakeholders).

Before beginning a fundraising campaign, it's recommended that the organization develop an institutional material that clearly presents objectives and the logic (reason to be) of the organization and the reasons for the potential supporter to offer his resources. To have a printed formal material is important because it brings confidence to the reader as well as more professionalism to the campaign or to the entity. This material, which can be a booklet or a brochure, needs to communicate the objective of the fundraising in a persuasive way. The material needs to illustrate in which way the resources raised will be able to be used so that the organization can continue or expand its activities aimed at accomplishing its mission.

This material can be used with the potential donators as a way to divulge the entity and its programs in news publications, for example when the organization makes known its actions it can conquer publicity opportunities reinforcing its fundraising efforts.

The preparation of a simple booklet very often takes more hard work than expected because it can cause internal discussions on issues such as: the best language, format, the design and the size of the document. It's obvious that everyone's participation is important in the preparation of

the material, but it is wise to remember that it's not always possible to reach absolute consensus on all the aspects involved.

Using a simple guideline as the one presented below can be useful in the process of preparation of the institutional material for a campaign of associations:

1. Introduction intended to raise interest in the organization, its challenges and the problems that this organization tries to solve
2. The Organization Relevance in the social, regional and national context
3. Brief organization report pointing out past achievement
4. Aspects of distinction of the organization and its programs and services
5. Current challenges of the entity showing that those challenges were properly evaluated
6. Logic of the campaign, showing that it results from a process of projection
7. Explanation on how resources will be employed and their importance for the success of the initiative
8. Role that the donation can have in the solution to social problems
9. Final appeal so as to get the donation
10. Instructions to carry out the donation, association, sponsorship etc.

Nine Principals of Fundraising

1. It is not advisable to initially consider that the organizations deserve to get support, but the support must be conquered. Whichever the achievements and projects that the organization executes, it is necessary to try to show to the community the value and the efficiency of its efforts.
2. Fundraising does not happen in vain. On the contrary, it's a result of hard work from the part of the individuals that are appropriately prepared to achieve it. Fundraising requires planning, research and strategies.
3. Fundraising is not just a matter of getting money, but establishing and managing relationships with people and institutions that might be interested in your organization.
4. People do not donate resources without a reason. It is necessary to ask for them.
5. Asking for resources is not enough. No matter how valuable and efficient an entity is, people, enterprises or entities will only give resources if they are convinced to do so.
6. Do not wait for an "opportune" moment to get resources. Ask for resources as soon as you present your organization and its plan for a possible donator. In case you do not get

it, try to discover the reason for the objection and try to go round it, or accept the negative answer and carry on.

7. Very often the directors who are successful in getting funds do not request them directly, but they convince other people to obtain them.
8. You cannot decide to get resources today and re raise them tomorrow. The re- raising demands time and patience and requires planning. You should begin a Fundraising campaign and re fundraising before the necessity comes up.
9. Treat the potential clients and donators as you would treat loyal clients in a regular business. No successful businessman treats his clients as if they had the obligation to buy. It is important to show how the potential clients and donators are important and how to treat them with courtesy and respect.

After this short description of the relation of communication process and fundraising, we will move on to the section of the CTA diagnosis.

Diagnosis of the Situation and Recommendations

This diagnosis was developed based on a model of the University of Wisconsin, designed to help the manager with the revision of the strategies and practices of non governmental organizations, trying to raise fundamental questions for the effectiveness of the actions developed by these institutions.

The model analyses aspects of mission and organizational view; team, structure and leadership; financial and operational management; planning as well as fundraising.

The aspects are divided in affirmations for reflection; these affirmations are followed by comments (perceptions and suggestions) that analyze the CTA according to the point raised, building a diagnosis of the institution and series of actions that could be issued.

This diagnosis is not exhausting, since it worked with perceptions caught by the consultants at the moment of the interviews and in the analysis of documents, nevertheless, we can assert that it reflects a significant part of the current reality of the CTA.

Vision, Mission and Program (Projects and Actions)

Reflection	Comment
The CTA Mission is clear, understandable and specific	PERCEPTIONS There is a defined mission; however this mission is not explored as an integration mobilization tool of CTA agents (Council, Team, Associates and Peloros).
The declaration of CTA Vision communicates the future direction and the desired results.	

	<p>There is no clear prospect that allows the convergence of the agents' objectives</p> <p>SUGGESTIONS</p> <p>Review the mission and build a clear vision. Proceed a strong communication process of these values, involving all CTA gents</p>
<p>The Council and team revise periodically reviews the Vision and Mission to reflect the changes of the environment</p>	<p>PERCEPTIONS</p> <p>There is an annual reflection process of the planning and the conference itself is somehow used as a way of reflection.</p> <p>SUGGESTIONS</p> <p>Structure a clear revision process of CTA values, introducing a communication process that enables the dissemination of the results</p>
<p>CTA periodically assesses its relevance, requesting inputs of its community, and as it is its mission's purpose it is producing benefits.</p>	<p>PERCEPTIONS</p> <p>There is no clear defined feedback process of CTA agents. The input is not assessed systematically. They present gaps in the search for information related to satisfaction of the members that compose the CTA.</p> <p>SUGGESTIONS</p> <p>Structure a process, along with the Annual Conference or in the process of strategic planning to hear and to evaluate the information originating from the CTA net. The ombudsman must also act in the relation between CTA and its members.</p>

<p>Other similar organizations that act in the same area recognize CTA's work</p>	<p>PERCEPTIONS</p> <p>The CTA is recognized as the bond between private sector and government It presents a high credibility in some sections of government and private groups.</p> <p>SUGGESTIONS</p> <p>There is a gap between sectors of the economy and the CTA, this must be overcome by a more efficient communication way and by the expansion of the Consultative Council or creation of an Advisory Advice, involving government, partner institutions, international enterprises etc.</p>
<p>The CTA is recognized as an institution; it is not identified only by one or two people who act in the institution.</p>	<p>PERCEPTIONS</p> <p>There is very strong image relation between the entrepreneur who compose the council and the CTA identification from the part of the society. This is common among institutions like the CTA.</p> <p>Since CTA has a fragile personnel structure, this can lead to an image that the CTA is the action of one or two people.</p> <p>SUGGESTIONS</p> <p>The maturing of the organizational management process, including a clear process of delegating authority and clear a definition of functions have a tendency to minimize this aspect. To do so, the professionalism process of the internal management of the CTA must be deepened providing transparency and efficiency.</p>

<p>The CTA is able to show measurable and understandable results (meaning)</p>	<p>PERCEPTIONS</p> <p>The CTA presents a gap in this item. The CTA has objectives, nevertheless these objectives are not measured and supervised. Furthermore, the objectives are not clear for any component of the CTA, such as: the team, some Peloros and the business sectors.</p> <p>SUGGESTIONS</p> <p>The creation of a strategic map by means of strategic planning with the ramification of its indicators defining the contribution of each agent within these objectives and with specific indicators. These measures can work as mobilizing process. For example: To establish a construction process of a <i>Balanced Scorecard</i> that involves Council, Executive Secretariat, Peloros and Enterprises.</p>
<p>The programs (projects and actions) are aligned with the vision, mission and expertise of the CTA.</p>	<p>PERCEPTIONS</p> <p>The CTA's actions are focused on the advocacy field. At this point, these actions are aligned. Nevertheless, the mission CTA's mission and the expectation of other agents who compose the CTA, <i>advocacy</i> is not the only action that the CTA must be carrying out.</p>

	<p><i>SUGGESTION</i></p> <p>In this point it's wise to ponder on the objectives of the CTA and the expectations that the members of the CTA must have related to these actions. Are they supposed to focus only on advocacy or a broader action involving other actions?</p>
<p>The programs (projects and actions) are aligned with the priorities identified in the strategic projection</p>	<p>PERCEPTIONS</p> <p>The CTA presents planning alignment of the executed actions.</p> <p>SUGGESTIONS</p> <p>The Same as in the previous item. Effectively, why does the CTA exist and which are the expectations that the society, enterprises, Peloros etc., must have towards the CTA?</p>
<p>The programs (projects and actions) are based on documented necessities (facts and data)</p>	<p>PERCEPTIONS</p> <p>The economic analysis area subsidizes the actions definitions.</p> <p>SUGGESTION</p> <p>To enlarge the collection of facts and data involving Associations, Enterprises, Peloros also groups that</p>

	<p>are not involved with the CTA, such as international enterprises, potential donators financial supporters etc.</p>
<p>The programs (projects and actions) are built with inputs from the clients (existent and potential), team, council, data and information and lessons learned in other fields and activities.</p>	<p>PERCEPTIONS</p> <p>The CTA agenda has not been altered in the last 2 years. This is normal on a side, since the objectives are long term, but on the other hand, it can show a lack of action in the information collection process that could identify gaps to be worked out.</p> <p>SUGGESTION</p> <p>Same as in the previous item. To expand the group of entities that give feedback to the CTA.</p>
<p>The programs are built, including ways to measure the progress and the results.</p>	<p>PERCEPTION</p> <p>There are gaps in the management of the projects and actions of the CTA. The measurement of process and results could be better worked out.</p>

	<p>SUGGESTION</p> <p>One alternative is to create the function of the Projects Office based on the PMI concepts (Project Management Institute). It is not necessary to think about applying the concept of fixed way, but adapting the reality to the CTA.</p>
<p>The programs, specifically continued actions, the Peloros for example, get updated or change the way they act based on lessons or changes in the necessities of the community and clients</p>	<p>PERCEPTIONS</p> <p>This is a critical point. It's necessary to have clear regulations about the functioning of some sections of the CTA, specially the functioning of the Peloros which are the door of the society demands.</p> <p>SUGGESTION</p> <p>Creation of a regulation of functioning of the Peloros. To develop a process of performance recognition of the Peloros to stimulate the efficient action. Promote the stimulus to new leadership in Peloros.</p>
<p>The results and the observations (experiences) are used to:</p>	

<ul style="list-style-type: none"> To identify necessities of technical back-up, team and the team's training 	<p>PERCEPTIONS</p> <p>There is a detachment between the activities developed by the CTA and the way it's used in the internal feedback process. On the other side, the turnover of the CTA is high, which damages the creation of a team. The team presents clear discouragement that affects the work environment.</p> <p>SUGGESTIONS</p> <p>Introduce a HR policy, through a Post, salary and career plan involving aspects like training and competences, aligned with objectives achievement and expectations.</p>
<ul style="list-style-type: none"> To identify area of areas of growth and development 	<p>PERCEPTIONS</p> <p>According to what is described in the previous items, CTA has a focused action, which does not mean it's meeting the expectations. As a result CTA does not have a prospect ion vision of new areas and actions that could be developed. when it happens, it's done by the Council, however it's something that should be developed by the team, more specifically by the area of Institutional Relationship.</p> <p>SUGGESTIONS</p> <p>Firstly, have a clear definition of the areas and actions that CTA should act in and develop. Secondly, to structure the CTA so that it has a prediction process of opportunities that could be developed.</p>

<ul style="list-style-type: none"> • To orient the application of resources and budget. 	<p>PERCEPTION</p> <p>As most of CTA resources have definite use. The relation between resource and budget is focused on paying attention to what was contracted by the resource supply.</p> <p>The use of annual budget in the CTA presents gaps. In this point, the exchange of team also damages the information control.</p> <p>SUGGESTION</p> <p>Introduce a zero base budget process to zero, in the beginning of the year and a periodic follow - up.</p>
<ul style="list-style-type: none"> • As part of the annual planning 	<p>PERCEPTIONS</p> <p>The national conferences and regional meetings have provided information that is used in the annual planning.</p> <p>SUGGESTIONS</p> <p>It is important to give visibility to (communicate) the process of collecting information and its use in the annual planning.</p>

<ul style="list-style-type: none"> To promote programs (planning and actions) 	<p>PERCEPTIONS</p> <p>This is done in an insipient way. It could be better structured.</p> <p>SUGGESTIONS</p> <p>To have a process drawn for projects prospection and actions concerning the identification, as the evaluation and the possibility of execution and the identification of partners and financial supporters.</p>
<ul style="list-style-type: none"> To identify partners for technical, financial cooperation and teams 	<p>PERCEPTIONS</p> <p>This item is also insipient.</p> <p>SUGGESTIONS</p> <p>The same as in the previous item.</p>
<ul style="list-style-type: none"> To communicate the results to the interested parts (Associations, Council, Peloros, Team, Community) 	<p>PERCEPTIONS</p> <p>This is an important gap in the CTA. To improve the communication process of the results and actions for the interested parts is essential to reach credibility and the partners' mobilization and partners to be.</p> <p>SUGGESTIONS</p> <p>Create and develop a clear pattern of communication that defines what will be communicated, how, to whom and the objective. (To</p>

	inform, move, mobilize, compromise etc.)
<ul style="list-style-type: none"> • Show the financial report to the current and potential supporters 	<p>PERCEPTIONS</p> <p>According to the previous item, also it can also be deepened.</p> <p>SUGGESTIONS</p> <p>It follows the same line of the previous item. Introduction of a communication pattern.</p>

STRUCTURE AND GOVERNANCE TEAM

Reflection	Comments
<p>The expectations of the Council are clearly identified and communicated</p>	<p>PERCEPTIONS</p> <p>The CTA presents a dysfunction in the communication between the Council and the Team. This happens due to the fact that the roles of each level are not clearly defined.</p> <p>The CTA has a statute and a proposal for an internal set of regulations; however, more than the formal documentation it is necessary to have an attitude of actions in the areas that are defined. Since there are needs in the operational structure of the CTA, the Council becomes an operational part of the institution, generating overlapping areas with the team and the directors.</p> <p>Since the internal management is not consolidated, the council interferes in the internal management.</p> <p>SUGGESTIONS</p> <p>Immediate implementation of internal regulations, revision of the statute and functions of the different levels of governance and strengthening of the internal management, to allow the Council to concentrate on its actions in the follow-up of the results, representation</p>
<p>Team and Council have clearly defined, described and formalized functions</p>	
<p>The functions of the council (regulations) are constantly up-dated and communicated to its members</p>	

	<p>and mobilization of partners, institutions and government.</p>
<p>The structure of the CTA reflects the needs of the institution</p>	<p>PERCEPTIONS</p> <p>The CTA has structural needs. Not in the number of people, but in profiles and the clear definition of functions</p> <p>SUGGESTIONS</p> <p>Implementation of an operational structure that has as its priority the internal management. With the revision of the objectives and functions of the CTA, clearly define the structural needs.</p> <p>Operate in a way that the resources from the government be applied in a plan to improve the structure.</p> <p>Without a structure that reflects credibility, efficiency and focus on results, the process of mobilization of resources will be damaged.</p>
<p>Opportunities of development and training are made available</p>	<p>PERCEPTIONS</p> <p>Since there is not a clear policy of human resources, the needs are met in a reactive way, and not focusing in the needs of the institution.</p> <p>SUGGESTIONS</p> <p>Implementation of a policy of human resources according to what was mentioned above.</p>
<p>The Council hires the Executive Director and he hires the team</p>	<p>PERCEPTIONS</p> <p>The definition of the needs of personnel is not based on clear processes, there are contradictions in what is stipulated and in what is done</p>

	<p>SUGGESTIONS</p> <p>Revision of the statute and implementation of internal regulations predicting a clear process of selection and hiring of personnel, aligned with the objectives of the CTA. These processes must be revised periodically.</p>
<p>The Council evaluates the performance of the director(s) annually</p>	<p>PERCEPTIONS</p> <p>The evaluation is not carried out in a structured way nor based on result indicators.</p> <p>SUGGESTIONS</p> <p>The implementation of a Strategic Map (Balanced Scorecard) with the due result indicators, can be useful for evaluating directors, team and also the performance of the council.</p>
<p>There are clear policies for conflicts of interest, the definition of limits of operation, such as a code of conduct</p>	<p>PERCEPTIONS</p> <p>It is considered in an informal way and not systematic</p> <p>SUGGESTIONS</p> <p>The implementation along with the internal regulations of the Code of Ethics and Conduct would be able to attend this aspect. This type of action generates transparency and with it credibility, which facilitates the fundraising process.</p>
<p>The decision making is made based on the procedures (processes) defined</p>	<p>PERCEPTIONS</p> <p>There is enough room at the CTA for the development of processes.</p> <p>SUGGESTIONS</p> <p>Implementation of a management by processes, aligned with directives such as the ISO 9001.</p>
<p>The definition of the council's composition</p>	<p>PERCEPTIONS</p>

<p>is done taking competences, abilities and necessities attitudes into consideration</p>	<p>As every institution that depends on voluntary work, the CTA is not different. The Council is composed by people who are committed with the institution and the country. Nevertheless it is necessary that in the council too the functions be defined and communicated clearly.</p> <p>SUGGESTIONS</p> <p>Revise the statute and the related legal documents, checking their adherence with the strategic planning of the institution. Try to have a continuous process of training of new leaderships and maintenance of the relationships with the leaderships that have already worked at the CTA.</p> <p>The implementation of a Consultative Council or a Council of Outstanding Members could be an option to maintain and promote leaderships.</p>
<p>Volunteers (Peloros) are trained, managed and recognized</p>	<p>PERCEPTIONS</p> <p>Pursuant to what was mentioned the Peloros need to be better managed and followed closely. Because of this the CTA should have a continuous training process for the leaders of the Peloros and a closer follow-up of their management.</p> <p>SUGGESTIONS</p> <p>Define clear rules, specific objectives and goals to be achieved by the Peloros, as well as a solid evaluation process and succession of the Peloros.</p> <p>The implementation of a process of recognition of the Peloros' performance can be a way to encourage performance.</p>
<p>The structure of the team is revised periodically based on their positions and not on the people themselves.</p>	<p>PERCEPTIONS</p> <p>What we see is that the CTA institution had several evaluation processes of its structure and objectives, however none were implemented. This is a topic for Ernest Young's report as well as for the current</p>

	<p>Strategic Planning.</p> <p>SUGGESTIONS</p> <p>In the planning cycle of 2008, define few objectives related to the structure and implement them. The council must have a continuous follow-up process of the execution of the strategic planning.</p>
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FINANCIAL AND OPERATIONAL MANAGEMENT

Reflection	Comments
<p>Auditings are carried out and analyzed annually</p>	<p>PERCEPTIONS</p> <p>There is not an annual independent auditing. The auditings that may exist are the ones related to the rendering of accounts to the financiers.</p> <p>SUGGESTIONS</p> <p>Implementation of an annual external auditing and strengthening of the Fiscal Council. This is fundamental for the transparency and credibility of the institution.</p>
<p>Periodical financial statements are prepared using standards agreed on with the Council</p>	<p>PERCEPTIONS</p> <p>The financial follow-up is incipient and reactive, without any defined standards</p> <p>SUGGESTIONS</p> <p>Define a periodical process of rendering accounts and following results up, giving visibility to the origins of the resources, and also how they were used.</p>
<p>Team and Council can quickly respond to any budget and financial questions of the CTA</p>	<p>PERCEPTIONS</p> <p>Since the financial administration is incipient, the information is not up-dated, for example, there is a lack</p>

	<p>of control in the entrance and default of resources coming from the associations.</p> <p>The administrative team needed alterations and finds itself at the beginning phase of getting to know the financial reality of the institution.</p> <p>SUGGESTIONS</p> <p>Promote the construction of a periodical process of rendering financial accounts and consolidate an active fiscal council fiscal.</p>
<p>The annual budget process is defined and the Council approves the plan and annual budget</p>	<p>PERCEPTIONS</p> <p>There is a planning process that creates and approves the annual plan and the budget. There is a gap in the management of the plan and in its follow-up.</p> <p>SUGGESTIONS</p> <p>Systematize a follow-up process of the annual plan and budget. Implement a professional financial administration.</p>
<p>There is a policy of financial control, including the cash flow, approval of expenses and non-predicted payments</p>	<p>PERCEPTIONS</p> <p>The CTA presents the control process that must be revised and strengthened</p> <p>SUGGESTIONS</p> <p>Standardize the financial administration processes.</p>
<p>There are directives on whom and how expenses can be authorized.</p>	<p>PERCEPTIONS</p> <p>Yes, but they are very informal. Since the resources have defined signatures of application, the control is done starting from this</p>

	<p>SUGGESTIONS</p> <p>Implement a management process depending on the center of costs, classifying the areas of the CTA and its actions.</p>
<p>The council follows up the debit flow periodically</p>	<p>PERCEPTIONS</p> <p>They exist, but they are reactive.</p> <p>SUGGESTIONS</p> <p>Standardize processes starting from a defined financial administration</p>
<p>Monthly the cash flow is prepared and revised</p>	<p>PERCEPTIONS</p> <p>They exist, but they are reactive.</p> <p>SUGGESTIONS</p> <p>According to a previous suggestion, implement a financial administration.</p>
<p>The budget is used as a management tool</p>	<p>PERCEPTIONS</p> <p>This is done in a very preliminary way. Since the budget of the CTA is totally destined for specific purposes, the budget is a tool for rendering accounts and not a management tool.</p> <p>SUGGESTIONS</p> <p>Implement a budgetary administration as a management tool. Starting from the need for resources aiming at fundraising.</p> <p>The CTA does not have a budgetary management that allows us to analyze which is effectively the CTA's need for resources.</p>

PLANNING

Reflection	Comments
<p>The Strategic Planning is being implemented</p>	<p>PERCEPTIONS</p> <p>There is a good level of strategic planning and knowledge of the council and the senior management. However, this planning is not being implemented.</p> <p>SUGGESTIONS</p> <p>Revise the strategic planning process and, if necessary, simplify it, but execute it effectively.</p>
<p>An evaluation process and performance indicators measure the progress of the CTA according to its objectives</p>	<p>PERCEPTIONS</p> <p>There is no follow-up based on performance indicators.</p> <p>SUGGESTIONS</p> <p>Implement a strategic map and management by indicators process, through a <i>Balanced Scorecard</i> process.</p>
<p>The Strategic Planning is revised annually and adapted to its needs</p>	<p>PERCEPTIONS</p> <p>Annually, in the first trimester, the planning process is revised.</p> <p>SUGGESTIONS</p> <p>Consolidate this process with the participation of other agents and unfolding into indicators.</p>
<p>The <i>networking</i> of the CTA and its partners act jointly in order to produce programs and effective services</p>	<p>PERCEPTIONS</p> <p>The CTA has got high potential to consolidate a net of high level partner institutions. However, this process is not systematized; for example, the CTA has not identified the group of associations that take part in the CTA. There is a discrepancy in the numbers. Besides, there is room to involve other associations that are still</p>

	<p>not involved in the CTA.</p> <p>SUGGESTIONS</p> <p>The area of institutional relationship of the CTA should have as one of its operations focuses the consolidation of a net of institutions, which have in the CTA a discussion forum. The associations already use it this way, however it could be increased.</p>
<p>The Planning process involves the interested parties (<i>stakeholders</i>)</p>	<p>PERCEPTIONS</p> <p>Involves them in a superficial way. Since the planning process is not a continuous process of collection of information and incorporation. A lot of useful information is lost due to lack of systematization.</p> <p>SUGGESTIONS</p> <p>Planning is not a process that has a beginning, middle and an end. It is a continuous process throughout time. The process of involvement of <i>stakeholders</i> must be encouraged and recognized.</p>
<p>The planning process identifies changes in the needs, strong and weak points, threats and opportunities (SWOT)</p>	<p>PERCEPTIONS</p> <p>The planning process can and must be perfected. Involving more agents, current partners, <i>prospects</i>, associations, companies, government etc. Besides, it is necessary to analyze the environment, which, in some way, the unit of economic analysis already does, however it can be improved.</p>
<p>The planning prioritizes the objectives of the CTA and the implementation schedule</p>	
<p>The planning identifies key partners, their expectations and how the CTA can respond</p>	<p>SUGGESTIONS</p> <p>According to other suggestions, standardize the planning process and consider a clear process of follow-up and control of this planning.</p>
<p>Methods and approaches to reach the objectives and solve specific issues have been developed based on direct <i>inputs</i>,</p>	<p>PERCEPTIONS</p> <p>This process is done in a reactive way; it needs to be</p>

<p>research and on the understanding of the best practices.</p>	<p>improved.</p> <p>SUGGESTIONS</p> <p>It would be important to implement a management model that uses <i>benchmarking</i> practices with other institutions that are similar to the CTA. The processes and actions of the CTA are common to other international institutions that have the same objectives, therefore, the same management processes and models.</p>
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RAISING RESOURCES

<p>Reflection</p>	<p>Comments</p>
<p>A Plan for the raising of resources is on-going and includes several strategies for the generation of revenue</p>	<p>PERCEPTIONS</p> <p>There is no plan for fundraising. There are a few isolated actions, as, for example, the negotiation with the government.</p> <p>SUGGESTIONS</p> <p>Starting from the creation of a pluriannual budget of the CTA it is important to come up with a fundraising plan, considering possible national and international sources. This plan must be aligned with a communication plan for these possible sources, showing the gain and benefits of being part of the CTA or of supporting, financing or sponsoring actions.</p>
<p>There is a team for fundraising</p>	<p>PERCEPTIONS</p> <p>There is no specific team for this.</p> <p>SUGGESTIONS</p> <p>Due to CTA's size, the creation of a specific team should not be considered. The fundraising plan should define the responsibilities of the directors and the</p>

	<p>council in the fundraising process.</p>
<p>Fundraising plans and strategies are revised annually and continually assessed</p>	<p>PERCEPTIONS</p> <p>Since there is no plan, there is no follow-up nor a revision process.</p> <p>SUGGESTIONS</p> <p>The fundraising plan must have clear resource goals coming from as many sources as possible. These goals can be connected to the team’s income plan.</p>
<p>The resource raising team works jointly with the technical team on the annual plan and on the reports for the sources of resources</p>	<p>PERCEPTIONS</p> <p>As mentioned above, there is not a specific fundraising team. The process is concentrated in the hands of the Directors and the Council, and is focused on the current financiers.</p> <p>SUGGESTIONS</p> <p>The budgetary process must be transparent and known by the whole team, the same guidance is applicable for the fundraising plan. It is necessary to have a mentality focused on the result (physical and financial). This transparent and professional management must create an environment for brainstorming ideas, including for fundraising.</p>
<p>The CTA knows and follows the policies of the sources of the resources regarding the necessary reports and rendering of accounts</p>	<p>PERCEPTIONS</p> <p>Since basically the sources of resources of the CTA come from fixed sources (international agencies) and from the government. These rules are followed to ensure the renewal of the projects.</p> <p>SUGGESTIONS</p> <p>Define a process of rendering accounts of the resources coming from other sources, such as the Associations.</p>

<p>The CTA’s budget predicts that it must invest in fundraising so as to survive and grow</p>	<p>PERCEPTIONS</p> <p>Since there is no medium or long term budgetary administration, there is no formal prediction, so the process is reactive.</p> <p>SUGGESTIONS</p> <p>In the resources that come from the government, for example, a front of actions could be created which would predict the resources for its survival and growth. Creation of a reserve fund.</p>
<p>The practices for fundraising, follow transparent standards and processes</p>	<p>PERCEPTIONS</p> <p>The practices of fundraising are reactive, they need to be defined and standardized.</p> <p>SUGGESTIONS</p> <p>These processes should be a part of the next strategic planning, jointly with the creation of a pluriannual budget, a fundraising plan and a communication plan.</p>
<p>The Council, as a whole, participates in the fundraising process</p>	<p>PERCEPTIONS</p> <p>The sustainability problem is shared by the whole council; however the actions are focused on the solutions that pass by the government or by current sources of resources.</p> <p>SUGGESTIONS</p> <p>There is the necessity to think over the fundraising process thoroughly, starting from what people want the CTA to execute. The sources of resources can be of the most different kinds. International Agencies, the Government, Associations, Big Companies, Rendering of Services, Taxes, Donations etc.; however it is necessary to know where the CTA wants to get to in order to find out which ways and sources of</p>

	fundraising are the most adequate.
<p>The CTA carries out systematic surveys of possible sources of resources, keeping files that allow it to watch and strengthen the development of sources of resources</p>	<p>PERCEPTIONS</p> <p>There is not a clear process of identification of possible sources of resources</p> <p>SUGGESTIONS</p> <p>It is fundamental to have a practice like this one in organizations such as the CTA. Not only identifying possible sources but also ways of fundraising and partnership.</p>

Fundraising

The theme of this section consists of identifying and analyzing the alternatives for fundraising, currently used by Organizations similar to the CTA, starting from the Brazilian experience, discussing them as mechanisms that aim at ensuring their sustainability.

The Administration of Organizations such as the CTA has got complexities and peculiarities, being a factor of crucial importance for their development and survival.

When the organization is well run, it starts becoming more reliable for the other social actors (Government, Civil Society, Financing Agents etc.), which contributes to its process of search for resources.

The process of Fundraising presents itself as one of the main challenges in running these organizations, due to the necessity to obtain sustainability for their projects.

With the increase in competition to obtain financing and the reduction of the financing sources, the organizations such as the CTA depend more and more on a well-structured Fundraising Plan, which reduces the vulnerability and subordination in relation to their financiers, allowing their managers to conciliate the demands of the organization with the necessary efforts for the accomplishment of its final mission.

The Fundraising (fundraising) presents itself as one of the main challenges that Organizations such as the CTA face nowadays, because these institutions are more and more pressured to create new and more effective Fundraising methodologies, due to the growing lack of resources and to the increase in competition to obtain financing, resulting from the proliferation of new organizations.

Managers are unanimous in stating that resources from international cooperation are being reduced and government resources besides being scarce are becoming more and more bureaucratic. In Mozambique's case and the CTA's it is not different.

Starting from this current scenario, we notice that fundraising has been presenting itself in a relevant way, demanding a growing professionalization of this process, and consequently a better preparation of the fundraiser.

According to what has been verified, currently, financiers make their resources available, focusing them on certain themes, regions or projects, instead of supporting the organization in an institutionalized way. On the other hand, we emphasize that the ideal would be that the fundraising process aimed at obtaining resources in an institutional way, because this way it would achieve its sustainability.

The fundraising process is meaningful for Organizations such as the CTA, due to the necessity to obtain the sustainability of the organization, as well as of their projects.

Nowadays, a meaningful growth has occurred in the demand for the professionalization and institutionalization of the fundraising process, being that these organizations begin to worry also with the ethical principles that guide this process.

The increase in the competition to obtain financing and the decrease in financing sources, make organizations such as the CTA depend more and more on a well-structured fundraising plan that reduces the vulnerability and subordination of these organizations in relation to their financiers, allowing their managers to conciliate the demands of the organization, with the necessary efforts for accomplishing its final mission.

The CTA must search for its sustainability by means of policies that aim at increasing and diversifying their sources of resources, which becomes fundamental due to the big social and economic problems that exist nowadays.

During the fundraising process, managers should aim at the Financial Resources, but not exclusively, which is, not limit itself to the concept of Financial Resources, encompassing also, the collection or gathering of Human Resources, Material, Technology, Know-How etc.

The success of fundraising is intrinsically dependent on the competence to efficiently run its other spheres of management. When the organization is well run, it achieves greater reliability from the other social actors (Government, Civil Society, Financing Agents etc.), which contributes during the process of searching for resources, because the financial agents want their contributions to be well run and used effectively for the accomplishment of the organization's mission, without any deviations or waste.

Among the methodological strategies used in the development of funds, we can mention:

- The raising of resources via the presentation of projects with specific objectives and set deadlines to be sponsored by companies;

- The execution of projects in partnership with big companies, acting in the production chain (net of suppliers)
- Pure and simple donations from companies and individuals;
- Specific Fundraising Campaigns coordinated by big companies, associations and representative institutions;
- The donation of quotas of products from the sponsoring company, selling them to their buyers, and reverting the income to the organization;
- Agreements with governments and supporting national and international organizations, such as bilateral agencies;
- The inclusion of a specific contribution for the institution through legislation.

Next Steps

In this section, a few suggestions for the next steps have been detailed, starting from the analysis of the diagnosis matrix.

THE CREATION OF A LONG TERM BUDGET

The CTA lacks having a process of long term budgets that would allow it to visualize the need for resources, so that the CTA would be able to perform its functions. Therefore, this budget process must be aligned with a long term planning.

THE CREATION OF A LONG TERM STRATEGIC PLANNING, WITH A CLEAR FOLLOW-UP PROCESS

In order to support the previous item, a long term planning process is necessary. Besides the planning, it is essential to have a clear follow-up and management process of the plan.

For this, we suggest the implementation of a strategic vision model based on the *Balanced Scorecard*, which allows us to align expectations, unfold actions and projects, and define follow-up and result indicators.

THE PROSPECTION OF SOURCES – A CONTINUOUS PROCESS

The prospection of sources of resources must be a continuous process within the CTA, and the Council must give power and authority to the person in charge of this activity, with the objective of allowing this person to use the Council's credibility in the negotiation process.

BUDGET THAT WAS PREDICTED AND CARRIED OUT

The follow-up of the budget (revenue and expenses) must have a formal follow-up between what was predicted and what was carried out.

BENCHMARKING PROCESS

The CTA must continually have, both in the financial management process, as well as in the fundraising, communication and relationship processes, a benchmarking process with other analogous institutions.

FUNDRAISING PLAN

Based on the long term budget, the CTA must create a fundraising plan that defines the fundraising strategies, which should comprise a possible source, what will be offered, which products the CTA develops, what aggregated value will be offered to its partner, among other things. It should also include where **not** to look for resources.

A TRANSPARENT RENDERING ACCOUNTS PROCESS

The process of rendering accounts (accountability) must be clearly defined and published, to give credibility to the fundraising.

CREATION OF A RESERVE FUND

Negotiate with financial agents and/or the government the creation of a reserve fund that can allow medium and long term stability for the execution of changes and strategies that need stability of operation.

RETHINK THE WAY TO FORM ASSOCIATIONS

It is necessary to rethink the financial relationship between the CTA and the Associations. What is the perception of value that the associations have regarding CTA's actions? Why don't they support the CTA financially?

PROJECT AREA AND RENDERING SERVICES

An alternative for new sources can be the creation of projects that are sponsored by organizations such as, for example, the creation of training projects of suppliers from big companies. Another front could be specific actions with the government or other financial organizations; however in order for this to be increased it is necessary for the CTA to improve its internal management, with the objective of earning the trust of future partners as regards the application of resources.

CONSULTANCY OR OUTSTANDING MEMBERS COUNCIL

Essential for a fundraising process is institutional credibility; because of this the more leaders are involved, the better it is for the institution. The creation of a council that has people with outstanding knowledge, which represent other actors of society, would generate credibility for the CTA, and this would facilitate ways for the entrance of resources.

PERCENTAGE OF TAXES COLLECTED AS AN ALTERNATIVE

A possibility used by institutions such as the CTA, for example, in Brazil (National Confederation of Industries), is the transference to the CTA, of part of the taxes collected from companies by the government. This process has a long way to go because it means the reduction of tax collections for the government. However, it is an alternative that must not be discarded.

Although in this case, the resource is public, thus the transparency and professionalization of the management is fundamental, to give the business sector the certainty that the resources collected are being well applied.

At this point, we would like to reaffirm that financial sustainability is preceded by social sustainability. This only happens if there is a transparent and professional administration in the CTA.

Therefore, the path to financial sustainability passes through an urgent managerial redefinition of the CTA, with the incorporation of practices that are focused on results, efficiency and communication.

3. ECONOMIC ANALYSIS AND STUDY SERVICES (SEAE – CTA)

INTRODUCTION

The CTA was established in response to a demand for a platform for dialogue between the private sector and government with respect to numerous economic and administrative issues related to the operation of companies in an economy in transition, with a focus on becoming market oriented. The objective of the dialogue between the government and the private sector, in addition to finding solutions for sustainable economic growth, is to seek out solutions for the country and its companies to be competitive by lowering structural and transaction costs influenced by public policies, programs and government practices.

In fact, in 1997, the government, through the Ministry of Industry and Commerce (MIC), attempted to establish a platform for dialogue that would coordinate communication with the private sector. At that time, several intermediaries interacted with the government disparately, presenting a range of complaints not supported by facts or analysis or without any transversal impact on the status of the economy and its companies.

The private sector, for its part, felt that the platform for dialogue would provide the potential for credibility that a business organization could bring to the discussion of public policies and reforms. On the other hand, the private sector, aware of its weaknesses, sought in the establishment of this dialogue platform the possibility of lobbying for greater government support of the initiatives of Mozambique's Micro, Small and Medium-Sized Enterprises (MSMEs).

In 1998, a group of 10 sector associations set up the CTA as a confederation of Mozambican business associations, assuming that they would later be established as sector federations with member associations in their fields. The theoretical organizational concept agreed upon was one in which the CTA was to be established by roughly eight sector federations (Industry, Commerce, Tourism, Agriculture, Transportation, Communication, Construction, Banks & Insurance) and that all sector associations would be affiliated with the federations, and the companies with their respective associations. The theoretical, organizational and functional concept stipulated that the companies would discuss their issues and limits at the economic-association level (for instance,

cotton), and would find specific solutions in this forum, with matters of greater scope passed on to the sector federation. The federation, as a sector forum (e.g. agricultural), would then concentrate on broader issues for the various fields within the sector (i.e. agriculture, fruit growing, cattle-raising, forests, etc). The CTA, as a confederation, would include on its agenda issues with the largest transversal range linked to the economic development of the country, based on the growth and strength of the private sector. Issues such as international trade, fiscal policy, monetary policy, infrastructure development, national transportation system, communications, etc, for instance, would be just a few of the central topics on the CTA's agenda.

The CTA has taken shape and root over these past 10 years as an institution that represents the private sector. It has tried, on the one hand, to concentrate on resolving broad inter-sector and transversal issues, while at the same time dealing with sector matters, and in some cases, situations that directly affect certain businesses. This lack of focus (which remains today) is the result of the dynamics of this type of organization, in which the most influential representatives continually determine the rearrangement of agendas. On the other hand, the lack of properly organized federations and associations with the right capacity has resulted in a continuation of the CTA's characteristically disparate agenda, given that many topics that ought to be dealt with at the association level end up being absorbed by the CTA's relative capacity.

This situation is still valid today and should be kept in mind in the ongoing process of organizational analysis.

The idea of the federations likely remains valid, but the starting point would be consolidation of the associations, making them an important vehicle for dialoguing with the government (at the sector level) in the search for solutions to reinforce the private sector's capacity to generate business, income and employment.

The original concept of the CTA as an economic-association confederation remains valid as well and needs to be solidified with greater focus. One may, in fact, assume that the CTA has positioned itself as a platform for dialogue with the government and deals with matters involving the country's economic-policy reforms, with transversal impact on the economy and on companies.

For this purpose, the CTA created Advisory Mechanisms (AMs), which are (subject-related) sector groups that discuss and interact with the government. These subject-related groups to a certain extent fill the organizational gap of associations and federations in defining the priorities of the CTA's agenda. Their establishment takes into account the need to have people as representatives who come from associations, in addition to other business owners, even if they are not part of the associative group (thus broadening the scope of the CTA's agenda issues beyond those of the members' interests).

In spite of the ongoing discussion of the need for a few workgroups, thirteen (13) have currently been established, which today are the guarantee for relevance of the CTA's agenda with respect to its members.

The workgroups identify problems, develop an internal discussion of strategic options of problem solving, and interact with the government at the sector level to find solutions. Given the

theoretical conception of the CTA, the workgroups would have the role of receiving from federations their concerns that require treatment in the sphere of activity of broader public-policy reforms. With a more effective organization at the association and federation level, the workgroups would become high-level think tanks that transform the concerns of federations into policies to be discussed with the government.

Analytical work, in fact, begins at the workgroups, with identification and characterization of the problems that affect companies and the economy.

The Economic Analysis and Study Unit (SEAE) supports the workgroups in formulating problems and systematically analyzing their causes and effects, as well as presenting potential solutions.

It is in this context that the SEAE does its analytical work based on the issues identified by the Advisory Mechanism workgroups. The SEAE, for its part, can take subject initiatives and submit them to the workgroups for decisions. In fact, the actual function of the SEAE is not only to support the conceptualization and classification of the problems identified by the workgroups, but to develop points of reference for the requested studies, to prepare some of these studies in-house, and/or to hire third parties to conduct them. Disclosure of the results of analytical and research work is one of the key functions of the CTA's SEAE.

Therefore, constant interaction with the coordination of the Advisory Mechanisms (workgroups) is essential for implementation of the SEAE's activities.

There are discussions about whether the CTA's SEAE position should always be to defend the CTA's interests or remain exempt, independent, and based on economic principles. The fact that the unit is an integral part of the CTA does not mean that it should not conduct its research and analytical work based on universally accepted methodologies and principles. Even if the conclusions of these projects are against the immediate interests of the CTA's members, the SEAE should publish these studies and inform the CTA's members of the advantages and disadvantages of adopting this or that economic policy. The SEAE's publications should clearly indicate that they do not reflect the CTA's opinion or position on a specific matter, with these opinions and results remaining the responsibility of their agents. The CTA may agree that certain SEAE studies do reflect its position, if they deem it convenient.

Therefore, the results of the SEAE's work may not reflect the CTA's position. The publication of study results should clearly indicate that they are not the CTA's position.

There are discussions about whether the SEAE should remain within the CTA's organization or become an independent entity. Given the safeguards that the SEAE will develop studies defined and prioritized by the CTA, on the one hand, and that these studies will be conducted based on scientifically proven methods and practices and that the

results will always be published with the clear statement that they do not reflect the CTA's position, then the SEAE has advantages in remaining located within the CTA's structure, because:

1. It focuses the studies and analyses on economic subjects (micro and macro) that are of interest to the private sector;
2. It works in an environment close to its main client, with conditions to receive feedback;
3. It has an active structure that may translate analytical results into policies and reforms of practical implementation;
4. It has an environment conducive to constructive dialogue between the government and the private sector, and it can feed this dialogue essential information to induce reforms to the economy.

The only potential disadvantage is the possibility of losing analytical independence due to the influence of CTA members. With good management of analytical processes, this situation can be managed and avoided.

Organization of the CTA's SEAE should correspond to a small, flexible structure, with a strong analytical capacity, conducting most of studies based on outsourcing and partnerships. The unit should be capable of framing the problems that affect the private sector and identifying (with the workgroups' support) the specific aspects that require analysis to comprehend the implications of the proposed problems and solutions. It will have the ability to prepare discussion papers, supporting the CTA in progressing toward a situation of position papers. The SEAE should be capable of preparing TORs (terms of references), monitoring studies, and giving feedback to consultants. The results of studies are presented to the CTA, published and disclosed by the SEAE. The study suggests the constant presence of at least three (3) economists, one (1) manager, and one (1) lawyer.

JUSTIFICATION OF SEAE

The importance of analytical work at the CTA is part of the vision that the dialogue between the private sector and government will only become effective when information, analysis and investigation serve to support it. The CTA is projected in its statutes as an organization that “forms public opinion” and is seen as an authority on private-sector matters in Mozambique. As such, its opinions and positions must be based on multidisciplinary analytical work focusing more on economics, social studies and business management.

The complexity and implications of the issues dealt with at the Annual Conference of the Private Sector (CASP) require investigation and analysis to support the CTA’s arguments and positions regarding whether the proposed reforms are right for business development and the country’s economic growth.

The development of a firm or company is extremely important for a developing country, because it establishes the organized means for generating employment, production and distribution of goods and services needed for the people, assuming different forms of economic organization of the production processes.

The factors that influence business development are endogenous and exogenous and constantly changing over the lifecycle of the company or its products and services, determining the company’s competitiveness or its bankruptcy. An analysis of public policies (exogenous factors) is aimed primarily at correcting factors that potentialize the company’s competitiveness.

An enabling business environment (exogenous) has become a determining factor for a company’s success, placed at the same level as other endogenous factors such as entrepreneurship, managerial capacity, corporate actions, finance, technology, human ability, etc. By concerning itself with economic policies (macro and micro) that influence the performance of new and existing companies, the CTA thus provides a wide ranging service (nearly public service) to all companies and the economy. The argument is that by influencing the improvement of the business environment, the CTA indirectly would influence the alignment of internal factors that determine competitiveness and business development.

Major exogenous issues, among others dealt with since the CTA’s founding, include:

- Administrative barriers to company operations
- Tax policy and tax management
- Monetary policy and bank supervision, including expanding credit
- Labor policy and employment management
- Infrastructure and communication policies: roads, ports, railways, telecommunications, power generation and distribution
- Training and education administration policies
- Protection of the environment and social responsibility

- Public health policies related to epidemics and pandemics, as well as worker health

For example, the issue of administrative barriers took many years to be understood as important to lowering transaction costs and increasing company competitiveness. Only after its conceptualization and analysis did both the Mozambican government and society begin to understand its importance. It is now an integral part of the government's program to remove administrative barriers to company operation.

The CTA's analytical intervention has evolved substantially in recent years, mainly as a result of "donated" studies conducted by international specialists. Internal work and contracting studies by domestic consulting firms have also contributed to strengthening the CTA's analytical capacity. However, the CTA still has weaknesses in its positioning regarding the results of these analyses, because most of the results from these studies recommend political and legislative reforms that would lead to greater opening of the Mozambican market to foreign investment and the entry of imported products produced in other parts of the world, with greater efficiency. These results, in many cases, would contradict the desire of CTA members, because they tend to prefer a more protected market and special treatment for local industry. Without dismissing the need to provide special treatment to infant industries and to develop domestic business owners, the analyses should obviously be independent and aimed at the national interest of economic growth, job creation, fighting poverty, and sustainable development. This is the only way that the CTA will be able to gain broad recognition from the society as an independent organization with transparent corporate governance.

This study seeks to adjust the CTA to be able to support the efforts for an informed, intelligent dialogue with the government.

OBJECTIVES OF SEAE

The CTA plans to develop its analytical capacity by establishing an Economic Analysis and Study Service (SEAE) within the CTA, subordinated to the organization's executive director. It has discussed the option of services being provided by an independent, autonomous organization.

Within this context, we intend to evaluate herein the performance and role of the CTA's SEAE, from the perspective of its restructuring to fulfill its mandate of studies and analysis of public policies:

“To conduct studies, analyses and investigation independently, based on priorities supported by the interests of CTA members and their corporate bodies”

This evaluation likewise intends to establish objective mechanisms that will ensure that the work done by the SEAE will be made available to business owners, the government, information outlets, academia and the general public. This prerogative will allow the CTA's analytical efforts to be acknowledged and may help lead to the intended changes. In these terms, the study must set out rules that guarantee a clear distinction among the results of the analytical work, studies and investigations and whatever the CTA's position may actually be, even if this position is formulated with the SEAE's help.

Assuming that there are various modalities to conduct the intended studies and analyses, this evaluation will examine the various forms that the CTA has been using to do its research and analysis, and assess the effectiveness of each of the approaches, including studies conducted internally, studies hired directly, and contributions to studies done by other institutions (USAID; ASDI; EU, etc).

An implementation plan for recommendations is also sought.

Below is a short description of the current situation, including ongoing practices in the conduction of studies and their publication. In this chapter, a SWOT analysis is done, identifying the aspects that require reinforcement or changes to strategy.

RESPONSIBILITIES OF SEAE

“The Economic Analysis and Study Services (SEAE) is a coordination unit for conducting in-house studies or outsourcing them or establishing partnerships with other organizations to perform them.” This is a transcription of the definition of these services from the CTA’s internal regulations that are in the approval process. The same document refers additionally to the fact that “studies conducted by this unit must be directed at economic (public) policy reforms aimed at company competitiveness.”

The main responsibilities listed in the CTA’s corporate documents for the SEAE include:

1. Identifying and working on subjects in a participatory manner that require analysis to improve the understanding of factors for economic development and possible solutions to the problems that affect the private sector;
2. Preparing discussion papers on subjects relevant to the CTA and developing them for them to become position papers, to support dialogue with the government;
3. Preparing Terms of Reference (TORs) for analytical work to be contracted on the market and/or carried out through partnerships with other institutions;
4. Participating in the bidding process, contracting, monitoring of consultants, presenting the results and discussion;
5. Disclosing the results of studies in the form of publications on the web or in the papers with the largest circulation in the country;
6. Monitoring the evolution of the subjects under discussion and the validity of results presented;

7. Organizing the shaping of issues of interest to the economic and human development of Mozambique.

Based on an organizational study by Ernest & Young from 2001, and comments made by the directors of the CTA, the SEAE was set up initially with a senior international economist, with the expectation that in the subsequent years, the SEAE would hire more people dedicated to analytical work at the CTA. The work of the senior economist was originally formulated in the following terms:

- Head of the Research and Information Unit
- Assist the CTA in monitoring report conclusions regarding Mozambique's entrance into international trade (mainstreaming reports on trade policy), particularly with respect to administrative barriers to company operations and other concerns regarding the competitiveness of the Mozambican private sector
- Contract studies and short-term advisors to support the analytical work
- Support the CTA's Advisory Mechanisms through 9 committees (workgroups)
- Support the capacity for expansion to the provinces with analytical work

The CTA's recently prepared internal documents indicate that among other responsibilities that circumstances require, the SEAE Coordinator will organize, supervise and coordinate internal and external consulting teams for the various studies that analytically support the Advisory Mechanisms.

WORK DONE AT SEAE

For numerous reasons, the SEAE continues to have just one international senior economist.

In spite of the analytical effort made, the SEAE remains unable to meet the demand for its services in the Advisory Mechanism process and other requests from the society at large.

In addition to the senior economist having been consumed by the harmonization of the extensive table prepared by the workgroups and the CASP, he has also been responding to internal requests for specific analysis of subjects under discussion with the government. Among other matters, he is directly involved in the:

- Preparation of discussion and position papers to support the processes for setting a minimum wage;
- Preparation of a discussion paper for the Development Bank
- Support in preparing a discussion paper for tax reform
- Support for workgroups in the formulation of discussion papers on various subjects and concerns, including tourism and others
- Analytical support in the process to reform Labor Law

Other work has been locally outsourced in which the CTA's senior international economist had the role of preparing TORs and supervising the work of external consultants, in particular regarding:

- Preparation of a proposal to revise Labor Law
- Analysis of the impact of power costs on companies
- Development of performance indicators and impacts of policies and reforms
- Analysis of options for a fiscal policy designed for MSMEs
- Free transaction of land titles
- Economic analysis of Mozambique's natural resources
- Comments on the development bank in Mozambique
- Analysis of value chains for products / strategic sectors in Mozambique
- Tax reform and business environment in Mozambique
- Involvement of the private sector in the consolidation of fiscal policy in Mozambique
- Minimum wage and its economic implications
- Alternative commercial and labor dispute resolution

Additional analytical jobs have been done by "donation" or external partnerships with organizations such as USAID, SIDA, Pode. Studies are published on the CTA's webpage and the TIPMOZ project at: www.cta.org.mz & www.cta.org.com The following studies done in this modality of special note:

Table O-1: *Various studies prepared with the participation of the SEAE-CTA*

SUBJECT	STUDY TITLE
Tourism / Transportation	Opening up air space
	Free air space in southern Africa – the importance of freeing up air space for share economic growth
	Tourism Value Chain
	Urban Transportation
Finance	Analysis of the impacts of Warning 2
	Brief report on Warning 2
	Development bank and Mozambique
	Is a Development Bank needed for Mozambique?
	Financial Services in Mozambique
	Access to credit in Mozambique
	Limitation on export finance
Bankruptcy	Introduction to the bankruptcy law and possible options for Mozambique
Business Environment	Evaluation of the business environment in Mozambique
Competition	Evaluation of the potential for a competition policy in Mozambique
	Competition policy, legal aspects
	International resources for a competition policy in Mozambique
	Performance of other countries in terms of competition policy
Trade	Economic cost for port scanning
	Port scanning fees in Mozambique
	Financial support for international trade
	Globalization and internal policies - 2005
	Zimbabwe-Mozambique free trade
	SACU- Analytical report
Taxes	Textiles and clothing
	Economic cost of VAT refunding
	Economic cost of VAT refunding delays
Industry	Accounting Standards in Mozambique
	Report on energy in Mozambique
	Factor productivity in Mozambique

ANALYTICAL PROCESSES AT SEAE

The opportunity to develop the SEAE came from the identification of the following duties:

- Supporting the advisory mechanisms in the advocacy of key economic reforms for the private sector;
- Supporting the CTA’s management in lobbying process and advocacy with the government.

The public-policy analysis process starts, for the CTA case, with identification at the level of interest groups (workgroups) of the main sector and transversal problems.

Figure 1: *Analytical Process (Source S Chitara)*

Workgroups identify the problem	SEAP prepares the discussion paper	Workgroups study in detail, provide support for discussion papers	SEAP prepares the CTA’s position document	Broad circulation of position document and receive reactions	Present position paper to government and negotiation	Change procedure, policy or legal instrument
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This identification of the problem is commonly done erratically and based on the specific interests of the industry or companies, without taking into account generic impacts on the economy.

The problems (issues, subjects) may in fact be identified by a business owner (whether or not he belongs to a workgroup or an association) or by a CTA employee, although they would need to be validated by the respective workgroup.

Instead, the selection of an issue submitted for further analysis ought to begin with a preliminary analysis of the matter and its characteristics and manifestations. This preliminary analysis would allow for scrutiny and a decision regarding prioritization based on importance and probable impact. After identification of the problem, the SEAE would prepare a discussion paper based on the systematization of current ideas, possible solutions, and especially best international practices available on the issue. Obviously, the problem would be theoretically classified. The discussion paper would be distributed by the various internal intermediaries, mainly members of the workgroups, and to the main offices of the associations. The recipients would then discuss and expand the document, sending the SEAE feedback and comments. The SEAE could then consider whether the matter requires additional analysis and prepared, based on the feedback received, the CTA’s position paper, and then distribute it and formally deliver it to the government through the workgroups’ management, leading thereafter to the negotiation of a solution to the problem or problems identified. In these cases, the SEAE would prepare the Terms of Reference, identify the source of financing for the study (or negotiate partnership), start a competitive bid, and hire individual consultants or companies to do the analysis or investigation in question. The results of

the study would then be presented in public, discussed, and the feedback received would be used by the SEAE to prepare the CTA's position paper. The studies could be disclosed in full on the CTA's webpage, and the study reports would be accessible to the public. Therefore, during this phase, a distinction would be made between the results of a study and the CTA's position.

Figure 2: *Analytical process (Source S Chitara)*

Discussion paper	Preparation of TORs Hire consultants
Position paper	Disclose study results Prepare position document
Present position to government	Discussion in workgroups or associations Negotiation at workgroups/ministries Make decisions, concurrent with problem solving

The position paper prepared during the previous phase would be the basic instrument for discussing the CTA's position with the government and developing an agenda to negotiate public-policy reforms or even administrative procedures imposed upon the relations between the government and private sector. On the other hand, these analytical papers with the CTA's position could be used as a basis for justifying changes to laws and regulations and even to develop new legal instruments, always with the intent of improving the business environment in Mozambique. Moreover, the discussion and position papers are the foundation for setting the CTA's agenda integrated in the table that is presented every year at the CASP.

CTA'S AGENDA

The CTA's agenda established during the first annual conference of the private sector has evolved, in the sense of better defining the reforms intended and more correspondence with the government's reforms. It should be noted that the CTA's agenda is the main source of issues that require the attention of the CTA's SEAE.

It began as a list of intentions with unstructured dialogue, where everyone could speak and accuse one another mutually, without any constructive decisions being reached. However, these discussions had the merit of calling the attention of both the government and economic policymakers to the private sector's concerns and the urgency to undertake reforms, at the same time that they led the private sector to attempt to become more informed and to support its positions.

The main characteristics of the CTA's agenda are:

1. It is varied and unfocused due to the diversity of sectors that it addresses and the multiplicity of issues dealt with. An attempt at focusing it was started, but did not have the desired impact;
2. Issues are multifaceted and generic, making it hard to result in a single action for reform;
3. Many answers intended for the problems presented are not duly understood and probably other solutions exist;

4. The reforms are isolated and do not respond to a clear strategy of competitiveness for the country and its companies;
5. Reforms are slow, which is why the agenda does not seem to be evolving.

The need for greater focus and establishment of objective criteria to elect the agenda priorities may end up being one of the SEAE's fundamental contributions. The empirical criterion of selecting at least one to two issues per workgroup per year (about 24 issues in all), would, on its own, translate into an effort to work on two matters a month. This modality could become an important point in the definition of priorities in the list of actions, because it would be a departure from the current managerial situation of more than 100 activities on the CTA's table. Establishing these priorities would not mean that the other issues would be abandoned or taken off of the table, since they would remain on a passive list and could be dealt with in accordance with the capacity of the CTA and other interested parties.

DISCUSSION

Even with limited resources, the list of studies generated by the SEAE-CTA has been extensive and wide ranging. Most likely the depth of these analyses may not have been ideal or the assimilation of ideas and concepts by participants was limited. The main reason for this wide range was the strategy of multiplying efforts based on the work of other interest groups. The SEAE-CTA managed through external consulting firms and donated consulting (partnerships) to conduct numerous studies that tend to respond to the concerns of their members. This methodology maintains the limitation that the speed with which ideas are processed does not correspond to the assimilation capacity and proper comprehension of the implications by the many interested parties. In order to achieve internalization of the concepts and solutions suggested, the rate at which studies are done has to be balanced with the internal publication of results and positions on policy adopted, based on these studies. The risk of these processes is that a limited group of people will in fact oversee the reforms of public policies, with consequences that when changes are achieved, the members of the CTA question or contradict the measures adopted. This situation occurred with the reform of Labor Law and at other times as well.

The SEAE-CTA is a body that manages the analytical process of the CTA's agenda, described in the previous sections, and it constantly establishes advisory-mechanism services and member-support services. This establishment is not evident in the current situation, but it is essential in the future, because the unit's work depends on both identification of the problem and its validation by the workgroups, and publication of results depends on the member-support services' proactivity. The best way to keep this link active would be the participation of SEAE associates in workgroup meetings. On the other hand, the workgroup-support technicians (focal points), though officially belonging to the advisory-mechanism services, should have a relationship, from a functional standpoint, of dual subordination to the head of the SEAE with respect to internal studies and support for preparation of the TORs. Thus, the CTA's focal point at the workgroups would support the SEAE in the following ways:

- Identification of problems
- Preparation of discussion papers
- Preparation of TORs

- Analysis and discussion of study results
- Preparation of position papers

Furthermore, interaction with associations will allow for prevailing ideas to be published at the same time that tools are provided for members to use in arguments with the government regarding the validity or not of a certain intended reform.

Limited knowledge and the need to update economic and development practices and concepts justify the scheduling of short courses and lectures to be implemented by SEAE technicians, aimed at participants of the workgroups and the focal points.

Various institutions in Mozambique conduct interest studies for the private sector. Thus, we suggest that a permanent mechanism be established to interact with other economic and social research institutions, on the one hand, to make use of their analytical process, and on the other, to establish partnerships to develop analytical projects that are of interest to all parties.

Numerous public and private institutions have taken the initiative to promote public debates of interest to the CTA and the private sector. The SEAE-CTA should interact early with these institutions, offering collaboration and presenting issues already internally prepared, or even offer renowned speakers, thus enriching these debates.

The principle of outsourcing and collaboration with other institutions offers the CTA a chance to do its analytical work without having to establish an expensive research and study unit with multidisciplinary human resources. In fact, the nature of the workgroups would imply having specialists from various sectors and products that represent the coverage of the private sector participating in the CTA. By maintaining a broad agenda, a unit could be set up with certain analytical capacity and the assumption that studies could be conducted outside of the institution through contracts and partnerships.

ORGANIZATION OF THE SEAE-CTA

Vision, Mission and Values

Public policies include the government's decisions in a number of areas that influence the life of a set of citizens or companies. They are the acts that the government does or fails to do, and the effects that said actions or lack thereof cause on the society, limits to progress, or resolution of constraints, or lack of business competitiveness. Public policies are incentives for certain behavior of people and/or companies.

It is important to point out that **Public Policy** is not the same as a **Political Decision**, given that public policy involves more than a political decision and requires numerous strategically selected actions to implement the decisions taken.

Micro, small and medium-sized business today play an important role worldwide in the economic

scenario, given that they account for the overwhelming majority of companies and they contribute a substantial number of jobs. Despite the strategic importance that they have in the domestic economy, small ventures survive in an environment barely propitious for their development, characterized by legislation that often places them at the same level as major corporations, not offering any incentives capable of establishing fair competition, thus revealing a reality that is increasingly less stimulating to those who work in small business.

In order to contribute to the creation of a favorable environment for the development of these ventures, the CTA's Economic Analysis and Study Services (public policies) were created with the following general responsibilities:

“To contribute as an organizer, mobilizer and instigator so that the CTA can position itself institutionally in the field of public policy, in order to promote competitiveness and sustainable business development, especially of micro and small businesses”

The SEAE-CTA will contribute, above all, through the identification, study, analysis, agglutination and dissemination of knowledge related to the private sector, in the organization and construction of partnerships to encourage the emergence and strengthening of small businesses and overall competitiveness of companies.

The Vision of SEAE

To become a service of the CTA, recognized as an instigator of public-policy reforms for business competitiveness, especially for micro, small and medium-sized businesses. Analytical and investigatory, based on participatory methods; and an instigator of informed dialogue between the private sector and the government. A think tank focused on economic development based on business competitiveness.

The Mission of SEAE

To encourage open discussion of public policies, to participate in the identification of constraints that affect the private sector, and to support the CTA's Advisory Mechanisms, in search of solutions through economic, social and scientific analysis and investigation. To motivate and provide information for a dialogue between the government and private sector, widely publishing the results of the studies.

The Values of SEAE

- Investigation based on a shared agenda
- Scientific methods and universal practices for research and analysis
- Independence and freedom of thought

- Informed dialogue with the government
- Shared knowledge without restrictions

Strategic Objectives of SEAE

The strategic objectives of the SEAE-CTA are centered on the search for solutions to the problems identified in the table that the private sector presents at the Annual Private Sector Conferences, resulting from dialogue between the advisory mechanism workgroups and the government.

Keeping in mind the possibility of dispersion and the possibility of losing sight of the whole, the first strategic approach will be an annual evaluation of the country's situation and projection of key economic indicators. This paper, prepared in cooperation with other research entities, will mirror an independent opinion on the state of the economy and identify the necessary corrections to economic policy for better economic performance.

The state of the economy paper published each year, in February at the latest, supports the SEAE-CTA in identifying the list of CASP issues that merit priority. The limit of issues would be previously established empirically up to a maximum of 24 topics a year, including sector issues.

In light of this approach, the strategic objectives of the SEAE-CTA include:

- Driving the global competitiveness of Mozambican companies with special emphasis on micro, small and medium-sized companies, by identifying and proposing corrections to procedures and processes that create administrative barriers to business, monitoring the indicators of doing business in Mozambique. Acting on public policies that discourage free enterprise and business competitiveness.
- Alerting the government and business owners of the best investments in Mozambique through periodic analysis of the country's comparative advantages or for regions in the country;
- Studying and analyzing problems that affect the private sector's competitiveness in Mozambique, presenting the results of analyses to the CTA's advisory mechanism workgroups and publishing the results through information means available;
- Making dialogue between the private sector and the government informed, providing analyses on issues or agendas presented for discussion.
- Guaranteeing that the CTA's management voices an opinion that is based and justified on economic matters, providing the advice required.

Responsibilities and Implementation Guidelines of SEAE

The main responsibilities of the SEAE-CTA are defined as follows:

- To support the CTA’s advisory mechanism workgroups in building an environment that favors the emergence and strengthening of companies, with special emphasis on micro, small and medium-sized companies, organizing the preparation of laws that encourage and ensure greater participation for them in the economy;
- To promote actions through workgroups and provincial associations so that with the central, provincial and municipal governments can insert public policies and legislations, the right measures for strengthening companies, with special emphasis on the MSMEs;
- Seek special treatment for MSMEs by simplifying their administrative, tax, social-security, and credit obligations, aiming at expanding their survival conditions and competitiveness;
- To analyze and monitor the regulatory acts of the executive branch and public administration agencies, as well as the processing of legislative instruments (bills of law, temporary measures, proposed constitutional amendments) that affect companies, with special attention for MSMEs
- To develop and prepare studies and analyses that support the reforms and dialogue between the CTA and the government developed by the workgroups.

The SEAE-CTA shall do its work abiding by the following strategic guidelines:

- Inform and make internal clients, governmental bodies (central, provincial, and city) and other representative entities aware of the importance of preparing public policies that favor companies, with special emphasis on MSMEs. Implement the following projects:
 - Consolidation of the private sector’s table and definition of criteria for establishing priority issues
 - Economic and social study and research agenda based on the CASP table
 - Articles for publication in newspapers and on the web
 - Preparation of economic summaries on the state of the economy and the impact on companies and MSMEs
 - Short internal and external trainings on the economy and other relevant subjects
- Conduct surveys and analyze actions, programs and mechanisms of successful public policies that contribute to the development of companies, especially MSMEs, improving their governance and working with partners to disseminate it, implementing the following projects:
 - Partnerships with research institutions in the country, region and worldwide

- Create leaders, policies and business owners
- Best governance practices.
- Identify regulatory demands and public policies that positively impact the business environment and the environment for MSMEs in particular, and establish partnerships to implement changes in the various levels of governance. Implement the following projects:
 - De-bureaucratization and simplification of administrative procedures
 - Simplified tax treatment for MSMEs
 - Development of a General Law for MSMEs
- Stimulate and support the organization, qualification and integration of businesses to expand the presence of topics of interest to companies in the political, economic and social agenda. Implement the following projects:
 - National Forum for MSMEs;
 - Creation of a Parliamentary Front to support business initiatives.

The SEAE's activities regarding studies include subjects primarily developed at the CTA's main office for the CASP, and are either transversal or sector related. For example, a set of topics taken from the table are presented below that could become the basis of work done by the SEAE-CTA.

CONSTRAINTS IDENTIFIED AT THE 10TH CASP

General Issues

In addition to the sector tables registered at the CASP with another 100 issues, the main constraints were described for public policies in the following terms.

Even with relative control of inflation and the Central Bank's attempt to lower interest rates, the interest rate applicable to commercial loans remains high. Access to credit requires collateral well in excess of the loan being requested (2.5 times), making it hard for MSME's to have access. The Central Bank's warning 5/2005 increased the transaction costs for companies. From the perspective of an integrated regional market, domestic firms will have to compete in a free-trade zone with companies from other countries where interest rates are lower and credit terms are more favorable. Alignment of interest rates and the creation of a zero-cost structural fund are suggested to renew and modernize domestic industry.

The tax system and its management maintain the complexity already identified since the new tax system was launched. The government has been advised to find expeditious mechanisms to simplify the tax system and improvement management of VAT reimbursements.

There have been significant improvements to customs legislation; however, these improvements were obfuscated by the negative impact of the introduction of scanners at the ports, which increased the costs of port operations. On the other hand, a worsening has occurred among customs employees who opt for punishment, without disclosure of rules and the need to take into account trade operator learning curves.

Also within the sphere of foreign trade, there is a need to reflect on the list of products to be disarmed under the protection of the SADC Trade Protocol, because, even though integration is inevitable, the concern remains regarding the lack of alignment among the various countries. For instance, with respect to the issue of certification standards required for products and the complex and expensive certification processes. The country urgently needs to strengthen the domestic institutions linked to this certification.

The reforms recently introduced by the Labor Law do not comply with the requisites of a competitive labor market, and it is still necessary to continue exploring opportunities to introduce greater competition into the labor market by using mechanisms such as collective labor agreements and the CCT.

The regulation of state acquisitions is an important advance in making government procurement more transparent, although its implementation has not taken effect or been uniform at all state agencies. For instance, use of the domestic preference rule has not yet been applied to all state procurement.

The weight of the HIV/AIDS epidemic and its impact on business activities continues to rise. The government needs to double its efforts and the private sector needs to do more than ECOSIDA with companies.

The tables address other issues that affect economic sectors both horizontally and vertically. However, identification of the problem and the way that solutions are presented do not allow for adoption of indicators or a system for monitoring performance. More than performance, measurement of the impacts of policy measures or legislative reforms requires constant monitoring, evaluation and feedback to reassess options. A few examples of the topics of sector tables are presented below, from the perspective of the SEAE carefully selecting those measures that may produce the desired impact.

Tourism

Of the 28 results expected in the tourism-sector table, four (4) studies have been highlighted in the example below that could become the basis for choosing the topics to be addressed in 2008.

ORDER No.	PROBLEM	SOLUTION	ANALYTICAL ACTIONS
1	Low quality infrastructure and public services for tourism	Rehabilitate infrastructure and improve public services that have an impact on tourism, prioritizing the provinces of Cabo Delgado and Inhambane.	Prepare a study on priority infrastructure for tourism, including an evaluation of cost, returns on investment, recovery of costs and PPPs
2	Limited tourism signs throughout the country	Implement tourism signs at tourist sites (Maputo, Inhambane, Vernáculo, Pemba, Ilha de Moçambique) and on the country's main highways: (EN1, EN4 and the central northwest highway).	Prepare a feasibility study of tourism signs in priority locations, establishing means for financing investments
3	Expensive air travel for tourists	Revise legislation on airspace policy	Prepare an airspace policy for Mozambique and propose new legislation
4	High, uncompetitive taxes	Lower the VAT for tourism accommodations to 10% and allocate 1% to finance the promotion of tourism abroad	Evaluate the impact of the VAT on tourism
5	Low investment rates in tourism	Reintroduce the tax and customs-incentives code for root, rehabilitation and modernization tourism projects	Evaluate the impact of tax incentives to attract investments to tourism and propose measure to strengthen them

Table 0-2: *Summary Tourism table (Source 10th CASP)*

Public Works

Of the 29 topics and results listed in the table for Public Works from the 10th CASP, four (4) topics were selected that due to their importance may become the basis for the SEAE-CTA's analytical work.

ORDER No.	PROBLEM	PROPOSED SOLUTION	ANALYTICAL ACTIONS
1	Implementation of differentiated procurement at the national level, and small works subject to complexity in the hiring process	Monitor the application of qualification requirements for competitions in order not to penalize domestic companies and simplify the contracting of small works	Study a monitoring system of implementation of general regulations for public works and prepare a simplified regulation for small works
2	Low investment in the construction materials industry	Prepare strategies and programs to promote the construction materials industry	Conduct a value chain study of the construction industry with the objective of identifying construction materials with advantages of being produced locally
3	Barriers to construction licensing	Evaluate current legislation and procedures, in particular for project licensing mechanisms	Prepare an evaluation that supports the intended legislative reforms
4	Deficient planning of work costs	Resume production, promotion and application of price revision indices	Updated study of construction prices in Mozambique

Table 0-3: *Public Works Table (Source 10th CASP)*

Tax Reform

Of the 21 topics and results addressed in the Tax and Customs Table, two (2) were selected as being necessary to conduct analytical work for their basis. The issues of expedited payment of contracts and reimbursements strongly suggested in the Public Works table also apply to supplies and services.

ORDER No.	PROBLEM	PROPOSED SOLUTION	ANALYTICAL ACTIONS
1	Tax rates reduce the internal rate of return of deals for most investments	Lower the VAT, IRPA, IRPC rates; eliminate stamp taxes; reformulate succession and donation taxes; reformulation of autarky taxes	Evaluate the overall impact of taxes on MSME and prepare a proposal for adjustments with sound reasoning
2	International Financial Reporting Standards (IFRS) are incompatible with the country's current tax system	Address the ATM regarding ways of minimizing occasional problems that the IFRS can cause to companies.	Study incompatibilities and propose changes to make the IFRS compatible with the Mozambican tax system.
3	Cash flow problems of companies due to delays in payments of contracts, goods and services, as well as VAT reimbursements	Timely payment of supplier invoices for goods and services, including VAT reimbursements.	Prepare a study that allows payment by the bank system of work completed and automatic compensation for delays to VAT reimbursements

Table 0-4: *Tax Reform Table (Source 10th CASP)*

Legal Reforms

ORDER No.	PROBLEM	SOLUTION	ANALYTICAL ACTIONS
1	Despite improvements, registration and licensing of companies remains morose and centralized	Ensure the private sector's participation in notary services, reviewing the notary code and approving a positive list of companies/activities subject to licensing	Evaluate the notary registration system, prepare notary-code reform, including positive licensing of companies or activities
2	Dissolution of contracts through the legal system remains morose and inefficient	Reinforce and expand the capacity for alternative dispute resolution; create a special section of the court for judicial enforcement	Evaluate the impact of the alternative dispute-resolution center and its decentralized expansion. Evaluate the feasibility of creating a special section of the court for judicial enforcement and prepare a bill of law to review court organization
3			

4	Incomplete laws and regulations, creating limitations on certain economic sectors	Prepare regulations for the commercial code; labor arbitration; conflicts of interest; contractual clauses	Evaluate existing and regulatory gaps in laws: commercial code; labor; land
5	Delays and inefficiencies regarding bankruptcy and company recovery	Approve bankruptcy and recovery code for companies	Prepare bankruptcy and recovery policy for companies in Mozambique, based on regional experience

Table 0-5: *Legal reform table (Source 10th CASP)*

PERSONNEL AND QUALIFICATIONS OF SEAE

Competencies

Based on the SEAE-CTA’s powers and the strategy of limiting direct analytical work, but instead focusing on outsourcing and partnership, the capacities listed in the table below are suggested, which include the type of qualifications and experience needed to ensure efficient, effective services.

ORDER No.	CAPACITIES	EDUCATIONAL BACKGROUND	EXPERIENCE	% OCCUPATION	HIRE
1	Service Management	Economist	>15 Years	50	1
2	Identification of Constraints in the business environment and the various sectors of the economy	Economics	>15 Years	50	0
3	Preparation of inquiries and analysis of results regarding business environment	Economist/Statistics	>15 Years	100	1
4	Preparation of discussion and position papers	Economist	> 10 Years	30	1
5	Presentation of consulting results	Economist	> 10 Years	20	0
6	Disclosure of consulting results in summary articles for newspapers, radio and TV	Economist	> 10 Years	50	0

7	Issue the CASP table and transform it into a work plan w/ indicators and a schedule.	MBA	>5 Years	10	1
8	Preparation of terms of reference for studies	MBA	> 5 Years	10	0
9	Monitor and evaluate CASP table	MBA	>5 Years	40	0
10	Monitor multidisciplinary consultants	MBA	>5 Years	20	0
11	Seek out articles and hyperlinks on the web and prepare publication of articles on the web	MBA	>5 Years	20	0
12	Propose legislative and procedural reforms based on policy	Lawyer	>10 Years	50	1
13	Participation and forum on legal reforms	Lawyer	>10 Years	50	0

Table 0-6: *List of required competencies (Source s chitara)*

Staff and Responsibilities

Staff

The following staff are proposed for the SEAE-CTA:

CATEGORY	JOB	QUALIFICATION	EXPERIENCE	NUMBER
Senior Economist	Coordinator	PHD – Economics	> 15 years	1
Economist A	Analyst	M.Sc. – Economics	>10 years	1
Economist B	Analyst	Economics – Statistics	>5 Years	1
Senior Manager	Monitoring & Evaluation	MBA	>15 years	1
Senior Lawyer	Lawyer	LL.M.	>15 Years	1
				5

Table 0-7: *Staff*

Responsibilities of the Senior Economist

The coordinator of the SEAE should be a senior economist with a Ph.D. and strong analytical capacity and abilities to direct and interact with an internal research team, as well as outsourced teams. He or she reports to the CTA's Executive Director, advising the Board of Directors on economic matters. The coordinator of services has the following responsibilities:

10. Actively identify and elect topics that require studies and analysis for their comprehension and presentation of possible solutions to constraints that they create for the private sector. This identification is based on the CASP tables;
11. Direct and advise the preparation of discussion papers on topics relevant to the CTA's agenda and develop them for them to become CTA position papers or reference studies to support the dialogue process with the government;
12. Prepare and/or review terms of reference for analytical work to be outsourced or develop partnerships with other institutions;
13. Discuss and coordinate the hiring of consultants, oversee their monitoring, and discuss preliminary results of their work;
14. Ensure the publication and dissemination of study results in the form of publications on the web or in widely read newspapers throughout the country;
15. Establish an active system for monitoring and evaluating performance with respect to the CASP table, including the impact of policies adopted;

16. Organize the establishment of topics of interest for economic, social and technological development;
17. Participate in meetings and conferences on the economy and development, business management, and other things, report on results to the CTA's workgroups and management. Prepare analytical articles and disclose them within the CTA.

Responsibilities of the Economist A – Agricultural Economist

Senior economist who coordinates the SEAE in the absence of its coordinator and has the following responsibilities:

18. Prepare discussion papers and encourage debate in workgroups. Add arguments and questions to discussion papers, investigate and provide feedback to workgroups;
19. Prepare position papers based on discussion papers and present them to the workgroups and the CTA's management, with projected implications and impacts;
20. Support workgroups in the discussion processes and negotiations of positions with the government;
21. Prepare articles for publication in the media and at the CTA, news on topics under discussion and on the CTA's positions;
22. Prepare research short papers on the business environment and organize work teams and results reports;
23. Partake in meetings and conferences on economics and development, business management and other things, report on results to the workgroups and the CTA's management. Prepare analytical articles and disclose them within the CTA.

Responsibilities of the Business Manager – MBA

The main job is to prepare the business plan and coordinate the implementation of the CASP tables. Thus, he does the following jobs:

24. Edits the CASP tables and prepares a business plan for implementation of each table component, specifying the resources needed and the responsibility for implementation;
25. Projects performance and impact indicators of the main expected results from the tables;
26. Prepares a performance monitoring and evaluation plan and impact of implementation of the actions from the tables;
27. Discusses with the CTA's advisory mechanisms the alignment of work by the workgroups with the table's topics, keeping the workgroups' focused on the table topics;
28. Study governance and public-policy measures adopted by the government and evaluate their impact on private-sector activities;

29. Report on the directions of studies and plans of the ministries and systematize those actions that are relevant and of interest to the private sector;
30. Prepare two annual reports evaluating the degree of implementation of the table;
31. Establish communication between the SEAE and other internal and external CTA services;
32. Participate in seminars and meetings of interest to manager's responsibilities.

Responsibilities for Economist B - Statistics

Has the duty of gathering and processing data, with capacity to establish samples and conduct qualitative and quantitative surveys and analysis of results.

33. Uses statistical information packages such as SPS;
34. Supports the preparation of samples and questionnaires in research related to the business environment or impacts of policy implementation and legal rules;
35. Carries out surveys and prepares analyses in collaboration with other professionals of the results and their publication;
36. Keeps a database of studies and statistical information relevant to the CTA and its members;
37. Systematizes the statistical information available and prepares it in a simple format that is easy to understand. Interprets data and publishes them;
38. Establishes labor relations with the INE and participate in the CEMPRE;
39. Prepares and publishes information on macroeconomic indicators and makes comments on probable impacts on the private sector;
40. Prepares and analyzes sector statistics in support of sector workgroups.

Responsibilities of the Senior Lawyer

The senior lawyer is involved in the comparative analysis of legislation related to the private sector and preparation of legislative reforms, interacting with the Ministry of Justice, Council of Ministers, and the Parliament. The lawyer's main responsibilities include:

41. Preparing comparative analyses between current legislation and approved policies, and proposing adjustments to legislation with laws and regulations;
42. Analyzing regional legislation on the same matter and discussing differing impacts on a common market;
43. Discussing with the workgroups the identification of gaps in the legislation with impacts on the private sector;
44. Preparing proposed legislative reforms;

45. Keeping a database of Mozambican legislation related to the private sector, as well as current changes;
46. Preparing interpretative reports on legislation regarding topics on management and informing the public;
47. Supporting associations and workgroups on doubts regarding interpretation of legislation;
48. Participating in workgroup legal meetings and meetings and conferences that deal with legislative reform;
49. Analyzing and publishing an interpretative paper each month on some legislation related to the private sector.

CONCLUSIONS AND RECOMMENDATIONS

Despite a minimalist policy in hiring technical personnel for the SEAE, the unit has been doing various analytical support jobs for the CTA's advisory mechanisms. Three work methods have been used, namely: internal studies; outsourcing; and partnerships with development agencies and the government. The internal-study option has been limited, with the senior economist's main job including systematization of tables, preparation of terms of reference, and monitoring of external consultants. Local outsourcing has been the second method used to do analysis, with mixed results on certain jobs of limited quality. The partnership option has produced the most analytical studies, with the CTA's participation in the development of TORs and monitoring of consultants.

These three works methods are expected to continue in the future, with some reinforcement to internal papers and monitoring/evaluation capacities of the impacts of policy reforms introduced.

This evaluation discussed the possibility of an autonomous, economic analysis and research unit for the CTA, concluding that it is still premature to distance the analytical work from lobbying and dialogue processes with the government. This analysis's conclusion was to reinforce the CTA's ability to provide analytical services and studies. However, it does recommend that the CTA's studies be transparent and independent, using universal analytical practices. Publication of study results should safeguard the fact that they are not the CTA's position. The CTA's position on certain topics, even if supported by the SEAE technicians, may not reflect the conclusions of the studies and vice versa. Any studies conducted state in the introduction and on the cover that they do not reflect the CTA's position. This is a practice in many organizations that tends to safeguard the separation between independent studies and the organization's position.

The CTA's analytical capacity is expected to be strengthened with 5 technicians, three of whom are economists, one a manager, and one a lawyer. One of the three economists will hold the position of service coordinator.

Implementation of this decision is expected to start in 2008 with the hiring of the coordinator, one economist, and the manager. And in 2009, another economist and lawyer will be added. If funds are available, the whole team should be hired immediately.