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Report No: PAD2294

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED GRANT

IN THE AMOUNT OF SDR 45.3 MILLION

(US$62 MILLION EQUIVALENT)

TO THE

REPUBLIC OF MOZAMBIQUE

FOR A

NATIONAL STATISTICS AND DATA FOR DEVELOPMENT PROJECT

JUNE 14, 2017

Poverty and Equity Global Practice
Africa Region

CURRENCY EQUIVALENTS

(Exchange Rate Effective April 30, 2017)

Currency Unit	=	New Mozambique Metical (MZN)
MZN 64.33	=	US$1
US$1.37	=	SDR 1

FISCAL YEAR
January 1 –December 31

ABBREVIATIONS AND ACRONYMS

AIMS	Aid Information Management System
ANE	*Administração Nacional de Estradas* (Road National Administration)
ASA	Advisory Services and Analytics
AWP	Annual Work Plan
BoM	*Banco de Moçambique* (Bank of Mozambique)
CEDSIF	*Centro de Desenvolvimento de Sistemas de Informação e Finanças* (Center for Development of Financial Information Systems)
CPF	Country Partnership Framework
CPI	Consumer Price Index
CS-DRMS	Commonwealth Secretariat Debt Recording and Management System
CUT	*Conta Única do Tesouro* (Treasury Single Account)
DAF	*Direção de Administração e Finanças* (Adminstration and Finance Directorate)
DC	Directorate of Cooperation
DEEF	*Direcção de Estudos Económicos e Financeiros* (Directorate of Economic and Financial Studies)
DFID	U.K. Department for International Development
DNCP	*Direcção Nacional de Contabilidade Pública* (National Directorate for Public Accounts)
DNMA	*Direcção Nacional de Monitoria e Avaliação* (National Directorate for Monitoring and Evaluation)
DNPO	*Direcção Nacional do Plano e Orçamento* (National Directorate of Planning and Budgeting)
DNT	*Direcção Nacional do Tesouro* (National Directorate of Treasury)
DP	Development Partner
DPINE	*Delegações Provinciais do Instituto Nacional de Estatística* (Provincial Delegations of the National Statistics Institute)
EA	Enumeration Area
ENE	*Escola Nacional de Estatística* (National School of Statistics)
e-SISTAFE	*Plataforma electrónica do Sistema de Administração Financeira do Estado* (State Electronic System of Financial Administration)
FM	Financial Management

GAI	*Gabinete de Auditoria Interna* (Internal Audit Office)
GDP	Gross Domestic Product
GIS	Geographic Information System
GoM	Government of Mozambique
GRS	Grievance Redress Service
ICR	Implementation Completion and Results Report
ICT	Information and Communication Technology
IDA	International Development Association
IFMIS	Integrated Financial Management Information System
IMF	International Monetary Fund
INCM	*Instituto Nacional das Comunicações de Moçambique* (National Communications Institute of Mozambique)
INE	*Instituto Nacional de Estatística* (National Institute of Statistics)
INGC	*Instituto Nacional de Gestão de Calamidades* (National Institute of Disaster Management)
IOF	*Inquérito sobre Orçamento Familiar* (Household Budget Survey)
MAF	*Manual de Administração Financeira* (Financial Management Manual)
MEF	*Ministério da Economia e Finanças* (Ministry of Economy and Finance)
MINEC	*Ministério dos Negócios Estrangeiros e Cooperação* (Ministry of Foreign Affairs and Cooperation)
MITADER	*Ministério da Terra, Ambiente e Desenvolvimento Rural* (Ministry of Land, Environment and Rural Development)
MTC	*Ministério dos Transportes e Comunicações* (Ministry of Transport and Communications)
MZN	New Mozambique Metical
NIS	*Instituto Nacional de Saúde* (National Agency for Health)
NSA	Non-state Actor
NSDS	*Plano Estratégico do Sistema Estatístico Nacional* (National Strategy for the Development of Statistics)
NSS	National Statistical System
ODA	Official Development Assistance
ODAmoz	Official Development Assistance to Mozambique Database
OECD	Organisation for Economic Co-operation and Development
PDE	*Programa de Desenvolvimento Espacial* (National Inter-Agency Spatial Planning Platform)
PDO	Project Development Objective
PIM	Public Investment Management
PIU	Project Implementation Unit
PPA	Project Preparation Advance
PPSD	Project Procurement Strategy for Development
PQG	*Plano Quinquenal do Governo* (Government Five-Year Development Plan)
PSC	Project Steering Committee
SCI	Statistical Capacity Indicator
SDI	Spatial Development Infrastructure
SDP	Spatial Development Planning

SDR	Special Drawing Rights
SIEE	*Sistema Integrado de Estatísticas Económicas* (Integrated System of Economic Statistics)
SISTAFE	*Sistema de Administração Financeira do Estado* (State System of Financial Administration)
STEP	Systematic Tracking of Expenditures in Procurement
SWAp	Sectorwide Approach
TA	Technical Assistance
UGEA	*Unidade Gestora Executora de Aquisições* (Procurement Management Unit)
UNDP	United Nations Development Programme
UNU-WIDER	United Nations University World Institute for Development Economics Research
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
UNOPS	United Nations Office of Project Services

Regional Vice President:	Makhtar Diop
Country Director:	Mark R. Lundell
Senior Global Practice Director:	Carolina Sanchez
Practice Manager:	Pierella Paci
Task Team Leaders:	Javier Baez, Andre Herzog, and Jessica Adler

BASIC INFORMATION

Is this a regionally tagged project?	Country(ies)	Financing Instrument
No		Investment Project Financing

[ ] Situations of Urgent Need of Assistance or Capacity Constraints

[ ] Financial Intermediaries

[ ] Series of Projects

Approval Date	Closing Date	Environmental Assessment Category
06-Jul-2017	30-Dec-2022	C - Not Required

Bank/IFC Collaboration
No

Proposed Development Objective(s)

The project development objective is to improve the production and dissemination of quality socioeconomic statistics. The project will also support the use of data in evidence-based policy making through improved capacity for spatial development planning and aid data management.

Components

Component Name	Cost (US$, millions)
INE Institutional Strengthening and Capacity Building	4.60
Data Collection, Analysis and Dissemination	69.94
Mainstreaming Spatial Development Planning	10.00
Aid Data Management for Enhanced Planning and Budgeting and Monitoring	2.00
Unallocated Contingency	6.00

Organizations

Borrower :	Ministerio da Economia e Financas
Implementing Agency :	Instituto Nacional de Estatisticas Ministerio da Economia e Financas Ministerio dos Transportes e Comunicacoes

PROJECT FINANCING DATA (US$, Millions)

[✔] Counterpart Funding	[ ] IBRD	[ ] IDA Credit [ ] Crisis Response Window [ ] Regional Projects Window	[✔] IDA Grant [ ] Crisis Response Window [ ] Regional Projects Window	[ ] Trust Funds	[✔] Parallel Financing

Total Project Cost:	Total Financing:	Financing Gap:
92.54	92.54	0.00
	Of Which Bank Financing (IBRD/IDA): 62.00	

Financing (in US$, millions)

Financing Source	Amount
Borrower	10.00
UK: British Department for International Development (DFID)	3.80
CANADA, Govt. of	6.00
ITALY, Govt. of (Except for Dev. Coop. Dept. - MOFA)	1.70
SWEDEN, Govt. of	4.60
IDA Grant	62.00
NORWAY, Gov. of (except for Ministry of Foreign Affairs)	4.10
UN Fund for Population Activities	0.34

Total					92.54	

Expected Disbursements (in US$, millions)

Fiscal Year	2018	2019	2020	2021	2022	2023
Annual	25.00	8.00	9.00	8.00	10.00	2.00
Cumulative	25.00	33.00	42.00	50.00	60.00	62.00

INSTITUTIONAL DATA

Practice Area (Lead)

Poverty and Equity

Contributing Practice Areas

Governance
Social, Urban, Rural and Resilience Global Practice

Climate Change and Disaster Screening

This operation has been screened for short and long-term climate change and disaster risks

Gender Tag

Does the project plan to undertake any of the following?

a. Analysis to identify Project-relevant gaps between males and females, especially in light of country gaps identified through SCD and CPF

No

b. Specific action(s) to address the gender gaps identified in (a) and/or to improve women or men's empowerment

No

c. Include Indicators in results framework to monitor outcomes from actions identified in (b)

No

SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)

Risk Category	Rating
1. Political and Governance	Substantial
2. Macroeconomic	Substantial
3. Sector Strategies and Policies	Moderate
4. Technical Design of Project or Program	High
5. Institutional Capacity for Implementation and Sustainability	Substantial
6. Fiduciary	Substantial
7. Environment and Social	Low
8. Stakeholders	Low
9. Other	
10. Overall	Substantial

COMPLIANCE

Policy

Does the project depart from the CPF in content or in other significant respects?

[ ] Yes [✔] No

Does the project require any waivers of Bank policies?

[ ] Yes [✔] No

Safeguard Policies Triggered by the Project	Yes	No
Environmental Assessment OP/BP 4.01		✔
Natural Habitats OP/BP 4.04		✔
Forests OP/BP 4.36		✔
Pest Management OP 4.09		✔
Physical Cultural Resources OP/BP 4.11		✔
Indigenous Peoples OP/BP 4.10		✔
Involuntary Resettlement OP/BP 4.12		✔

Safety of Dams OP/BP 4.37	✔
Projects on International Waterways OP/BP 7.50	✔
Projects in Disputed Areas OP/BP 7.60	✔

Legal Covenants

Sections and Description

The Recipient shall prepare and furnish to the Association not later than November 30 of each Fiscal Year during the implementation of the Project, an annual work plan covering all activities proposed to be carried out in the following calendar year, including: (a) a detailed timetable for the sequencing and implementation of such activities; and (b) a proposed budget and financing plan for such activities, including any counterpart contribution required for the purpose. Schedule 2, Section I, A, 5 (a) of the Financing Agreement (Recurrent Covenant).

Sections and Description

The Recipient shall establish and thereafter maintain at all times throughout the implementation of the Project, a Project Steering Committee with composition, mandate and resources satisfactory to the Association, responsible for providing strategic guidance, oversight of Project implementation and shall serve as a coordination mechanism for the Project Implementing Entities. Schedule 2, Section I, A, 2 (a) of the Financing Agreement (Recurrent Covenant).

Sections and Description

The Recipient, not later than ninety (90) days after the Effectiveness Date, shall prepare, adopt and thereafter carry out the Project in accordance with: (a) a manual for Parts 1 and 2 of the Project (the “INE Implementation Manual”); (b) a manual for Part 3 of the Project (the “MTC Implementation Manual”) and (c) MEF's existing Manual - Administração Financeira e Procedimentos Contabilisticos (“MAF”)), (collectively “the Implementation Manuals”), all in form and in substance satisfactory to the Association, providing details of arrangements and procedures for the implementation of each of their respective Parts of the Project, including capacity building activities for sustained achievement of the Project’s objective; institutional administration, coordination and day-to-day execution of Project activities; monitoring, evaluation, reporting, information, and communication; financial management and procurement sections providing details of financial management arrangements and procurement, including policies and procedures on procurement, disbursements and accounting systems; and such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project. Schedule 2, Section I, A, 4, (a) of the Financing Agreement (Dated Covenant).

Sections and Description

The Recipient shall cause INE to ensure that the vehicles purchased as part of the preparation activities for the Population and housing Census 2017 under the Preparation Advance, are properly maintained and all necessary repairs are made as promptly as needed throughout the duration of Project implementation.Schedule 2, Section I, D, 1 of the Financing Agreement (Recurrent Covenant).

Conditions

Type	Description
Effectiveness	The Subsidiary Agreement has been duly authorized or ratified by the Recipient and INE and is legally binding upon the Recipient and INE in accordance with its terms. Article V, 5.02, (a) of the Financing Agreement.
Disbursement	Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed SDR 9,060,000 may be made for payments made prior to this date but on or after May 24, 2017, for Eligible Expenditures under Category (1). Schedule 2, Section IV, B, 1 of the Financing Agreement.

PROJECT TEAM

Bank Staff

Name	Role	Specialization	Unit
Javier Eduardo Baez Ramirez	Team Leader(ADM Responsible)	Senior Economist	GPV01
Andre Herzog	Team Leader	Senior Urban Specialist	GSU13
Jessica Diane Adler	Team Leader	Operations Specialist	GPV01
Antonio Laquene Chamuco	Procurement Specialist(ADM Responsible)	Senior Procurement Specialist	GGO07
Elvis Teodoro Bernado Langa	Financial Management Specialist	Senior Financial Management Specialist	GGO26
Alfredo Ricardo Zunguze	Safeguards Specialist	Safeguards Consultant	GEN01
Carlos Chadreque Penicela Da Maia	Team Member	Poverty Economist	GPV01
Daniel Nogueira-Budny	Team Member	Public Sector Consultant	GGODR
Dionisio Augusto Nombora	Team Member	Public Sector Specialist	GGO13
Eden Gabriel Vieira Dava	Safeguards Specialist	Safeguards Consultant	GSU07
Elizabeth Ann Talbert	Team Member	Senior Economist/Statistician	GPV01

Furqan Ahmad Saleem	Team Member	Senior Financial Management Specialist	GGO26
Hannah Kim	Team Member	Young Professional	GSU13
Jose C. Janeiro	Team Member	Senior Finance Officer	WFALA
Maria Do Socorro Alves Da Cunha	Safeguards Specialist	Senior Social Development Specialist	GSU07
Maria Isabel Nhassengo-Massingue	Team Member	Procurement Assistant	AFCS2
Mariana Margarita Montiel	Team Member	Senior Counsel	LEGAM
Paulo Jorge Temba Sithoe	Safeguards Specialist	Enviornmental Specialist	GEN01
Senait Kassa Yifru	Team Member	Operations Analyst	GPV01

Extended Team

Name	Title	Organization	Location

MOZAMBIQUE
NATIONAL STATISTICS AND DATA FOR DEVELOPMENT

TABLE OF CONTENTS

I. STRATEGIC CONTEXT

A. Country Context

1. **Over the past two decades, Mozambique enjoyed robust and accelerating economic growth.** Mozambique is a Southeast African low-income country with an estimated population of 22.9 million. Following the end of the civil war, a combination of relatively sound macroeconomic management, large-scale foreign investment projects, and substantial donor support enabled the country to grow fast, expanding by an average of 7.9 percent during 1993–2014, one of the fastest rates in Sub-Saharan Africa. The patterns of growth have evolved over time. Postwar reconstruction (1993–1997) led to the incorporation of more workers into agriculture, supporting economy-wide growth. After 1998, however, capital-intensive megaprojects focused on the country's natural resources have dominated the growth pattern but generated limited formal employment opportunities.

2. **Mozambique has not been successful in translating this high growth into equally strong poverty reduction.** Each percentage point of growth has reduced poverty in Mozambique by half of the reduction recorded in Sub-Saharan Africa. In spite of the poverty incidence going down, official data indicate that close to half of the Mozambican population (46.1 percent) still lived in poverty in 2014/15. Additionally, performance in poverty reduction has been uneven across regions, with some parts of the country—especially the center and the north—accounting for a disproportionate share of the poor.

3. **Recently, Mozambique's economic performance has slowed down because of low commodity prices, drought, conflict, and the discovery of previously undisclosed debts.** These factors are contributing to slower growth, higher prices, and a weaker currency. The New Mozambique metical depreciated by over 40 percent against the U.S. dollar in 2016, leading to a rapid acceleration of inflation. Inflation has been especially high for the poor as food products account for a dominant share of their consumption basket. In addition, the El Niño phenomenon has caused the worst drought in the country in 35 years. Promoting broad-based growth and inclusiveness requires addressing a number of challenges ranging from limited economic diversification, low productivity in existing sectors, and inadequate physical, human and institutional capital, to a weak governance environment, an unequal regional allocation, and low quality of public spending.

4. **Effective economic management requires comprehensive, timely, and quality data and analysis for evidence-based policy making.** The National Development Strategy 2015–2035, the Government program and medium-term strategy 2015–2019, and the National Strategy for the Development of Statistics (NSDS) 2013–2017/2019 recognize that the availability of reliable, accessible, and timely data is necessary to inform the development policies and programs that will support the foundation for sustained economic growth and poverty reduction. Recent years have seen remarkable progress in the design, collection, elaboration, and dissemination of data and statistics across the National Statistical System (NSS). Yet, important challenges in the NSS (financial, physical and statistical infrastructure and human capital, among others) are still pending to provide quality and timely statistics that are disaggregated by gender, as appropriate, and services that support evidence-based policy, planning, decision-making, good governance, and development initiatives.

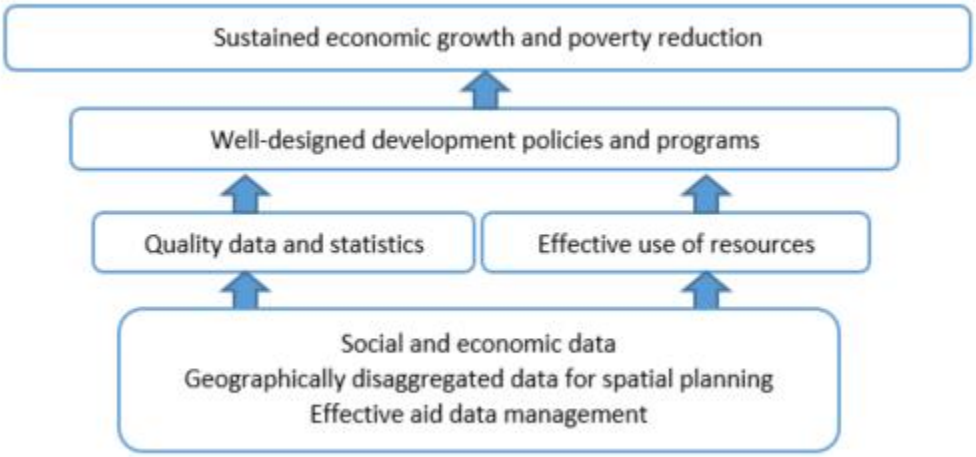
5. **To design economic policies that adequately address regional disparities, geographically disaggregated data is needed.** Currently, few national agencies produce comprehensive spatially disaggregated data, even fewer institutions have developed platforms to integrate available geo-referenced information with analogous data from other agencies. Moreover, there is little awareness among decision makers about the strategic relevance of cross-sectoral spatial analysis for evidence-based planning. Another obstacle is the shortage of technical skills required for geo-reference planning systems. In addition, data sets are dispersed across different ministries and agencies and are difficult to access, and there is a lack of an integrated strategic data approach across government agencies.

6. **Finally, the implementation of public policies requires integrated management of the full revenue envelope available to the Government.** The recent 'hidden debt' crisis has shed light on important weaknesses in the management of public finances. The World Bank is supporting the Government of Mozambique (GoM) through various technical assistance (TA) programs to strengthen the monitoring and efficient use of public resources. In 2014, 66 percent of total official development assistance (ODA)—equaling US$1.39 billion—was off-budget. To ensure efficient use, effective integration of all aid flows into the national planning and budgeting process is needed. While officially tasked with the role of capturing and managing aid data, at the present time, the Ministry of Economy and Finance (MEF) does not systematically consider externally financed development projects while undertaking the national planning and budgeting process.

B. Sectoral and Institutional Context

7. **The role of quality, timely, and accessible national statistics to support and monitor economic development in Mozambique has grown considerably in the last two decades but important challenges remain.** The National Statistical System (NSS) was created by an act passed by Parliament in 1996. Since then, the NSS has seen remarkable progress in the delivery and dissemination of statistics, but key challenges remain across the system. Addressing these obstacles requires a phased approach. The first phase, supported by this project, as shown in Figure 1, focuses on addressing factors that constrain the production of essential social and economic statistics and their use to guide policy action and evaluate progress made. The three overarching objectives of this first phase are (a) strengthening NSS strategic planning and coordination and enhancing human and information and communication technology (ICT) infrastructure at the National Institute of Statistics (*Instituto Nacional de Estatísticas,* INE) (the central player of the NSS) to fill key gaps in data collection, processing, analysis, and dissemination; (b) enhancing the use of statistics for spatial development planning (SDP) to increase efficiency and equity in public expenditures; and (c) enhancing aid data management for improved planning, budgeting, and monitoring of overall development spending. Subsequent phases of support are expected to gradually shift the focus to address gaps in statistical development across other key actors in the NSS.

Figure 1. Project contribution to sustained economic growth and poverty reduction



8. **INE is the main official provider of statistics in Mozambique.** The Presidential Decree No. 9 of 1996 created INE as a semiautonomous institution operating under the MEF. As the nodal institution of the NSS, INE is responsible for coordinating the national policy on statistics and the development of the system. INE is also the main government agency responsible for the production and dissemination of official statistics required to guide the development policy of the country. INE's statistical production and dissemination focuses on (a) population statistics; (b) poverty and social statistics; (c) economic statistics, (d) business and industry statistics; and (e) geo-information services. To fulfill that responsibility, INE collects data from primary sources through frequent censuses, surveys, and administrative data and compiles secondary information from other data producers.[1]

9. **Mozambique has a tradition of strategic planning to guide the country's statistical development.** The country launched its first five-year NSDS1 in 1997. NSDS1 has been followed by three subsequent strategies: NSDS2 (2003–2007), NSDS3 (2008–2012), and the current one, NSDS4 (2013–2017).[2] The current NSDS sets out the following as the main objectives: (a) strengthening the production and dissemination of timely quality statistics, including economic, demographic, social, and vital statistics as well as other standard indicators to monitor progress of major development programs and strategies, with a strong emphasis on the household welfare surveys and the fourth Population and Housing Census planned for 2017; (b) coordinating the production and quality of statistics, focusing on processes within the NSS to facilitate, harmonize, and simplify the collection of statistical data and on developing a quality assurance framework; and (c) sustainable institutional capacity building by developing an incentive-based performance and training system that ensures a constant inflow and high retention of skilled and motivated staff into the NSS.

[1] Other important members in the governance structure of the NSS are the Central Bank of Mozambique (BoM) and the Population Census Coordinating Council. In addition to INE, other government ministries, departments, and agencies as well as provincial governments are also part of the NSS.
[2] INE, as the focal point for the NSS, is considering the extension of NSDS4 for two or three more years.

10. **In spite of progress attained in recent years, the NSS faces a number of challenges to achieve the objectives set out in NSDS4.** The main challenges identified in the strategic plan and recent discussions with INE include the following:

(a) Data collection, processing, storage, and analysis;

(b) Human, physical (primarily ICT), and statistical infrastructure;

(c) Dissemination, timeliness, and accessibility to data and statistics;

(d) Technical capacity limitations;

(e) Adequate and predictable funding for statistics; and

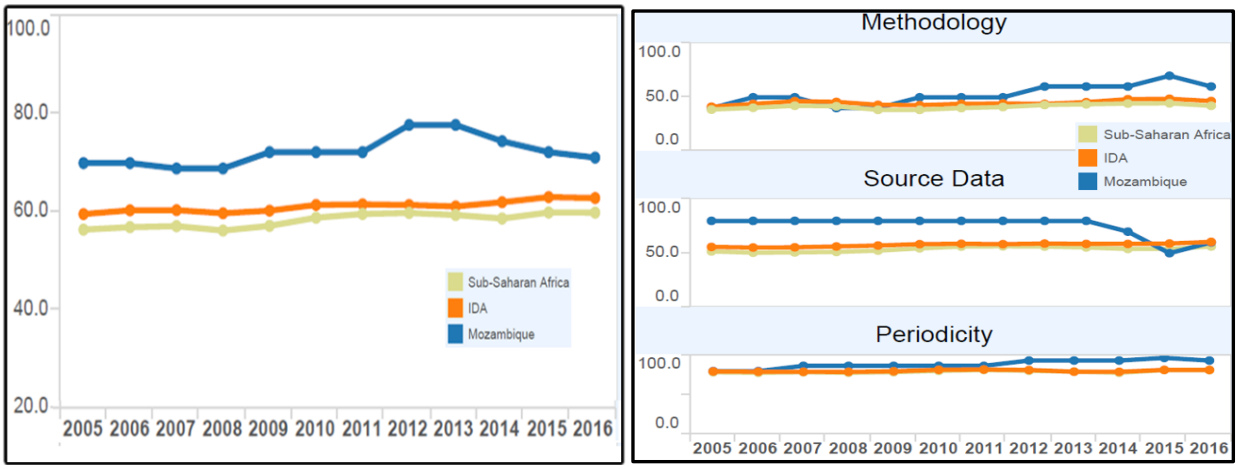
(f) Staffing gaps, professional development strategies, and training on statistics.

11. **Progress in statistical development in Mozambique appears to have stalled in recent years.** The World Bank's 2016 Country Statistical Information Database shows that Mozambique has an overall statistical capacity indicator (SCI) score of 71.1, still above the Sub-Saharan African average of 59.9,[3] explained by higher periodicity of the data and better statistical methodology[4] (Figure 2, left panel). However, in the last five years, the SCI has been falling steadily from a score of 77.8 in 2012. This is driven by reduced availability of survey and population census data needed to measure key socioeconomic indicators and by the lower frequency of these indicators (Figure 2, right panel). The current score for the availability of data ('source data') is at the average level for Sub-Saharan Africa, while it was 24 points above it in 2010. International best practices recommend that health and poverty surveys are carried out at least once every three years; however, in Mozambique they are carried out every six to eight years. Consequently, the information available regarding the demographic and socioeconomic characteristics of the population, including the poor, do not reflect the current state of affairs. Some of the sectoral statistics (public and private finance statistics, trade statistics, industrial statistics, price statistics, and so on) are insufficient and of low quality to assess the performance of the economy.

[3] The SCI is based on a diagnostic framework developed with a view to assessing the capacity of national statistical systems using metadata information generally available for most countries and monitoring progress in statistical capacity building over time. The framework has three dimensions: statistical methodology, source data, and periodicity and timeliness

[4] For instance, more recent methodologies for the compilation of balance of payment statistics, base year for the consumer price index, and the reporting status of external debts.

Figure 2. Trends in the SCI - Total and by Components



Source: SCI database (2016).
Note: Panel on the left shows the trend for the total SCI and panel on the right shows the trends for each of the three components of the SCI.

12. **The current, most pressing challenges in the NSS include the new population census, other key data gaps (household surveys and economic statistics), limited capacity, and institutional weaknesses.** The last population census in Mozambique is from 2007; however, substantial changes associated with population dynamics and settlements in recent years have rendered the data outdated. This also undermines the accuracy of statistics that incorporate population dimensions, including macroeconomic statistics (such as gross domestic product [GDP] per capita), service access and poverty measurements. Mozambique's fourth population census is scheduled for August 2017, but lack of funding is putting its implementation and quality at risk. Households surveys used to measure poverty and track the evolution of other socioeconomic indicators are collected infrequently (every six or seven years) and survey design, collection, and analysis issues hinder the accuracy of the data. Data, methodological, and technical capacity gaps limit the coverage and quality of national accounts, price indicators, trade statistics, poverty rates, labor force, and other socioeconomic indicators to adequately reflect the economy and the evolution of development outcomes. INE also lacks the physical and human resources required to effectively perform its growing coordination and quality control responsibilities with respect to other actors of the NSS.

13. **SDP across different government levels and sectors can contribute to increasing the effectiveness and efficiency of public policies and programs in Mozambique**. As in many countries, it is particularly challenging for the Government to manage and maximize the impact of a large, diverse, and geographically spread portfolio of investments. With the absence of adequate cross-sectoral spatial planning, there is a high risk of waste, misuse, or under-allocated public resources. Lack of cross-sectoral integration and coordination also undermines the impact of investments as each project is developed and executed without considering synergies with the investments in other sectors.

14. **Between 2011 and 2015, the GoM developed the National Inter-Agency Spatial Planning Platform (PDE).**[5] Managed by the Ministry of Transport and Communication (MTC), the PDE comprises

[5] The World Bank assisted the GoM in implementing the Spatial Development Planning Technical Assistance (SDP TA -P121398) Project from 2011 to 2015. The project PDO was to provide financial and technical assistance to improve national social and

an advanced multisectoral national geographic information system (GIS) open to the public and to institutional users. The PDE is intended to foster cross-sectoral SDP by integrating, analyzing, and providing access to geo-referenced national statistics and sectoral data from national ministries and agencies. The platform stores an extensive database (more than 70 thematic maps and georeferenced datasets); sophisticated analytical tools; and a large catalogue of high-definition satellite images, covering national and sectoral censuses and household surveys, geographic information, land use, ICT networks, and public infrastructure (such as roads, rails, health, and education facilities), among others. The GIS not only serves as a single point of access for all spatial data, but it also offers an online system that any agency can access, store, download, and analyze spatial data relevant to their sector.

15. **However, the PDE has not been mainstreamed into other sectors**. Even though the PDE was launched by President Filipe Nyusi in October 2016, the platform has not yet gained much traction in ministries and national agencies outside the MTC. Further efforts are required to build capacity in the utilization of the platform across the main ministries and national and subnational agencies and avoid fragmentation and inefficiencies in current SDP practices. Different governmental entities and private organizations will continue to develop their own GIS' in an uncoordinated manner, wasting resources with multiple licenses and satellite images, and producing data without a common platform and technically sound protocols.

16. **Furthermore, the lack of comprehensive, timely, and comparable data on aid flows limits the efficiency, effectiveness, and transparency of both domestic and foreign development resource spending in Mozambique.** Compounding the problem is that Mozambique is an aid-dependent country: according to the Organisation for Economic Co-operation and Development (OECD), Mozambique is the sixth largest Recipient of ODA in Africa (UNDP 2015) and World Bank data shows that net ODA accounted for 12.6 percent of gross national income in 2014. In spite of significant improvements in public finance management over the past decade,[6] the GoM still does not have a comprehensive grasp of overall aid flows into the country, in particular off-budget commitments, disbursements, and expenditures. Official Development Assistance to Mozambique Database (ODAmoz), the MEF's Aid Information Management System (AIMS) designed to capture and manage aid data, is inadequate in large part because it does not use, nor is it comparable to, Mozambique's Chart of Accounts data definition. This incompatibility complicates the integration of aid data with official budget data, meaning that the national budgeting and planning process results in decisions about domestic development resource allocation and use that have not taken into account externally financed development spending, which totaled over US$2.2 billion for Mozambique in 2015.

17. **The minimal use of aid data by the GoM has decreased the incentive of development partners (DPs) to report the data to the MEF, as well as the incentive of the MEF itself to capture and manage that data.** This has created this suboptimal status quo of low data reporting, capture, management, and analysis, undermining the overall government finance statistics and necessitating TA and financial support to support improved efficiencies in development resource allocation and use. This project

economic development planning through the introduction, institutionalization, and mainstreaming of multisectoral SDP methodologies and practices.

[6] Such as the expansion of the State Electronic System of Financial Administration (*Plataforma electrónica do Sistema de Administração Financeira do Estado*, e-SISTAFE) information technology platform to cover budget preparation and execution, the reporting of expenditures, the creation of a single treasure account, and the updating of the procurement decree in 2016 to align with best practices.

proposes to build the capacity of the MEF to capture and manage aid data for use in the Government's planning and budgeting process. Key players in the aid data management and use processes include the MEF's Directorate of Cooperation (DC), which holds the mandate to capture and manage aid data and oversee ODAmoz, as well as other national directorates within the MEF that seek to use this aid data, such as the National Directorate of Planning and Budgeting (*Direcção Nacional do Plano e Orçamento*, DNPO), the National Directorate of the Treasury (*Direcção Nacional do Tesouro,* DNT), the National Directorate of Monitoring and Evaluation (*Direcção Nacional de Monitoria e Avaliação,* DNMA), the Directorate of Economic and Financial Studies (*Direcção de Estudos Económicos e Financeiros* DEEF), the National Directorate for Public Accounts (*Direcção Nacional de Contabilidade Pública,* DNCP), and the Center for Development of Financial Information Systems (*Centro de Desenvolvimento de Sistemas de Informação e Finanças,* CEDSIF).

C. Higher Level Objectives to which the Project Contributes

18. **The project is consistent with the priorities outlined in the Mozambique Country Partnership Framework (CPF) for the period FY17–FY21** (Report No. 104733-MZ)**.** The CPF, discussed by the Board of Executive Directors on April 27, 2017, sets out three broad strategic focus areas: (a) promoting diversified growth; (b) investing in human capital; and (c) enhancing sustainability and resilience. Considering the contribution of the proposed project to evidence-based policy making, this operation—explicitly included as a priority project in the CPF—contributes to several objectives underpinning the three CPF focus areas: promoting diversified growth and enhanced productivity, investing in human capital and enhancing sustainability and resilience. The CPF is closely aligned with the Government's Five-Year Development Plan (*Plano Quinquenal do Governo,* PQG). The project contributes to the PQG's ambition for better informed policy making and more effective and efficient resource allocation in the national planning and budgeting processes to achieve the country's medium-term development priorities.

19. **The project supports the World Bank Group's commitment to fill data gaps in areas that are key to monitoring the progress with poverty reduction and shared prosperity and the Sustainable Development Goals.** The data collected and curated through the project will be essential inputs for future World Bank interventions in Mozambique. The Population and Housing Census provides basic information useful in the design of the priority interventions identified in the CPF. The welfare survey data contribute to better poverty diagnosis and monitoring and to improving the targeting of social programs. The project will also help improve the use of this and other data by integrating it into the SDP platform. The improvement of national accounts and pricing statistics supports monitoring of macro-fiscal management in Mozambique.

20. **The project supports IDA's gender commitment.** Data collection supported by Component 2 of the project will be disaggregated by gender. This is essential for World Bank interventions to comply with the IDA gender commitment, including the analysis of gender gaps, the design of actions to address those gaps, and the monitoring and evaluation of progress. In addition to making gender-relevant data available to other World Bank interventions, the project will ensure that the analysis to be carried under the project is disaggregated by gender and that relevant activities supported by the institutional strengthening component include gender considerations (for example, including special considerations for qualified female candidates in the learning programs and in the hiring of female enumerators for the census and household surveys, as appropriate).

II. PROJECT DEVELOPMENT OBJECTIVES

A. PDO

21. The Project Development Objective (PDO) is to improve the production and dissemination of quality socioeconomic statistics. The project will also support the use of data in evidence-based policy making through improved capacity for spatial development planning and aid data management.

B. Project Beneficiaries

22. **The project has a diverse set of direct beneficiaries.** INE, the head institution of the NSS, is the direct beneficiary of the financial and technical support for statistical operations and investments in human resources and equipment to improve the production and dissemination of quality socioeconomic statistics. With regard to improved capacity for SDP, the direct beneficiaries are the MEF; the Ministry of Land, Environment and Rural Development (*Ministério da Terra, Ambiente e Desenvolvimento Rural*, MITADER); the MTC; the Ministry of Health (Ministério de Saúde, MISAU); the Bank of Mozambique (*Banco de Moçambique,*BoM); the National Communications Institute of Mozambique (*Instituto Nacional das Comunicações de Moçambique,* INCM); the National Roads Administration (*Administração Nacional de Estradas* ANE); and the National Institute of Disaster Management (*Instituto Nacional de Gestão de Calamides,* INGC). In addition, activities in this component will benefit the main providers of spatial planning education in Mozambique (that is, the Departments of Geography and Architecture at the Eduardo Mondlane University). These public institutions have been identified as priority beneficiaries based on their current GIS technical capacity, support from policy makers, and impact potential. With regard to improved aid data management, the direct beneficiaries are the MEF's DC, DNPO, DNCP, CEDSIF, DNMA, and DEEF, as well as the Ministry of Foreign Affairs and Cooperation (*Ministério dos Negócios Estrangeiros e Cooperação*).

23. **The project supports a wide array of indirect beneficiaries.** Indirect beneficiaries of the project include the users of the data and statistics produced by the project, such as (a) key government line ministries; (b) researchers, associations, and academia; (c) civil society organizations, the media, and other infomediaries; and (d) DPs. The general public may also benefit indirectly from the project, either through the policies that are implemented based on the information generated through the project or through the increased accountability of decision makers at the national and regional levels through improved transparency of data, statistics, and aid flows.

C. PDO-Level Results Indicators

24. **The main outcome will be improved quality and of key statistics produced and disseminated by INE and enhanced aid data management and SDP capacity for evidence-based policy making.** The progress toward the PDO will be measured by the following indicators:

(a) Increase in the Statistical Capacity Index (SCI) score for the SCI variables that the project will influence;

(b) NSDS 2020–2024 drafted and adopted;

(c) Increase in the quality of national accounts by (i) coverage of the formal and informal

sectors; (ii) expanded CPI geographic coverage and basket; (iii) updated and published description of sources and methods; and (iv) GDP rebased;

(d) Number of priority institutions that utilize the Spatial Development Platform in the formulation and monitoring of their policies as agreed under the Memorandum of Understanding; and

(e) Number of government institutions systematically utilizing AIMS data for decision-making.

III. PROJECT DESCRIPTION

A. Project Components

25. **The proposed project activities will focus on the core features to produce quality, timely and reliable statistics, enabling cross-sectoral evidence-based development policy making and fostering transparency and government accountability.** The underlying logic of the project is to strengthen the foundations of a virtuous cycle that ranges from producing more, better, and accessible statistics to a more regular use of statistics for regular analysis and policy making to a stronger commitment to government accountability and transparency (Figure 1). In light of that, the proposed project is structured around the following components: (1) INE Institutional Strengthening and Capacity Building; (2) Data Collection, Analysis, and Dissemination; (3) Mainstreaming Spatial Development Planning; and (4) Aid Data Management. The project is proposed to have a duration of five years starting with the approval of the project by the GoM and the World Bank. The activities in the project were selected according to Government demand and consistent with the following three criteria: (a) core features of a modern statistical system; (b) aligned with the World Bank Group's comparative advantage in TA; and (c) closing critical data and skill gaps in SDP and development data management to inform policies and programs in Mozambique. A Project Preparation Advance (PPA) of US$6 million has contributed toward advancing the preparation of the census and project readiness for implementation.

Component 1: INE Institutional Strengthening and Capacity Building (Total of US$4.60 million equivalent)

26. **Component 1 will support INE to create the enabling environment necessary to fulfill its mandate.** The component will support strengthening INE's ability to strategically plan and coordinate the vision for the NSS as well as provide quality assurance in the production of statistics. This component also supports the foundational human resources and ICT infrastructure necessary for INE to lead the NSS and fulfill its mandate as the main producer of timely and objective official data and statistics. The traditional learning programs supported by Component 1 are complemented by the learning-by-doing approach for data collection, processing, analysis, and dissemination in Component 2. Component 1 comprises four subcomponents, as discussed in the following paragraphs.

Subcomponent 1.1: NSS Strategy, Coordination, and Quality Assurance (US$0.50 million equivalent)

27. **Mozambique's NSS Strategic Plan 2013–2017 highlights the need for continued strategic planning and better coordination and quality assurance in the production of statistics**. The project will support the evaluation of the current NSDS and the production of the strategic plan for statistical

development (NSDS5 2020–2024). These two activities will provide a comprehensive and unified framework to identify the priorities for the overall NSS moving forward and set out the strategies to meet these needs in a more coordinated and efficient manner. The coordination of statistical activities in the country is important to avoid redundancies, create synergies, and ensure high quality standards.[7] INE is the lead agency with the responsibility of coordinating the NSS and providing technical and methodological guidance. However, intersectoral coordination is inadequate. This is also in light of the growing demand for statistical information, which often rely on routine/administrative data. The project will also support other areas that are important for INE to fulfill its coordination and quality assurance roles: updating and implementing mechanisms for data production, harmonization, and quality control; increasing INE's technical capacity on statistical quality assurance; and increasing communication, knowledge exchange, and coordination with key actors of the NSS and users of statistics.

Subcomponent 1.2: INE Skills Development and Technical Capacity (US$1.30 million equivalent)

28. **A skilled workforce is a key element for the development of high-quality statistics and for the sustainability of the project outcomes**. Through this subcomponent, the project will invest in updating a staff competence and training needs assessment, as well as implementing a skill enhancement program for staff based on the gaps identified in the needs assessment. This subcomponent will target skill development in areas that are complementary to technical training inherent to the data collection and statistical production activities supported by the project. INE's National School of Statistics (*Escola Nacional de Estatística,* ENE) is expected to be at the center of activities to implement the skills development and technical capacity strategy. The project will strengthen ENE's ability to deliver statistical training programs through supporting four or five scholarships for INE staff to receive advanced degrees in statistics. The scholarship program will cover tuition fees, stipends, and book fees. The scholarship recipients will sign binding contracts to return to INE after the completion of the degree program to teach at the ENE for a minimum of four years. If a scholarship recipient leaves employment with INE or does not complete the four-year requirement, the recipient will be required to reimburse INE for the total scholarship amount. The project will also support minor physical renovations and furnishing ENE with basic furniture and ICT equipment to enhance the delivery of face-to-face and remote training to provincial offices (ICT investments for ENE are described in the next subcomponent). INE also plans to build a language lab within ENE to improve the language skills of its technical staff.

Subcomponent 1.3: Investment in ICT (US$1.80 million equivalent)

29. **The availability of timely and quality statistics requires and adequate technical set up to collect, process and disseminate data.** The proposed project will support ICT infrastructure development at INE along two broad areas. The first of these areas focuses on ICT capacity building and includes the preparation of the strategic ICT plan. Another aspect of ICT capacity building to be supported by the project includes training in areas such as management, coordination, and maintenance of hardware, software, and network; computer programming; and help desk support services. The second area of engagement will finance the needed upgrade of the ICT infrastructure at INE to ensure efficient workflows for data collection, processing, analysis, and storage. This include investments to

[7] INE has 11 offices at the provincial level and 128 rural focal points of statistics production. Several other institutions outside INE are also part of the NSS, many of them with assigned competences for collecting, producing, and publishing official statistics for the respective sector.

improve data connectivity and video conferencing between headquarters and the 10 regional offices, strengthening data exchange systems to be used by INE and other actors of the NSS, expanding the Integrated System of Economic Statistics (SIEE) to include demographic and social data and indicators, and developing ICT inventory and support management systems. This subcomponent will also support the ICT infrastructure required (laptops, videoconferencing, and language lab hardware and software) for in-house training activities at ENE.

Subcomponent 1.4: INE Project Management (US$1.00 million equivalent)

30. **This subcomponent will support INE's capacity to plan, manage, and implement the nontechnical aspects of all project activities under Components 1 and 2.** This subcomponent will provide financing that enables INE to (a) prepare annual work plans (AWPs) and Procurement Plans; (b) carry out all disbursements and any financial management (FM) and procurement-related activities in accordance with World Bank–approved procedures; (c) prepare and consolidate periodic progress reports; and (d) monitor and evaluate project activities. INE will hire the following consultants to strengthen the internal fiduciary team: FM manager, accountant, and procurement specialist.

Component 2: Data Collection, Analysis, and Dissemination (Total of US$69.94 million equivalent, of which IDA US$39.40 million equivalent)

31. **The production and dissemination of quality statistics is a key component of the 2013–2017 five-year strategic plan**. The last population census is from 2007 but substantial changes associated with population dynamics and settlements in recent years have rendered the data outdated. The Government launched the project for the fourth population census to be carried out in August 2017 but lack of funding is putting its implementation and quality at risk. Currently, household budget surveys are collected every six years, making it difficult to track the evolution of poverty and other social indicators on a regular basis. There are also areas where financial assistance and TA are required to strengthen the relevance and quality of INE's program of household budget surveys and economic statistics. This component will therefore support the Population and Housing Census (2017), enhance the welfare monitoring system, improve the national accounts the CPI, and enhance data analysis and dissemination. The project will build the capacity for INE to carry out major statistical operations through a combination of traditional technical training and learning by doing. Component 2 comprises the following four subcomponents.

Subcomponent 2.1: Population and Housing Census (Total US$55.54 million equivalent, of which IDA US$25.00 million equivalent)

32. **The 2017 population census will provide basic demographic and socioeconomic data and will inform the design of future statistical operations and the planning and monitoring of the Government's development programs**. The Government launched the fourth Population and Housing Census in 2015. In addition to providing an updated sample frame for data collection between censuses, data from the 2017 Population and Housing Census will be critical to monitor key development indicators as well as for the implementation and evaluation of public policies, programs, and the overall poverty reduction strategy. The population census consists of several phases that include the cartography, pilot census, enumeration, post-enumeration survey, and data processing and analysis.

33. **Preparatory activities are well advanced but the estimated time line to complete the census is tight.** INE has worked with the United Nations Population Fund (UNFPA) to define the governance structure, methodology, budget, and time line. The pilot census was completed at the end of 2016. As of early May 2017, around 105 percent of the cartographic work to define the Enumeration Areas (EAs) has been updated—the remaining 7,000 EAs will use an older methodology. A strategy for the recruitment and training of enumerators and supervisors is in place and other activities such as identification of local guides and transportation logistics are set to start soon. The enumeration phase is planned for the first two weeks of August 2017 and alternatives to reschedule it are limited. Most field supervisors and controllers are school teachers and for that reason the timing of the census was set by the Government to overlap with the school break in August. The rainy season is from October to March. The local elections in 2018 and the Presidential elections in 2019 further complicate conducting the census in any of those years. In spite of this, the GoM is considering identifying alternative dates (possibly also in 2017) in case the census needs to be postponed owing to delays in some preparatory activities.

34. **Financing from the proposed project will contribute to filling a large budget gap.** The census is estimated to cost around US$80 million. Approximately US$9.5 million was spent on census activities in 2015 and US$12 million in 2016, mostly funded by the GoM (US$20 million) while some DPs provided the rest of the funding. The US$51 million needed to meet the budget for 2017, where most of the census activities (including enumeration and data processing) will take place, is planned to be financed through different sources. The contribution of the GoM is US$10 million whereas contributions from DPs (excluding the total US$25 million from the World Bank) are anticipated to amount to about US$20.5 million. The individual DPs and their planned contribution for 2017 are Norway (US$4.1 million), UNFPA (US$335 thousand), DFID (US$3.8 million), Italy ($1.7 million), Sweden (US$4.6 million), and Canada (US$ 6 million). India has also agreed to support the census through the provision of the necessary motorcycles and bicycles valued at US$551 thousand. Most of the contributions from Sweden and Canada will likely be available for census activities after the enumeration phase. Since the World Bank financing will be available only around middle-late August 2017 –assuming it would take roughly four weeks for the Government to declare the project effective– and resources committed by some DPs are not yet available, the census is facing serious cash flow challenges, which are still limiting the ability of INE to finance activities in July and early August (2017). The solution discussed is for the Government to take advantage of IDA retroactive financing to make the resources available on time. The sources of financing for the budget in 2018 and 2019 are yet to be decided. To mitigate risks associated with a potential financing gap (not cash flow issues), the project includes an unallocated contingency in the amount of US$6 million.

35. **The uncertainty in the financing for the activities expected to start immediately, the large mobilization of human, financial, and material resources required in a short period, the need to carry out lengthy fiduciary processes, and the limited capacity at INE could delay the implementation of the census.** The enumeration phase of the census will mobilize over 80,000 people (around 68,000 enumerators and 15,000 supervisors and controllers). About 9 million paper questionnaires are to be dispatched around the different regions of the country. In addition to the urgency to secure the financing for the upcoming activities (such as continuing to update the GIS, communication and awareness campaigns, selection and training of enumerators and supervisors) the fiduciary controls are lengthy. The World Bank is supporting INE through the fiduciary compliance procedures. This support will be completed by additional fiduciary consultants, namely an FM manager and accountant, joining the PIU before the census takes places.

Subcomponent 2.2: Welfare Monitoring System (US$11.53 million equivalent)

36. **The current welfare monitoring system in Mozambique collects data every six years, making it difficult to track the evolution of poverty and other social indicators on a regular basis.** INE has conducted four household budgetary surveys (*Inquérito ao Orcamento Familiar,* IOFs) in the last two decades (1996/1997, 2002/2003, 2008/2009, and the most recent in 2014/15). Although the IOFs produce key poverty and social indicators, the long time elapsed between them does not allow for more frequent monitoring of these indicators. The project will support the setup of a welfare-monitoring system delivering poverty numbers every three years, in line with international standards. The backbone of this system will consist of two household budget surveys (2018/19 and 2021/22), which interview a sample of about 12,000 households over 12 months (to capture seasonality factors), nominating representatives at the province and urban/rural levels. The surveys will be implemented using computer-assisted personal interview systems and will adopt the new World Bank protocols on survey design. This subcomponent will also finance technical assessments to uncover and address the factors driving the under-reporting of expenditures in the current IOFs.

37. **The GoM is also interested in developing a mechanism to complement the standard budget surveys with shorter ones to measure poverty on a more regular basis.** Collecting detailed, high-quality data on household incomes and expenditures is costly and time consuming and requires strong technical capacity. The objective of this activity is to develop a lighter household survey (without including income and expenditure data) in 2019 or 2020 to infer poverty based on household characteristics. At the same time, a shorter multipurpose survey could provide data to monitor other social and economic indicators. INE developed, in the past, a lighter survey with similar purposes but its design needs to be revisited to further reduce the length of the questionnaire, revise its geographical coverage, and strengthen its focus on variables that are strong determinants of household consumption.

38. **There are gaps in technical capacity on poverty data, measurement, and diagnostics.** The MEF, with TA from the University of Copenhagen and United Nations University World Institute for Development Economics Research (UNU-WIDER), has the responsibility of producing poverty estimates and analysis. However, INE expressed an interest and willingness to develop the technical capacity of its own staff to take over this responsibility and generate these estimates on their own. This would align INE with practices followed in most national statistical institutions in other parts of the world. The implementation of the two surveys in 2018 and 2021 will give INE staff the opportunity to build capacity in generating poverty estimates.

Subcomponent 2.3: National Accounts, Consumer Price Indicators, and Economic Statistics (US$2.41 million equivalent)

39. **The current system of national accounts and other economic statistics face several constraints that undermine their coverage and quality and therefore limit their ability to accurately reflect the structure and dynamics of the economy.** Currently, national accounts are estimated based on incomplete data such as missing informal sector data and retail statistics mostly limited to Maputo. The current benchmark year for the system of national accounts is 2008 but international guidelines recommend changing the base period about every five years. The project will provide TA to INE for the rebasing and updating of the series to 2014 and will help close data gaps in some economic sectors (for example, transportation and construction) and the informal economy.

40. **INE is currently developing an online system to capture and analyze integrated economic statistics for measuring the country's economic activity.** The SIEE, a portal where firms are required to upload their data is an effort to increase the quality and frequency of firm-level data and reduce the costs of collecting it. The platform automatically runs consistency and validation checks and produces key indicators.[8] However, operationalizing the SIEE will require extensive training, both internally with staff from headquarters and the regional offices and externally with the firms.

41. **The data and geographical coverage of the current CPI does not capture price dynamics in key urban markets and economic sectors.** The national CPI currently covers only Maputo, Nampula, and Beira, excluding important urban centers in other provinces. INE plans to expand the coverage of the CPI to nine of the eleven provinces in the country. In addition, outdated data for the imputation of house rents and the use of nonconventional units to measure the consumption of several basic goods constrain the tracking of price changes over time and across regions. INE's technical capacity on CPI measurement methodology and analysis also needs to be reinforced.

Subcomponent 2.4: Data Accessibility (US$0.47 million equivalent)

42. **Open and timely access to anonymized data contributes to transparency, supports evidence-based policy making, and creates user demand for high-quality statistics.** In spite of efforts to make data and statistics available to the public, several obstacles remain at INE and other actors of the NSS. Implementation of publications plans is weak; there is lack of an effective marketing unit for services and products of the NSS; there is a multiplicity of databases for the same surveys; and measures to fully protect micro-data (that is, data related to individual respondents) against improper disclosure are not in place. The project will support an update of INE's current micro-data access and information policies and dissemination practices. In addition to this, the project will finance TA on statistical data anonymization techniques and solutions for protecting micro-data against identity and attribute disclosure. In addition, the project will support the development of an online platform to share aggregated information and micro-data from censuses, surveys, and other sources. For instance, anonymized datasets of the IOF will be made freely available in the micro-data library.

Component 3: Mainstreaming Spatial Development Planning (Total of US$10.00 million equivalent[9])

43. **The aim of this component is to enhance SDP capacity across priority national government agencies, ensure the sustainability and institutionalization of the PDE, and enhance development of skills in spatial planning in Mozambique's public sector.** The project will finance primarily spatial planning TA, development of spatial development infrastructure (SDI) policy and regulatory framework, GIS platform management, capacity building, and project unit implementation costs. The purchase of GIS equipment, software, and data gathering (high-resolution satellite imagery and sector data collection) is not the focus of this project. However, the project might provide limited financial support in these areas if proven critical in the context of mainstreaming spatial planning in the priority agencies. Several of the statistical products supported in this project (for instance, the Census 2018, the welfare

[8] Given that some firms still do not have access to internet or prefer to fill out physical questionnaires, the online system will run in parallel with the traditional paper-based data collection system to ensure high response rates and the statistical representativeness of the sample.

[9] The total US$10 million allocated to component three includes an unallocated amount of US$401,000.

household surveys, and AidData) are expected to provide key data to feed the spatial development planning platform. Component 3 comprises the following five subcomponents.

Subcomponent 3.1: Cross-Sectoral Institutional Development on Spatial Development Planning (US$4.18 million equivalent)

44. **This subcomponent also supports the mainstreaming of the spatial planning and the utilization of the SDP platform in priority national agencies where demand, ownership, and impact have been identified.** Specific activities will include (a) mainstreaming spatial planning in relevant sectoral policy formulation, development planning, and monitoring and evaluation across the selected national institutions and (b) developing new tools, applications, and methodologies to integrate spatial data, analysis and planning in the national planning processes across the selected national institutions. With regard to improved capacity for SDP, the following priority agencies have been identified: the MEF, MITADER, the MTC, the Ministry of Health (MISAU), the BoM, the INCM, ANE, and the INGC.

Subcomponent 3.2: National Policy and Institutional Framework of Spatial Development Planning (US$1.99 million equivalent)

45. **This subcomponent will provide technical support to Mozambique's authorities toward the permanent insertion of the PDE within the country's public sector.** Specific activities will include (a) development of national strategy, norms, and standards for GIS infrastructure and spatial data (for example, data quality standards and validation, database integration, and security); (b) development of business plan, governance statutory framework, and the institutional, legal, and financial arrangements to ensure the sustainability of the PDE system in the medium and long term; (c) formulation and initial implementation of a five to 10-year national SDI strategy; (d) creation of a detailed annual plan for mainstreaming spatial planning across national agencies, subnational governments, services providers, private sector, and civil society organizations; and (e) design and implementation of a communication strategy to increase the outreach of the PDE system.

Subcomponent 3.3: Spatial Development Planning Learning (US$0.53 million equivalent)

46. **This subcomponent will provide support to the selected academic institutions** (that is, the Faculty of Geography, and Faculty of Architecture and Physical Planning at the Eduardo Mondlane University) for the development of high-quality (accredited or tailor-made) training programs on spatial planning and analysis. This component will also provide support for the training of technical staff, mid-career, and senior government officials of the selected national institutions.

Subcomponent 3.4: GIS Platform Management and Operation Costs (US$1.44 million equivalent)

47. **This subcomponent will provide support to operate and manage the GIS Platform.** Specific activities and operating costs in this area include (a) GIS platform software licenses and maintained costs and (b) spatial planning, GIS, and communication technical team.

Subcomponent 3.5: SDP Unit Management (US$1.47 million equivalent)

48. **This subcomponent will finance the core project implementation unit functions for Component 3.** Specific activities in this area include (a) overall planning, management, coordination, and reporting; (b) FM and procurement; (c) monitoring and evaluation; and (d) Project Implementation Unit (PIU) office management costs.

Component 4: Aid Data Management for Enhanced Planning, Budgeting, and Monitoring (US$2.00 million equivalent)

49. **The objective of this component is to enhance the GoM's aid data management for improved planning, budgeting, and monitoring of overall development spending**. This component will include technical improvements to the country's AIMS and enhanced human and technical capacity among government stakeholders for the capture, management, and use of aid data. The proposed component is structured into the following four activities: (a) development and maintenance of the new AIMS; (b) aid data collection, management, and dissemination; (c) data use for planning, budgeting, monitoring, and accountability; and (d) capacity building of the MEF.

50. **The project will support the development and maintenance of a new AIMS**. Improved aid data management requires a modern, flexible AIMS that directly interfaces with e-SISTAFE, Mozambique's Integrated Financial Management Information System (IFMIS). The system would either be integrated into e-SISTAFE or exist as a stand-alone system linked to e-SISTAFE both in terms of data standards as well as automatic data exchange. Such a system would allow DPs to input data on off-budget and off-Single Treasury Account (*Conta Única do Tesouro*l, CUT) projects through a web-enabled interface and transmit that data into e-SISTAFE to record and account for reported expenditures. The system would also extract on-budget and on-CUT data from e-SISTAFE to then present all aid data flows in open format to the public, alongside overall public finances. Underpinning the logic of this activity is the World Bank's recently concluded functional assessment of aid data management[10] determining the way forward in the institutionalization aid data management within national public financial management (PFM) processes.[11]

51. **The activities financed will support aid data collection, management, and dissemination.** A skilled workforce in the MEF, coupled with trained DPs, is needed for proper aid data collection and management. TA will support the enhancement of data accessibility and dissemination practices within DC. This includes ensuring efficient work flows for data collection, cleaning, analysis, and dissemination.

52. **The final objective of this component is to facilitate the use of aid data for planning, budgeting, monitoring, and accountability**. In addition, TA will also provide hands-on guidance to the DNPO and other PFM institutions on best practices for using aid and other data (for example, data analysis, visualization, and interpretation for policy making) to increase the efficiency and effectiveness of national, sectoral, and geographic resource allocation and use. Such trainings will also be provided to planning officer teams in a select number of line ministries. Besides use in planning and budgeting,

[10] World Bank. 2016. "Republic of Mozambique: Aid Data Management Assessment."

[11] Complementing this analytical work is an ongoing, comprehensive mapping of aid data management system requirements and data specifications, that includes analysis of relevant data housed outside of ODAmoz, including concessional loans in Mozambique's Commonwealth Secretariat Debt Recording and Management System database; public investment information in line with the future Public Investment Management (PIM) system currently being designed with the support of the World Bank; and nonfinancial aid data that is currently not being captured by any database, such as in-kind grants.

timely and comprehensive disclosure of aid data is also critical to ensure transparency of the aid flows and hence create a conducive environment to retain DPs and implementing agencies. TA to government officials, DPs, and nonstate actors (NSAs) will focus on increasing demand for such data, as well as boosting their capacity to access, understand, and analyze aid data.

53. **The project will also finance capacity building of the DC and DNPO**. This activity involves the training of the MEF staff involved in data collection, management, and use, as well as skills enhancement around data management, manipulation, visualization, and analysis. It will also include training of trainers to support the Government in establishing and implementing regular trainings for DPs and select PIUs and government officials on proper data reporting and use.

B. Project Cost and Financing

54. **The project will be financed through an IDA grant of US$62 million equivalent under an Investment Project Financing instrument.** World Bank support is planned for five years (July 2017 - December 2022). A Project Preparation Advance (PPA) of US$6 million has contributed toward advancing the preparation of the census and project readiness for implementation. The table shows the estimated budget per component.

Project Components	Project Cost	IBRD or IDA Financing	Counterpart Funding	Development Partners
	(US$)			
1. INE Institutional Strengthening and Capacity Building	**4,595,000**	**4,595,000**		
1.1 NSS Strategy, Coordination, and Quality Assurance	490,000	490,000		
1.2 INE Skills Development and Technical Capacity	1,271,000	1,271,000		
1.3 Investment in ICT	1,801,000	1,801,000		
1.4 INE Project Management	1,000,000	1,000,000		
2. Data Collection, Analysis and Dissemination	**69,940,000**	**39,405,000**	**10,000,000**	**20,535,000**
2.1 Population and Housing Census	55,535,000	25,000,000	10,000,000	20,535,000
2.2 Welfare Monitoring System	11,525,000	11,525,000		
2.3 National Accounts, Consumer Price Indicators and Economic Statistics	2,410,000	2,410,000		
2.4 Data Accessibility	470,000	470,000		
3. Mainstreaming Spatial Development Planning	**10,000,000**	**10,000,000**		
3.1 Cross-Sectoral Institutional Development	4,176,000	4,176,000		

Project Components	Project Cost	IBRD or IDA Financing	Counterpart Funding	Development Partners
	(US$)			
on Spatial Development Planning				
3.2 National Policy and Institutional Framework of Spatial Development Planning	1,990,000	1,990,000		
3.3 Spatial Development Planning Learning	525,000	525,000		
3.4 GIS Platform Management and Operation Costs	1,436,000	1,436,000		
3.5 SDP Unit Management	1,472,000	1,472,000		
Component 3 Contingency	401,000	401,000		
4. Aid Data Management for Enhanced Planning, Budgeting, and Monitoring	**2,000,000**	**2,000,000**		
5. Unallocated	6,000,000	6,000,000		
Total Costs	92,535,000	62,000,000	$10,000,000	20,535,000

C. Lessons Learned and Reflected in the Project Design

55. **Ensuring a project's readiness is critical to its successful implementation.** The Implementation Completion and Results Report (ICR) that evaluated the World Bank Group's initial SDP TA Project (Report No. ICR-3041) identified weaknesses in project preparation that affected successful implementation. Primarily, the project design was generic and institutional building activities were not adequate, clearly defined, or sequenced, and were not supported with a feasible, time-bounded road map. To avoid this pitfall, project activities have been clearly defined during preparation in terms of scope, expected results, and implementation time frame. The complexity of project design considers the relative capacity of each implementing agency. The number of TA activities is consolidated to the extent possible to avoid an excessive procurement burden on any agency that may results in delays of implementation progress.

56. **Project design is strengthened by long-term engagements in dialogue, advisory services and analytics (ASA) and previous investment financing.** Components 1 and 2 take advantage of the sustained dialogue the World Bank Group has had with INE around poverty measurement and methodology to help define the design and scope of project activities for these components. The project also will take advantage of a PPA of US$6 million to advance the most time-sensitive activities for the population census, the largest activity of project, to take place less than one month after the expected project approval date. The PPA also supports project readiness through support to implementation arrangements for Components 1 and 2. Project readiness for Component 3 was heavily supported by the lessons learned from the previous SDP TA project (P121398). Component 4 was designed based on results and lessons identified from a series of analytical outputs under the Mozambique Aid Data Management and Rapid Assessment of Donor Assistance ASA (P158881). World Bank experience supporting aid data management in other countries in the region, such as Tanzania and Malawi, also

informed the design of Component 4, specifically regarding the importance of creating incentives for institutionalizing official use of aid data and the importance of using a simplified user interface and focus on creating a positive user experience within the information management system.

57. **Capacity building is successful with a long-term and hands-on approach.** The project takes into account the results of OECD and International Monetary Fund (IMF) evaluations of statistical capacity-building efforts by international organizations.[12] In particular, those evaluations have shown that capacity-building activities have achieved real sustainable impact when implemented through long-term on-the-job support to trained statisticians, either by TA or by twinning arrangements. In other words, to really build capacity, long-term TA needs to be offered that is focused not on the provision of inputs (training, workshops, and so on) but on the joint generation of substantive outputs. The project takes advantage of these lessons by making available opportunities for on-the-job training and assistance and focusing on learning-by-doing through the implementation of project activities in each component.

58. **Multisectoral planning needs to be led by an agency with influence to induce cross-sector cooperation and coordination.** In the case of this project (that is, activities within Component 3 in particular) cross-sectoral collaboration will be led by the Inter-Sectoral SDP Committee led by the MEF. The participation of priority agencies has been identified ex ante through a demand-driven process. To further facilitate cross-sectoral cooperation and coordination, MoUs will be signed with each priority agency that clearly specify the scope of activities, implementation time frame, and expected results.

IV. IMPLEMENTATION

A. Institutional and Implementation Arrangements

59. **Project management.** The project has three implementing agencies. INE will implement Components 1 and 2. The MTC will implement Component 3 and the MEF will implement Component 4. Each implementing agency will be responsible for carrying out day-to-day activities and to handle the management, reporting, and auditing responsibilities in accordance with World Bank Group procurement, disbursement, and FM policies. Each implementation agency will prepare an Operations Manual, AWPs, Procurement Plans, and annual reports. Each implementation agency will appoint a project coordinator. Due to the nature of the complexities of executing a population census, INE will supplement its own fiduciary staff with an additional FM manager and accountant to execute Subcomponent 2.1. A procurement consultant will also be hired to support the implementation of the project.

60. **Project oversight.** A Project Steering Committee (PSC) will oversee implementation of the project. The PSC will be led by MEF and will meet at least twice a year to oversee project progress through the regular review of the AWP reports. The PSC will also serve as a forum to resolve common implementation challenges and facilitate collaboration between the implementing agencies to take advantage of synergies between components. The PSC will comprise representatives from each implementing agency. Since Component 3 has a complex cross-sectoral nature, an Inter-Ministerial

[12] OECD (Organisation for Economic Co-operation and Development). 2009. “Study of Support to Statistical Capacity Building;” Morrison, Thomas K. 2005. *Statistical Capacity Building. Case Studies and Lessons Learned.* Washington, DC: IMF.

Committee led by the MEF will oversee activities at the political level. Component 3 will also benefit from an Inter-Agency Group at the technical level.

B. Results Monitoring and Evaluation

61. **A Results Framework will support monitoring and evaluation.** Each implementing agency is responsible for the collection of information to report on the agreed project indicators at the frequency outlined in the project Results Framework, as well as for the monitoring of project activities. The Results Framework has been designed to capture key activities, outputs, and outcomes of the project. The Results Framework and detailed explanation of indicators are specified in section VII. An AWP and an annual report, prepared by each implementing agency, will be used to monitor and report on project progress. The plan will include a detailed list of activities for each subcomponent, including their implementation schedule as well as planned, estimated, and actual costs and intermediate and final outputs. The annual report will document progress of the project at the activity level. It will include progress toward meeting the agreed targets for each indicator of the Results Framework accompanied by an explanation. The annual reports will be submitted to the World Bank within 60 days of the end of a project year. Additional updates on the status of activities and indicators will be requested and provided as needed.

C. Sustainability

62. **The Government and, especially, INE have strong ownership of the project and of its planned activities, as these are critical for the development of the statistical sector (Components 1 and 2) and monitor progress toward the goals set out in the national development plan.** The NSS, in particular INE, has seen significant institutional development in recent years but challenges identified in NSDS4 (2013–2017) restrict further growth. Components 1 and 2 of the project were designed based on the recommendations from NSDS4. The GoM has demonstrated strong leadership and ownership of the project by identifying statistics as a key priority sector in the country's medium-term development. Several stakeholders from inside and outside the GoM have been consulted in the design phase of the project. These consultations will continue during project preparation and implementation. The project will contribute to the technical sustainability by strengthening the human capacity of INE through traditional learning programs and through learning by doing. Stable funding from the World Bank and donor partners to statistics in a context of fiscal austerity will contribute to strengthen long-term sustainability in the sector. The investments in physical, human, and statistical infrastructure envisioned in the project will contribute to the development of a more solid statistical system that can be maintained with limited resources after project closure. Strengthening data availability and user demand for statistics will also reinforce a virtuous cycle to urge increased and regular government funding to statistics.

63. **The GoM has reiterated its decision to house the PDE Unit within the MTC while a National Spatial Planning Strategy is developed.** Currently, MTC is well positioned to implement Component 3 as it has relevant experience from implementing the previous SDP TA project. Moreover, the MTC is the institution with the highest capacity on SDP across the Government and is already engaged with other agencies in this area. For instance, the PDE Unit at the MTC is formally assisting INE in the preparation of the upcoming National Census and MITADER in the formulation of the new National Territorial Plan. The PDE PIU retained most of the core staff that implemented the SDP TA project, including the project

coordinator, GIS specialists, spatial planning coordinators, and other technical staff. The current minister has shown strong commitment to the project and presented the PDE to the Council of Ministers on several occasions. MTC funds have been committed after the closing of the SDP TA project to ensure functioning of the PDE Unit in the short-term. The PDE Unit will be assessed during preparation to determine any areas that require capacity building or gaps in staffing that need to be addressed using project funds to ensure success of the PIU. It is expected that the SDI national strategy and regulatory framework, which this project intends to finance, will ensure long-term sustainability through a strategic review of the institutional setup, financial arrangements, and regulatory aspects of spatial data management.

64. **In spite of limited capacity in aid data management, the MEF has strong ownership of Component 4**. The GoM recognizes the importance of capturing, managing, and using aid data in the Medium Term Expenditure Framework and country planning and budgeting processes to ensure greater efficiency in domestic and foreign development resource spending. This is important, as global experience has shown that aid data management is most successful in contexts in which governments take a strong, proactive role in promoting DP engagement and compliance with project coordination and data reporting mechanisms. Similarly, the World Bank's analytical report on aid data flows and donor coordination mechanisms in Mozambique, conducted as part of the broader project preparations, found that those sectors that had sectorwide approaches (SWAps), or formal frameworks for DP coordination and donor-GoM policy dialogue, were characterized by more advanced aid data collection and use.

65. **The long-term sustainability of the project's aid data management efforts depends on ensuring sufficient capacity building within the lifetime of the project**. As such, approximately one half of Component 4's proposed budget is committed to TA and capacity building of relevant stakeholders: first and foremost, government officials from central agencies and also budgeting and planning officers from line ministries, DPs, and NSAs.

D. Role of Partners

66. **World Bank contributions to INE complement and leverage ongoing donor support.** INE benefits from a Common Fund coordinated by the UNFPA and financed by a group of DPs (UNFPA, Norway and Sweden). INE also benefits from another DP Trust Fund financed by UNFPA, Norway, U.K. Department for International Development [DFID], Finland, Canada, and Italy). Donor funding supports the implementation of the current NSDS, including the census. The UNFPA plays the role in providing key TA and coordinating donor assistance to the census in close coordination with the World Bank. The United Nations Children's Fund (UNICEF) has also contributed bilateral financial support to the census. INE regularly convenes donors to discuss AWPs and sources of financing to ensure the coordination of DP assistance. In the specific case of the 2017 Census, several DPs have provided funding for the 2017 Census activities, which are managed by the UNFPA. The UNFPA is also providing technical support to INE and has posted a consultant at INE to support operations management, coordination and communication. Three more consultants will be added to the UNFPA team at INE that would focus on financial, procurement, and technical advice on the census. The World Bank and UNFPA agreed to a fully coordinated approach to supporting the 2017 Census, including joint census supervision missions. The World Bank team has engaged several DPs during project preparation, which have broadly endorsed the

scope, objectives, and design of the project. During supervision, the World Bank and DPs will continue to meet regularly for consultations to ensure coordination and continued leveraging of donor funds.

67. **Coordination with the relevant DPs has also been key in designing the component on aid data management**. Governments can only adequately engage in aid data management if DPs are willing to reportedly accurate, comprehensive, and timely data. In particular, the World Bank has been working closely with the UNDP and the Belgian Development Agency throughout project preparations, as well as in the earlier analytical work that underpins Component 4's activities. Regarding the World Bank's analytical work around aid data management, many DPs were consulted and/or directly involved in validating the issues identified and solutions proposed in the functional and technical assessment.[13] In addition, DPs and all relevant GoM PFM institutions were consulted on and endorsed the specific activities for Component 4 at a high-level seminar convened by the MEF with the support of the World Bank in March 2017. Engagement with DPs will continue regularly throughout implementation of the project, particularly as it pertains to the activity around TA to DPs and other stakeholders on the use of aid data for monitoring purposes.

V. KEY RISKS

A. Overall Risk Rating and Explanation of Key Risks

68. **The overall risk is rated Substantial**. The primary concerns are political and governance risks and macroeconomic uncertainty, along with institutional capacity for the implementation, and sustainability and technical design risks.

69. **Political and governance risks are rated Substantial.** Political instability at the center of the country could raise concerns for the census. While not currently anticipated, conflict between political groups during the census could affect the overall quality of the census and raise safety concerns for census fieldworkers. The Government has had conversations with the opposition military forces to reinforce the perception that the census will bring benefits to both parties. This has significantly minimized this security threat.

70. **Macroeconomic risks are rated Substantial.** The increase in debt levels, the depreciation of the new Mozambique metical, and external shocks (such as commodity price) have heightened Mozambique's macroeconomic vulnerability and exposure to fiscal risk. A deteriorating macroeconomic context may affect the appetite to invest in statistics and cross-sectoral SDP and create a difficult business environment for the private sector through higher prices, exchange rate volatility, and lower demand. While presently investors remain confident about Mozambique's long-term growth prospects, driven by the gas sector, macroeconomic instability coupled with low commodity prices could have a major impact on growth. Macroeconomic risks are being mitigated through policy dialogue, TA, and future policy-based lending under the broader country program. Continued close coordination with the IMF and budget support partners will also help encourage the adoption of needed reforms reestablish macroeconomic stability.

[13] Participating in the World Bank-led assessment were African Development Bank (AfDB); DFID; European Union; Korea Eximbank; UNDP; UN Office of the Resident Coordinator (UNRCO); UNICEF; World Health Organization (WHO); and the Embassies of Brazil, Canada, Finland, Germany, Italy, Japan, Portugal, Switzerland, and Sweden.

71. **Risks related to sector strategies and policies are Moderate**. The project is closely aligned with the NSDS, which is the primary sectoral policy for the statistics sector. The consolidation of a modern statistical system will require strong coordination and harmonization among various actors, which could be hampered by an underdeveloped regulatory framework with unclear roles and responsibilities and by the limited capacity of INE and the MTC to fulfil their coordination roles. Furthermore, establishing the foundations of a modern statistical system will require strong financial commitment from the Government and partners that will need to be reflected in the national budget. This could be challenged by the current macro context and the need to allocate resources to other sectors.

72. **Technical design risks are rated High.** The overall design of the project is more complex than traditional statistical capacity-building operations, because of the inclusion of the cross-sectoral SDP and aid data management system components. Implementation of cross-sectoral work that includes many agencies is inherently difficult and requires strong implementing agencies to ensure effective collaboration. The PSC led by the MEF will mitigate the major risks related to coordination between the implementing agencies. Another important risk is the short time frame for the preparation of this project given the urgency to support the census, which means that the operation was designed in less than the usual amount of time. Procurement and financial management arrangements for rolling out a census effort are complex and need to be well assessed and designed. The primary expenditures the World Bank is financing for the census are vehicles and payments to fieldworkers for training and executing and supervising the enumeration. Given that IDA18 resources are not available until July 2017, the Government has identified a cash flow problem as financing is required before the expected effectiveness date of the project for the expenditures mentioned above. To mitigate this risk, the Government has requested the use of preparation advance to fund the procurement of the vehicles and is considering retroactive financing and/or reimbursement to pay for the census fieldwork. To mitigate the risk that committed funds from donors and the GoM do not materialize for the census, the project includes US$6 million unallocated contingency. To deal with these and other issues, INE created a Risk Management Unit (*Comissão de Gestao de Risco*) tasked with preparing a risk management strategy for the census. This unit will follow up on additional mitigation measures for the identified risks and will investigate other potential risks. Introducing effective spatial planning in different sectors require identifying and assessing the entry-points and workflows carefully. Finally, the recent assessment of Mozambique's AIMS shows that both system architecture and data capture and management are inadequate, which will require several institutional changes.

73. **Institutional capacity for implementation and sustainability risks are Substantial.** INE's limited implementation capacity is compounded by insufficient experience in the management of World Bank projects. Furthermore, the compartmentalization of aid data management, control over the FM system, and use of aid data—within the DC, the CEDSIF, and the DNPO, respectively—present institutional coordination challenges. To partially mitigate this risk in the aid data management component, approximately one half of Component 4's budget has been committed to TA around capacity building and change management; targeted and sustained training throughout the life of the project will help boost institutional capacity as well as enhance sustainability. While the MTC has retained most of the PIU staff who implemented SDP TA, the track record is mixed, because of the small implementation in the first phase (before restructuring) and time-consuming procurement processes (particularly due to the need for the Administrative Tribunal to approve large contracts). While the PDE Unit was successful in working with other national agencies to gather their geospatial data, collaboration in sharing information is usually difficult due to weak information management capacity and/or concerns over the

use of the information by other entities. Training on World Bank policies, including those for the new procurement framework, will be provided throughout the life of the project. Sustainability concerns are also related to the uncertain availability of fiscal resources. This risk is mitigated by project activities to strengthen human resources capacity and user demand for statistics that are likely to put pressure on the Government to continue funding statistics in the future.

74. **Fiduciary risks are Substantial.** Given the lack of experience, particularly at INE, and the nature and complexity of the activities of Component 2, the overall fiduciary risk rating for the project during preparation is Substantial.

VI. APPRAISAL SUMMARY

A. Economic and Financial (if applicable) Analysis

75. **Considering the public good nature and large positive externalities of statistical data, the benefits of the project are expected to exceed the costs by a substantial amount.** These benefits are difficult to quantify but it is evident that the opportunity cost of poor (or no) data is high. In the absence of reliable data and development policy planning systems, the likelihood that public spending is misallocated increases, as does the limitations to assess whether spending is used efficiently. The private sector could take the lead in financing this project if it could directly benefit from its implementation and recover the funds invested. However, this is unlikely given the public good nature of statistics. Furthermore, users of the output of this project include not only the private sector but also civil society, DPs, the Government, and the community at large. The project will benefit economic agents that are not directly related to its implementation. Therefore, the public sector, an entity that has the mandate to satisfy the needs of society to improve its living standard, is the agent indicated to finance the implementation of this project.

76. **The project will help fill key data gaps and enhance the quality and frequency of statistics, hence strengthening evidence-based policy making and accountability.** The national accounts will be produced and published according to international recommendations. The planned population census will provide baseline data for the monitoring of sociodemographic indicators and allow for updating the sample frames and thus statistical precision of future surveys.[14] In addition, the household surveys will ensure timely availability of poverty data. Capacity will be strengthened through learning by doing, training, and physical and human resources improvements. More and better data, stronger analytical capacity, and enhanced development planning tools will help policy makers and development practitioners achieve better results, enabling them to select, fund, and operate public programs more strategically. The activities supported by the project will align Mozambique to international requirements related to production of official statistics and modernize its statistical production environment.

[14] Census data are the only source of information that give a detailed account of the population size, distribution, and characteristics down to the lowest level of administration. The data would also provide information on housing stock and access to basic needs such as water and sanitation. Such details allow for better identification of vulnerable groups and targeting of public resource allocation. The census could also be used as a complementary source of data for small area estimation of poverty and other indicators.

77. **The benefits of investments in physical assets that are required for the continuous production of high-quality statistics outweigh the costs.** One example is the use of project financing to purchase 131 vehicles to carry out enumeration and post enumeration data collection for the Census 2017, whose cost/benefit ratio exceeds that of other alternatives such as renting. In addition to the census, the fleet of vehicles will be used by INE to support the implementation of the subsequent surveys and censuses planned for the next five to seven years. Second, while the resources invested in buying the vehicles are higher (US$5.3 million) compared to the costs of renting (US$1.7–US$1.9 million), the present value of the benefits of INE owning the cars considering their use for several years exceeds substantially the benefits of renting them. International benchmarking shows that the median cost of censuses conducted before 2010 in a sample of 129 countries was US$2.90 per person. Even after accounting for the acquisition of the vehicles, the budget of the census in Mozambique still falls within the expected range of the cost per person (US$2.70).

78. **There are cost savings for the GoM and potential economic returns from mainstreaming SDP across national institutions and making geospatial data available to private sector and NSAs (civil society organizations, academia, and so on).** Cost savings will be created from greater efficiency, for instance, by better allocating infrastructure investment using good spatial data and analytics. Cost savings will be achieved also by reducing budget waste with multiple and uncoordinated spatial development systems (both across sectors and government levels, private firms, and universities); leveraging of shared GIS infrastructure; and use of common licenses and cloud computing. Promoting shared geospatial data and analytic tools encourages and leverages resources (knowledge, human, and financial capital) across sectors.

79. **The expected pay-off from investing in aid data management is expected to outweigh the initial investment through efficiency gains.** Having a comprehensive grasp of aid flows and using this financial data systematically in the Government planning and budgeting process can ensure that limited domestic development resources are targeted for allocation and use in a way that complements existing, externally financed projects. This will result in Government savings from inefficient spending on duplicative development investments; it will also enable DPs to better coordinate among themselves and support Government's strategic development planning.

80. **Official statistics, data production, and analysis are assumed to be public goods, and therefore the project does not lend itself to conventional economic cost-benefit analysis.** While the quantification of the benefits of the project and the recovery of the funds invested is hard to estimate, the public good nature of the availability of timely and reliable statistics is key for accountability and transparency and provides a strong rationale for public involvement. The capacity of the country's NSS and cross-sectoral SDP would remain limited without this project and major data gaps would take considerably more time to fill. Beneficiaries of the project include the public and private sectors, civil society, DPs, and the public at large.

81. **The proposed project will leverage the World Bank's financing capacity, convening power, and international experience supporting similar projects in other countries of the region and the world**. The NSS does not have financing, staff, and technical expertise to implement the project without external support. Similarly, the GoM is still in an initial, but promising phase in using geospatial data and analytical tools in policy making, with only few institutions with some, but limited capacity (such as MTC). The World Bank brings to this proposed project a potent combination of international experience;

convening power; and a cadre of leading global technical experts on statistical operations, SDP, and aid coordination. The outputs from this project will also benefit other World Bank lending projects, TA, and analytical activities currently under preparation and implementation in the region and the world.

82. **The economic analysis for this project discusses the counterfactual without a World Bank-funded statistical project**. While the Government and DPs are vocal about their appetite for high-quality and timely statistics, SDP, and aid data management, there is currently a financing and technical capacity gap which constrains the collection, production, and dissemination of socioeconomic statistics, as well as the mainstreaming of spatial planning across key national agencies and use of aid data within national PFM processes. The capacity of the country's NSS would remain limited without this project. Without this project, the national account statistics will not be improved swiftly and key data gaps will not be closed. Also, capacity within INE would remain limited with large dependence on the expertise of hired external consultants. Likewise, it would be challenging for the GoM to mainstream and institutionalize the SDP capacities developed under the SDP TA that closed in December 2015. Assessments of the entry points for SDP and workflow and SDI requirements in each selected agency will be developed further.

B. Technical

83. **The technical design of the different components of the project is derived from needs, consultations, and international best practices.** The technical design of the project is based on a careful study of the objectives, gaps, and needs outlined in NSDS4 and intensive consultations with staff and management of INE, the MEF, the MTC, and other statistics producers, as well as users of statistics and spatial data, including the Government, DPs, and other stakeholders. The design of the project is in line with international best practice, as recommended by the Partnership in Statistics for Development in the 21st Century (PARIS 21), an initiative that aims to promote the better use and production of statistics throughout the developing world. The overall project design is similar to many other statistical capacity building projects financed by the World Bank since 2004.

84. **All components and activities of the project will contribute to the achievement of the project objectives.** INE, the MTC, and the MEF either have already appointed or will appoint a project team and key technical staff who will be responsible for individual components and the main activities. The core World Bank team comprises a wide range of technical expertise (three task team leaders, urban development specialists, two poverty economists, two public sector specialists, a senior statistician, an operations officer, an FM specialist, and a procurement specialist) and can be augmented with additional staff and consultants as project implementation evolves. Full implementation of project activities will result in a stronger, better-coordinated, and more responsive statistical system with a broader and deeper suite of statistical and spatial and international aid data products and services

85. **An unexpected delay in the schedule of the 2017 population census is not expected to have an impact on most of the statistical activities supported by the project.** It is envisioned that the data from the census will inform the sample frame of the household budget surveys in 2018 and 2021. In case the census is delayed, the sample frame can be informed by the updated cartography. Similarly, most of the activities to strengthen the production, analysis, and dissemination of statistics such as national accounts, consumer price indicators, and other economic statistics will not be affected by a tentative delay of the 2017 Census. Similarly, the implementation of activities to strengthen strategic planning,

coordination, and quality assurance across the NSS as well as investments in ICT infrastructure and capacity building is independent of the timing of the census. Eventually, the sample frame of the household budget surveys can be informed by updated cartography of the census.

C. Financial Management

86. **FM assessment.** An FM assessment was carried out in accordance with the Financial Management Manual **(***Manual de Administração Financeira,* MAF**)** issued by the FM Sector Board in March 2010, to determine whether the implementing entities, INE, the MTC, and the MEF, have adequate FM arrangements to ensure (a) that the funds are properly accounted for and used only for the intended purposes, in efficient and economical ways; (b) reliability of financial reporting; (c) effectiveness and efficiency of operations; and (d) compliance with legal covenants, laws, and guidelines.

87. **FM arrangements.** The proposed FM arrangements were reviewed with the following conclusions: the overall residual FM risk rating of the project is Substantial. The risk mitigation measures for the most complex activity in the project, the census, are as follows: (a) updated FM procedures and census manual by INE; and (b) training FM personnel. The MTC has retained the majority of the team responsible for implementation of a recently closed project and will maintain the same arrangements, which have been assessed as acceptable. The MEF will use its own internal FM procedures for the activities under Component 4. The audits will be under the responsibility of the Administrative Tribunal which is constitutionally mandated to carry out the audits of all public funds in Mozambique. The proposed FM arrangements, as summarized in Annex 3, meet the minimum requirements for FM under OP/BP 10.00.

D. Procurement

88. **Procurement arrangements.** The proposed procurement activities for the project will be managed independently by the beneficiaries: INE for Components 1 and 2, the MTC for Component 3, and the MEF for Component 4. INE's Procurement Management Unit (UGEA) will be in charge of the procurement activities under Components 1 and 2. The MTC's PDE will be the unit responsible for the activities under Component 3, and the MEF's DC within its dedicated procurement section, the UGB (*Unidade Gestora Beneficiaria*), will be responsible for the activities under Component 4.

89. **PPSD Summary.** The Government has prepared with the support of the Bank the PPSD which has informed the Procurement Plan and the respective procurement activities, which were designed and prepared in such a way to minimize risk factors and be tailored to the capacity of the beneficiary implementing agencies. The PPSD concludes that the environment is favorable for the procurement of activities envisaged under the proposed project and that overall risk rating is Moderate. The largest procurement activity of the project is the procurement of 131 pick-up vehicles that are required for the census and other statistical operations funded by the project. The procurement for the vehicles will be carried out during project preparation and is already underway through United Nations Office of Project Services (UNOPS) as recommended by the PPSD, since the market in Mozambique has limited capacity to provide the number of new vehicles with the required specification in the timeframe required. UNOPS has the ability to quickly mobilize the number of vehicles needed as they normally keep stock in bonded warehouses in the region and they possess long-term contracts with manufactures allowing the

fast placement of orders into production lines and offer better pricing than local dealers. Thus, UNOPS is an instrumental partner of the project to ensure timely delivery and thus the successful implementation of the census. This expenditure is being financed by the PPA. After project effectiveness, the contracts that will be procured are both limited in number and with low complexity. Only two contracts for the selection of consulting services will require additional support from the World Bank to the implementing agencies and will also require international competition.

90. **Procurement capacity.** While the INE and MEF procurement functions have limited exposure to World Bank procurement procedures, the activities to be procured under their respective components are limited in terms of number and complexity and the experience within these units, under the Mozambique procurement regulations, added by the hands-on support provided by the World Bank, is found to be adequate to ensure compliance with World Bank requirements. Major activities under INE's components will be procurement during the project preparation and will be supported by the World Bank team. The MTC PDE has recently implemented a World Bank-funded project and most of the personnel involved with its implementation are still in place, including the head of the unit. However, the procurement function may need to be enhanced through the recruitment of a new procurement officer.

91. **Overall, the envisaged arrangements are adequate for managing the procurement activities for the project.** INE will recruit a procurement consultant to provide an additional capacity. The capacity of each implementation agency will be continuously monitored during implementation to ensure adequate implementation of the project.

92. **Procurement for the proposed operation will be carried out in accordance with the 'World Bank Procurement Regulations for Borrowers under Investment Project Financing', dated July 1, 2016, and the provisions stipulated in the Financing Agreement.** Furthermore, the 'Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants', dated October 15, 2006, and revised in January 2011, will apply.

93. **Country current practices for making payments abroad may also affect the performance of the procurement function of the project, as substantial delays are occurring throughout the portfolio.** In addition, the fulfillment of the requirements of the Administrative Tribunal may lead to delays for contract signing, after the completion of the evaluation process and of the contract award. It is instrumental that the time required for the processing by the TA is carefully taken into consideration in the activities planning process.

94. The procurement risk associated with the project in view of the risks indicated above and the experience of previous World Bank-financed projects is Substantial.

E. Social (including Safeguards)

95. **No social safeguards policies are triggered by this project.** The social impact is expected to be positive because by making quality data publicly available, the project will encourage public debate on economic, financial, and social concerns and facilitate public accountability and better targeting of public policies and use of public resources. The project does not involve land acquisition leading to

economic or physical displacement and, while the data gathering may include information about indigenous groups, the project is not financing activities that affect indigenous peoples.

96. **The project integrates focus groups to engage citizens in data collection and dissemination efforts.** The focus groups will be used as a mechanism to create a feedback loop between INE and its stakeholders. The focus groups will take place in the context of the different data collection efforts supported by the project and at different stages of their design and implementation. They include the content of the questionnaires as well as testing its clarity and relevance with different citizen profiles or with their representatives. This would help adjust the questionnaires and data collection and dissemination processes as needed and therefore improve the quality of the data collected and its use. These activities will be complemented with targeted communication efforts to ensure citizens are informed about the purposes of the data gathering and its use. The focus groups will be carried out in line with the time line of the different data collection subcomponents. The indicator, baseline, and end target to monitor these efforts are defined in Section VII: Results Framework.

97. **The project also includes interventions to promote citizen engagement by data end users.** For example, INE will invite relevant actors, such as the executive and legislative branches of the Government, DPs, academia, and civil society organizations to participate in the aforementioned focus groups. With regard to aid data management, TA will be targeted around boosting demand for, access to, understanding of, and use of aid data among relevant NSAs, including citizens. Such demand-side engagement is important, as greater transparency around the allocation and use of foreign development resources will enable citizens to engage in evidence-based policy discussions on development priorities and strategies that have a direct impact on their livelihoods.

F. Environment (including Safeguards)

98. **No environmental safeguard policies are triggered by this project.** There are no civil works that could have adverse environmental or social impacts. The project is designated category C per the World Bank's policy on Environmental Assessment (OP/BP 4.01).

H. World Bank Grievance Redress

99. Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit *http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service*. For information on how to submit complaints to the World Bank Inspection Panel, please visit www.inspectionpanel.org.

VII. RESULTS FRAMEWORK AND MONITORING

Results Framework
COUNTRY : Mozambique
Mozambique National Statistics and Data for Development

Project Development Objectives

The project development objective is to improve the production and dissemination of quality socioeconomic statistics. The project will also support the use of data in evidence-based policy making through improved capacity for spatial development planning and aid data management.

Project Development Objective Indicators

Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
Name: Increase in the Statistical Capacity Index (SCI) score for the SCI variables that the project will influence		Number	71.10	76.00	Annual	datatopics.worldbank.org/statistical capacity	World Bank
Description: The World Bank's SCI is a composite score assessing the capacity of a country's statistical system. It is based on a diagnostic framework assessing the following areas: methodology; data sources; and periodicity and timeliness. Countries are scored against 25 criteria in these areas, using publicly available information and/or country input. The overall SCI score is then being calculated as simple average of all three area scores on a scale of 0 to 100. The project will influence the following variables of the SCI: population census, national accounts, poverty household surveys, and CPI.							

Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
Name: NSDS 2020-2024 is drafted and adopted		Yes/No	N	Y	Annual	INE	INE
Description: INE drafts and adopts a new National Strategy for the Development of Statistics for the period 2020-2024.							
Name: Increase in the quality of national accounts		Percentage	0.00	100.00	Annual	WB Mission Reports	INE
Description: Measured by: expanded coverage of formal and informal sectors (25%), expanded CPI geographic coverage and basket (25%), updated and published description of sources and methods (25%), and GDP rebased (25%)							
Name: Number of priority institutions that utilize the Spatial Development Platform in the formulation and monitoring of their policies as agreed under the Memorandum of Understanding		Number	0.00	5.00	Bi-annual	Results Agreements under the MOUs implemented by priority institutions	SDP Unit
Description: Priority institutions with MOUs implementing Results Agreements to use the SDP to formulate and monitor their policies.							
Name: Number of government institutions systematically utilizing AIMS data for decision making		Number	0.00	5.00	Annual	MEF DC	MEF DC

Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
Description: Measured by counting the number of government institutions access and using Government aid data for internal government processes							

Intermediate Results Indicators

Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
Name: INE skills development training plan developed and adopted		Yes/No	N	Y	Annual	INE	INE
Description: A training plan with a strategy for skills development is developed and adopted by INE.							
Name: Number of INE staff trained by the National School of Statistics (ENE)		Number	0.00	500.00	Bi-annual	ENE training certificates	INE
Description: The number of INE staff participating in training courses and events offered by the National School of Statistics.							
Name: Number of regional and central statistics offices with data and video conference connectivity		Number	0.00	11.00	Annual	INE	INE

Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
Description: The number of offices with data and video conferencing connectivity to improve communication and workflow.							
Name: Proportion of sample firms submitting data electronically through the SIEE		Number	0.00	65.00	Bi-Annual	SIEE Platform	INE
Description: The sample business registry comprises 1200 firms. The indicator measures the percentage of these firms that submits the data electronically through the SIEE portal.							
Name: Number of statistical operations supported by the project that are designed and implemented in line with international standards		Amount(USD)	0.00	7.00	Annual	INE	INE
Description: The number of statistical products designed and implemented in line with international standards are: (1) Population and Housing Census; (2) IOF2018-2019; (3) IOF 2021-2022; (4) Light Household Survey 2019-2020; (5) National Accounts; (6) CPI; (7) Informality Survey 2020.							
Name: Number of census and survey resports funded by the project available online (disaggregated by availability of gendered statistics where applicable)		Amount(USD)	0.00	5.00	Bi-annual	INE Website	INE
Description: The number of census and survey reports include: (1) Population and Housing census (Dissemination 2018); (2) IOF 2018-2019 (Dissemination 2020); (3) IOF 2021-2022 (Dissemination 2022); (4) Light Household Survey 2019-2020 (Dissemination 2021); (5) Informality Survey (Dissemination 2020).							

Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
Name: Number of anonymized micro-datasets funded by the project available online through the microdata portal		Number	0.00	5.00	Annual	INE microdata portal	INE
Description: The number anonymized micro-datasets include: (1) Population and Housing census (available 2018); (2) IOF 2018-2019 (available 2020); (3) IOF 2021-2022 (available 2022); (4) Light Household Survey 2019-2020 (available 2021); and (5) Informality Survey 2020 (available 2020).							
Name: Data user feedback on the quality, relevance and timeliness of INE statistical outputs is collected and responded to		Yes/No	N	Y	Bi-annual	INE	INE
Description: Citizen engagement indicator. Each statistical operation funded by the project will take into data user feedback.							
Name: Number of registered institutional users that provided georeferenced information under the SDP Platform		Number	1.00	15.00	Bi-annual	SD Platform Statistics	SDP Unit
Description: Number of users with access to the SDP platform to directly upload georeferenced data sets on the platform.							
Name: Number of registered		Number	0.00	15.00	Bi-annual	SD Platform Statistics	SDP Unit

Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
institutional users that utilize information under the SDP Platform							
Description: Number of users that are registered to have basic access to the SDP platform.							
Name: Number of thematic maps and geospatia data available through an enhanced SDP platform		Number	72.00	100.00	Bi-Annual	SD Platform Statistics	SDP Unit
Description: The additional number of maps and data sets created and uploaded on the SDP platform.							
Name: Number of individuals in priority agencies that have successfully completed training on spatial development planning		Number	1.00	50.00	Bi-annual	Training Certificates	SDP Unit
Description: Number of staff from agencies that have signed MOUs with the Ministry of Transport that have completed training on spatial development planning and obtained certificates of completion. The training could be external, or those developed by national academic institutions supported by Component 3.							
Name: Number of external GIS integrated into the InterAgency GIS Platform		Number	0.00	5.00	Bi-annual	SD Platform	SDP Unit

Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
Description: Number of external GIS platforms that have been developed by other agencies that are later linked to the SDP platform.							
Name: Increase in the number of geospatial analytical tools available through an enhanced SDP platform		Number	9.00	20.00	Bi-annual	SD Platform	SDP Unit
Description: The numbers of additional geospatial analytical tools and applications made available in the SDP platform.							
Name: Number of new or improved training programs on spatial development planning available in national academic institutions		Number	0.00	2.00	Bi-annual	Published Curriculum of Academic Institutions	SDP Unit
Description: Number of spatial development trainings programs developed by national academic institutions and made available through their academic programs.							
Name: Number of actors trained to input, access, or use AIMS data		Number	0.00	300.00	Annual	Attendance lists from MEF trainings	MEF DC
Number of government staff trained to use AIMS data		Number	0.00	75.00	Annual	Attendance lists from MEF trainings	MEF DC

Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
Number of Non-State Actors trained to access and use AIMS data		Number	0.00	150.00	Annual	Attendance lists from MEF trainings	MEF DC
Number of development partners or PIU staff trained to input data into AIMS		Number	0.00	75.00	Annual	Attendance lists from MEF trainings	MEF DC
Description: Score is the aggregate number of a) government, b) non-state actor, and c) development partner individuals trained by MEF in inputting, accessing, and/or using AIMS data							
Name: Number of discrete AIMS dataset or data report views or downloads		Number	0.00	500.00	Annual	AIMS website user and meta data	MEF DC
Description: The number of discrete views or downloads of datasets or data reports from AIMS							

Target Values

Project Development Objective Indicators

Indicator Name	Baseline	YR1	YR2	YR3	YR4	YR5	End Target
Increase in the Statistical Capacity Index (SCI) score for the SCI variables that the project will influence	71.10	71.10	73.00	74.00	75.00	76.00	76.00
NSDS 2020-2024 is drafted and adopted	N	N	N	Y	Y	Y	Y
Increase in the quality of national accounts	0.00	0.00	50.00	75.00	75.00	100.00	100.00
Number of priority institutions that utilize the Spatial Development Platform in the formulation and monitoring of their policies as agreed under the Memorandum of Understanding	0.00	1.00	2.00	3.00	4.00	5.00	5.00
Number of government institutions systematically utilizing AIMS data for decision making	0.00	0.00	1.00	2.00	3.00	5.00	5.00

Intermediate Results Indicators

Indicator Name	Baseline	YR1	YR2	YR3	YR4	YR5	End Target
INE skills development training plan developed and adopted	N	N	N	Y	Y	Y	Y

Indicator Name	Baseline	YR1	YR2	YR3	YR4	YR5	End Target
Number of INE staff trained by the National School of Statistics (ENE)	0.00	150.00	250.00	375.00	475.00	500.00	500.00
Number of regional and central statistics offices with data and video conference connectivity	0.00	3.00	7.00	11.00	11.00	11.00	11.00
Proportion of sample firms submitting data electronically through the SIEE	0.00	25.00	35.00	40.00	50.00	65.00	65.00
Number of statistical operations supported by the project that are designed and implemented in line with international standards	0.00	1.00	3.00	5.00	5.00	7.00	7.00
Number of census and survey resports funded by the project available online (disaggregated by availability of gendered statistics where applicable)	0.00	0.00	1.00	3.00	4.00	5.00	5.00
Number of anonymized micro-datasets funded by the project available online through the microdata portal	0.00	1.00	1.00	3.00	4.00	5.00	5.00
Data user feedback on the quality, relevance and timeliness of INE statistical outputs is collected and responded to	N	Y	Y	Y	Y	Y	Y
Number of registered institutional users that provided georeferenced information under the SDP Platform	1.00	0.00	5.00	10.00	15.00	15.00	15.00

Indicator Name	Baseline	YR1	YR2	YR3	YR4	YR5	End Target
Number of registered institutional users that utilize information under the SDP Platform	0.00	1.00	5.00	10.00	15.00		15.00
Number of thematic maps and geospatia data available through an enhanced SDP platform	72.00	72.00	80.00	85.00	90.00	100.00	100.00
Number of individuals in priority agencies that have successfully completed training on spatial development planning	1.00	10.00	20.00	30.00	40.00	50.00	50.00
Number of external GIS integrated into the InterAgency GIS Platform	0.00	1.00	2.00	3.00	4.00	5.00	5.00
Increase in the number of geospatial analytical tools available through an enhanced SDP platform	9.00	9.00	10.00	15.00	20.00	20.00	20.00
Number of new or improved training programs on spatial development planning available in national academic institutions	0.00			1.00		2.00	2.00
Number of actors trained to input, access, or use AIMS data	0.00	60.00	120.00	180.00	240.00	300.00	300.00
Number of government staff trained to use AIMS data	0.00	15.00	30.00	45.00	60.00	75.00	75.00
Number of Non-State Actors trained to	0.00	30.00	60.00	90.00	120.00	150.00	150.00

Indicator Name	Baseline	YR1	YR2	YR3	YR4	YR5	End Target
access and use AIMS data							
Number of development partners or PIU staff trained to input data into AIMS	0.00	15.00	30.00	45.00	60.00	75.00	75.00
Number of discrete AIMS dataset or data report views or downloads	0.00	0.00	100.00	225.00	350.00	500.00	500.00

ANNEX 1: DETAILED PROJECT DESCRIPTION

COUNTRY: Mozambique
Mozambique National Statistics Data for Development Capacity Building

1. **The project will be structured into four components: (1) INE Institutional Strengthening and Capacity Building; (2) Data Collection, Analysis, and Dissemination; (3) Mainstreaming Spatial Development Planning; and (4) Aid Data Management for Enhanced Planning, Budgeting, Monitoring and Accountability.** The following exposition focuses on the main activities for each component, including a more in-depth description of the main activities.

Component 1: INE Institutional Strengthening and Capacity Building (Total of US$4.60 million equivalent)

Subcomponent 1.1: NSS Strategy, Coordination, and Quality Assurance (US$0.50 million equivalent)

2. **Mozambique's NSS Strategic Plan 2013–2017 highlights the need for continued strategic planning and better coordination and quality assurance in the production of statistics.** The project will support the evaluation of the current NSDS and the production of the strategic plan for statistical development (2020–2024). These two activities will provide a comprehensive and unified framework to identify the priorities for the overall NSS moving forward and set out the strategies to meet these needs in a more coordinated and efficient manner. Coordination of statistical activities in the country is also important to avoid redundancies, create synergies, and ensure high-quality standards. INE is the lead agency with the responsibility of coordinating the NSS and providing technical and methodological guidance. However, intersectoral coordination is inadequate. This is also in light of the growing demand for statistical information, many of which rely on routine/administrative data. The project will also support other areas that are important for INE to fulfill its coordination and quality assurance roles: updating and implementing mechanisms for data production, harmonization, and quality control; increasing INE's technical capacity on statistical quality assurance; and increasing communication, knowledge exchange, and coordination with key actors of the NSS and users of statistics.

3. The main activities under this subcomponent include the following:

(a) Undertake the final evaluation of the current NSDS and produce the new strategic plan

(b) Provide TA to update existing quality standards and manuals for the NSS

(c) Strengthen INE's quality assurance professional services provided to other members of the NSS

(d) Introduce support mechanisms such as workshops to facilitate communication, knowledge exchange, coordination, and sensitization with actors of the NSS and users of statistics;

(e) Support study tours and exchange visits between INE and more advanced NSSs both regionally and internationally

Subcomponent 1.2: INE Skills-Development and Technical Capacity (US$1.30 million equivalent)

4. **A skilled workforce is a key element for the development of high-quality statistics and for the sustainability of the project outcomes.** The project will invest in updating a staff competence and training needs assessment as well as implementing a skill enhancement program for staff based on the gaps identified in the needs assessment. This subcomponent will target skill development in areas that are complementary to technical training inherent to the data collection and statistical production activities supported by the project. Priority areas identified for training programs, seminars, and manuals include basic statistical theory; 'Statistics in Action' (overview of all phases of a standard survey such as measurement methods, questionnaire design, interview techniques, data entry and editing, and preparation of tables and charts); Excel (basic and advanced), management, leadership, and motivation; and quality systems for statistics.

5. **INE's ENE is expected to be at the center of the activities to implement the skills development and technical capacity strategy.** ENE was created to provide technical training on applied statistics to INE and other actors of the NSS. However, the few courses currently offered benefit mostly INE's personnel at headquarters. ENE lacks staff with graduate degrees in statistics. The proposed project intends to fund a scholarship program (four or five scholarships) to train competitively selected staff abroad in accredited graduate programs in statistics. The scholarship program will cover tuition fees, stipends, and book fees. The scholarship recipients will sign binding contracts to return to INE after the completion of the degree program to teach at the statistics school for a minimum of four years. If a scholarship recipient leaves employment with INE or does not complete the four-year requirement, the recipient will be required to reimburse INE for the total scholarship amount. The competitive selection process for scholarship recipients will be detailed in the Operations Manual. With regard to physical infrastructure, ENE has two rooms (housed at INE's headquarters) with 25 computers to carry out in-house training activities. Yet, the school needs minor physical renovations and lacks basic furniture and ICT equipment to enhance the delivery of face-to-face and remote training to provincial offices (ICT investments for ENE are described in the next subcomponent). INE also plans to build a language lab within ENE to improve the language skills of its technical staff, many of whom are unable to attend regional workshops and other training activities delivered in English and French and to interact with international consultants who are not fluent in Portuguese.

6. The main activities under this subcomponent include the following:

(a) Update existing staff competence and training needs assessments

(b) Develop training plan for staff of INE and the NSS

(c) Train staff in relevant areas of statistics, information management, quality systems for statistics, and leadership and motivation

(d) Improve the human and physical infrastructure of ENE

(e) Develop a language lab at ENE

(f) Introduce a scholarship program

Subcomponent 1.3: Investment in ICT (US$1.80 million equivalent)

7. **The availability of timely and quality statistics requires and adequate technical set up to collect, process, and disseminate data.** The proposed project will support ICT infrastructure development at INE along two broad areas. The first of these areas focuses on ICT capacity building and includes the preparation of the strategic ICT plan, which will be elaborated after INE completes its own ICT policy (around May 2017). Another aspect of ICT capacity building to be supported by the project includes training in areas such as management, coordination, and maintenance of hardware, software, and network; computer programming; and help desk support services. The second area of engagement will finance the needed upgrade of the ICT infrastructure at INE to ensure efficient workflows for data collection, processing, analysis and storage. This includes investments in the hardware and software to improve data connectivity and video conferencing between headquarters and the 10 regional offices; strengthening data exchange systems through a portal to be used by INE and other actors of the NSS, expanding the SIEE to include demographic and social data and indicators, and developing ICT inventory and support management systems. This subcomponent will also support the ICT infrastructure required (laptops, videoconferencing, language lab, hardware, and software) for in-house training activities at ENE.

8. The main activities under this subcomponent include the following:

(a) Elaborate INE's strategic ICT plan

(b) Train relevant staff on ICT management, coordination, and maintenance; systems development; and client support services

(c) Upgrade ICT infrastructure at INE and regional statistics offices

Subcomponent 1.4: INE Project Management (US$1.00 million equivalent)

9. **This subcomponent will support INE's capacity to plan, manage, and implement the nontechnical aspects of all project activities under Components 1 and 2.** This subcomponent will provide financing that enables INE to (a) prepare AWPs and budgets; (b) carry out all disbursements and any FM and procurement-related activities in accordance with World Bank-approved procedures; (c) prepare and consolidate periodic progress reports; and (d) monitor and evaluate project activities. The unit will be supported by international consultants, if needed, with a focus on building the capacity of the unit over the initial phase of the project.

Component 2: Data Collection, Analysis, and Dissemination (Total of US$69.94 million equivalent, of which IDA US$39.40 million equivalent)

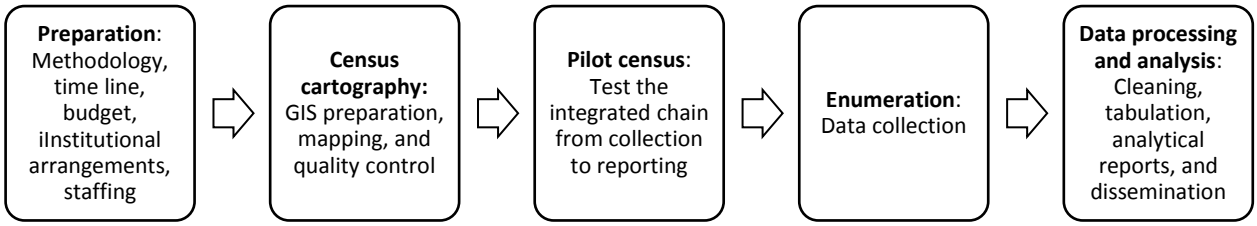
Subcomponent 2.1: Population and Housing Census (Total US$55.54 million equivalent, of which IDA US$25.00 million equivalent)

10. **The 2017 population census will provide basic demographic and socioeconomic data and will be key for the design of future statistical operations and the planning and monitoring of the Government's development programs**. The Government launched the fourth Population and Housing

Census in 2015. In addition to providing an updated sample frame for data collection between censuses, data from the 2017 Population and Housing Census will be critical to monitor key development indicators as well as for the implementation and evaluation of public policies, programs, and the overall poverty reduction strategy.

11. **The population census consists of several phases that include the cartography, pilot census, enumeration, and data processing and analysis.** Figure 1.1 shows the sequence and different phases of the population census.

Figure 1.1. Population and Housing Census Phases



12. **Preparatory activities are well advanced but the estimated time line to complete the census is tight.** With TA from the UNFPA, INE completed the establishment of the governance structure, the proposed methodology, and a detailed budget and time line. Additionally, the pilot census, including data processing, was completed at the end of 2016. The updating of the census cartographic work, which seeks to produce EAs for the general data collection phase, is nearly complete (see Box 1.1). The remaining 7,000 EAs will use the methodology developed in 2007. The 2007 methodology means that the digitized maps do not have building footprints and other marked features. However, it is anticipated that this will not affect the quality of work. A strategy for the recruitment and training of enumerators and supervisors is in place and brochures on the required qualifications for census workers have been already developed and distributed in the main local media. The identification of local guides and transportation logistics are set to start soon. Other activities such as the packaging and distribution of census documents and supplies and the recruitment and training of fieldworkers are already experiencing or are close to experience delays.

Box 1.1. Cartography Updating for the 2017 Census in Mozambique

The cartographic exercise began in February 2016 with 39 teams of five, amounting to 165 cartographers. Cartographers visit each enumeration area (EA) and update the shape files by entering geocodes of households and listing the names of household heads. The updated EA shape files are submitted to each of the 11 INE regional offices where the maps are digitized by 13 GIS specialists. During this process of digitization, EAs are sometimes split and boundaries redefined when the number of listed households exceeds the average. A rural EA is expected to have between 80 and 100 households, whereas an urban EA will have between 100 and 120 households. Finally, digitized EA maps are sent to INE's Central Office in Maputo for validation and printing before the enumeration.

The cartographic work has faced various challenges that delayed the rate of completion: (a) low-quality fieldwork—this slowed down the digitization when maps are not properly updated and must be returned to the field for corrections; (b) lack of adequate field supervision—cartographers often tend to produce more when they expect a field supervision visit; (c) training of additional cartographers—digitization was delayed when cartographers were used to train additional ones; (d) heavy rains–in January 2017, the cartography was interrupted for two weeks due to heavy rains mainly in the Central Region; and (e) safety issues–in six of the provinces, there are pockets of opposition strongholds where the cartographers felt threatened. When it was determined that progress on cartography was too slow, INE increased the number of five-member teams to 60 for a total of 300 cartographers in November 2016. At the same time, INE also increased the number of digitizers from 13 to 23.

13. **The enumeration phase is planned for the first two weeks of August 2017 and alternatives to reschedule it are limited**. The overall time for the census implementation is determined by the difficulty to carry out the fieldwork in areas in provinces such as Zambezia, Sofala, Manica, and Tete; rescheduling the census to a later date is difficult for several reasons. Most field supervisors and controllers are school teachers and for that reason, the timing of the census was set by the Government to overlap with the school break in August. Additionally, the rainy season is from October to March and it is characterized by heavy rainfall between December and March, making it difficult to physically reach some parts of the country. The local elections in 2018 and the Presidential elections in 2019 further complicate conducting the census in any of those years. In spite of this, and at the request of the World Bank, the GoM is considering identifying alternative dates (possibly also in 2017) in case, the census needs to be postponed owing to delays in some preparatory activities.

14. **Financing from the proposed project will contribute to filling a large budget gap.** The census is estimated to cost around US$80 million. Approximately US$9.5 million was spent on census activities in 2015 and US$12 million in 2016, mostly funded by the GoM (US$20 million) while some DPs provided the rest of the funding. The US$51 million needed to meet the budget for 2017, where most of the census activities (including enumeration and data processing) will take place, is planned to be financed through different sources. The contribution of the GoM is US$10 million whereas contributions from DPs (excluding the total US$25 million from the World Bank) are anticipated to amount to about US$20.5 million. The individual DPs and their planned contribution for 2017 are Norway (US$4.1 million), UNFPA (US$335 thousand), DFID (US$3.8 million), Italy ($1.7 million), Sweden (US$4.6 million), and Canada (US$6 million). India has also agreed to support the census through the provision of the necessary motorcycles and bicycles valued at US$551 thousand. Most of the contributions from Sweden and Canada will likely be available for census activities after the enumeration phase. Since the World Bank financing will be available only around middle-late August 2017 –assuming it would take roughly four weeks for the Government to declare the project effective– and resources committed by some DPs are not yet available, the census is facing serious cash flow challenges, which are still limiting the ability of INE to finance activities in July and early August (2017). The solution discussed is for the Government to take advantage of IDA retroactive financing to make the resources available on time. The sources of financing for the budget in 2018 and 2019 are yet to be decided. To mitigate risks associated with a potential financing gap (not cash flow issues), the project includes an unallocated contingency in the amount of US$6 million.

15. **The uncertainty in the financing for the activities expected to start immediately, the large mobilization of human, financial, and material resources required in a short period, the need to carry out lengthy fiduciary processes, and the limited capacity at INE could delay the implementation of the census.** The enumeration phase of the census will mobilize over 80,000 people, including around 68,000 enumerators and around 15,000 supervisors and controllers. About 9 million paper questionnaires are to be dispatched around the different regions of the country. In addition to the urgency to secure financing for the upcoming activities (such as continuing to update the GIS, communication and awareness campaigns, selection and training of enumerators and supervisors) the fiduciary controls are lengthy and require constant support from the World Bank if the census is to be completed in the proposed time line.

16. The main activities under this subcomponent include the following:

(a) Preparatory activities for census enumeration

(b) Census enumeration

(c) Post-enumeration survey

(d) Data processing, analysis, and dissemination

Subcomponent 2.2: Welfare Monitoring System (US$11.53 million equivalent)

17. **The current welfare monitoring system in Mozambique collects data every six years, making it difficult to track the evolution of poverty and other social indicators on a regular basis**. The Government's goal to reduce poverty is articulated in its PQG, Action Plan for Poverty Reduction, and its long-term vision—the Agenda 2025. To assess progress against this action plan, INE has conducted four household budgetary surveys (IOFs) in the last two decades (1996/1997, 2002/2003, 2008/2009, and the most recent in 2014/15). Although these surveys produce key poverty and social indicators, the long time elapsed between them does not allow for more frequent monitoring of these indicators.

18. **Modern statistical systems are expected to update poverty numbers every three years**. The project will support the setup of a welfare monitoring infrastructure by establishing a flexible, robust, and continuous survey system delivering poverty numbers every three years, in line with international standards.[15] The backbone of this system will consist of two household budget surveys implemented in 2018/19 and 2021/22—the first and fourth year of the project—to produce updated poverty numbers every three years. Each of the surveys will interview a sample of about 12,000 households over 12 months, nominating representatives at the province and urban/rural levels. The household budget surveys will be used to update the CPI weights. The sample for the 2018 survey will be based on the 2010 sampling frame, drawn upon the census 2007. The sample for the 2021 survey will be drawn from the 2017 Population and Housing Census. Seasonality will be captured by stretching fieldwork over 12 months. The surveys will be implemented using computer-assisted personal interview systems and will follow the new global World Bank protocols on survey design and comparability. Anonymized datasets will be made freely available in a micro-data library.

19. **This subcomponent will also support a technical assessment to uncover the factors driving the under-reporting of expenditures in existing household welfare surveys.** There are concerns that the IOFs may have a structural problem in capturing consumption, which has been apparently grossly under-reported. This has seriously compromised the potential for producing accurate estimates of monetary poverty. Another feature of the IOF-2014/15 that further undermined the use of the data for analysis is the panel aspect of the survey. High attrition rates among respondents in the poorest parts of the country are adversely affecting the comparability of data. The findings from this technical assessment would lead to improved data quality for more reliable poverty estimates.

20. **The GoM is also interested in developing a mechanism to complement the standard budget surveys with shorter ones to measure poverty on a more regular basis.** Collecting detailed, high-quality

[15] International standards refer to the 'World Bank Shared Strategy for Household Surveys: Tracking the Twin Goals and Informing Investment and Policy Decisions' and 'Household Surveys at the World Bank: Protocol for Data Collection, Quality Assurance, and Standard Setting'.

data on household incomes and expenditures is costly and time consuming and requires strong technical capacity. For that reason, the objective of this activity is to develop a lighter household survey in 2019 or 2020 (without including income and expenditure data) to infer poverty based on household characteristics. At the same time, a shorter multipurpose survey could provide data to monitor other social and economic indicators. INE developed, in the past, a lighter survey with similar purposes but its design needs to be revisited to further reduce the length of the questionnaire, revise its geographical coverage, and strengthen its focus on variables that are strong determinants of household consumption.

21. **There are gaps in technical capacity on poverty data, measurement, and diagnostics**. The MEF, with TA from the University of Copenhagen and UNU-Wider, has the responsibility of producing poverty estimates and analysis. However, INE expressed an interest and willingness to develop the technical capacity of its own staff to take over this responsibility and generate these estimates on their own. This would align INE with practices followed in most national statistical institutions in other parts of the world. The implementation of the two surveys in 2018 and 2021 will give INE staff the opportunity to build capacity in generating poverty estimates.

22. **The main activities under this subcomponent include the following:**

(a) Conduct IOF in 2018–2019

(b) Conduct IOF in 2021-2022

(c) Carry out a technical assessment on underreporting expenditures in IOFs

(d) Implement a lighter household survey in 2019–2020 and a high frequency poverty measurement system

Subcomponent 2.3: National Accounts, Consumer Price Indicators, and Economic Statistics (US$2.41 million equivalent)

23. **The current system of national accounts and other economic statistics face several constraints that undermine their coverage and quality and therefore limit their ability to accurately reflect the structure and dynamics of the economy.** Currently, national accounts are estimated based on incomplete data such as missing informal sector data and retail statistics mostly limited to Maputo. The current benchmark year for the system of national accounts is 2008 but international guidelines recommend changing the base period about every five years, on the assumption that stability in relative prices is not likely to be maintained for longer periods. On the basis of that, INE plans to change the base year to 2014. The project will provide TA for the rebasing and updating of the series as well as for helping close some data gaps to expand the accounts to additional economic sectors (for example, transportation and construction) and the informal economy and increasing their frequency and regional disaggregation.

24. **INE is currently developing an online system to capture and analyze integrated economic statistics for measuring the country's economic activity.** In an effort to increase the quality and frequency of firm-level data and reduce the costs of collecting it, INE has been developing a portal called SIEE where firms are required to upload their data online. The platform automatically runs consistency

and validation checks and produces key indicators. Given that some firms still do not have access to the Internet or prefer to fill out physical questionnaires, the online system will be run in parallel with the traditional paper-based data collection system to ensure high response rates and the statistical representativeness of the sample. Operationalizing the SIEE will require extensive training, both internally with staff from headquarters and the regional offices and externally with the firms.

25. **The data and geographical coverage of the current CPI do not capture price dynamics in key urban markets and economic sectors**. The national CPI currently covers only Maputo, Nampula, and Beira, excluding important urban centers in other provinces. INE plans to expand the coverage of the CPI to nine of the eleven provinces in the country by regularly collecting price data in the the cities of Quelimane, Tete, Chimoio, Inhambane, and Xai-xai. In addition, outdated data for the imputation of house rents and the use of nonconventional units to measure the consumption of several basic goods constrain the tracking of price changes over time and across regions. INE's technical capacity on CPI measurement methodology and analysis also needs to be reinforced.

26. The main activities under this subcomponent include the following:

(a) Provide technical support for the rebasing of the national accounts and updating of the series

(b) Improve the availability (collection) and quality of economic statistics used for the national accounts

(c) Improve the data and geographical coverage of the production of the CPI

Subcomponent 2.4: Data Accessibility (US$0.47 million equivalent)

27. **Open and timely access to anonymized data contributes to transparency, supports evidence-based policy making, and creates user demand for high-quality statistics**. While INE and other actors of the NSS have made efforts to make data and statistics available to the public, several constraints remain. The Statistics Strategic Plan 2013–2017 noted that implementation of a publications plan is weak; there is absence of an effective marketing unit for services and products of the NSS; the multiplicity of databases is not based on a common platform or information architecture; and measures to fully protect micro-data (that is, data related to individual respondents) against improper disclosure are not in place. The project will support an update of INE's current micro-data access and information policies and dissemination practices. In addition to this, the project will finance TA on statistical data anonymization techniques and solutions for protecting micro-data against identity and attribute disclosure. With regard to accessing the data, prospective users currently need to make a written request to INE, which can take a long time to be reviewed. Moreover, information readily accessible online is mostly about aggregate indicators rather than the actual micro-data. The project will support the development of an online platform to share aggregated information and micro-data from censuses, surveys and other sources.

28. The main activities under this subcomponent include the following:

(a) Review and update the micro-data access and dissemination policy

(b) Carry out TA and training on micro-data anonymization

(c) Develop an online micro-data portal to make micro- and aggregated data publically available.

Component 3: Mainstreaming Spatial Development Planning (Total of US$10.00 million equivalent)[16]

29. **Besides issues that constrain the production of statistics, there are also challenges to mainstreaming the use of available data for development planning across government agencies**. National development planning across different government levels and sectors can contribute to increasing the effectiveness and efficiency of public policies and programs in Mozambique. As in many countries, it is particularly challenging for the Government to manage and maximize the impact of a large, diverse, and geographically spread portfolio of investments. With the absence of adequate cross-sectoral policy research, planning and portfolio management, there is a high risk of waste, misuse, or under-allocation of public resources. Lack of cross-sectoral integration and coordination also undermines the impact of investments as each project is developed and executed without taking into consideration synergies with the investments in other sectors.

30. **Between 2011 and 2015, the GoM—with support from the World Bank[17]—conceptualized and developed the PDE**. The PDE comprises an advanced multisectoral national GIS, a SDP Unit under the MTC, and an Inter-Ministerial Coordination Committee. The PDE is intended to foster cross-sectoral SDP by integrating, analyzing, and providing access to geo-referenced national statistics and sectoral data from national ministries and agencies. The GIS stores an extensive database and a large catalogue of high-definition satellite images, covering national and sectoral censuses and household surveys; geographic information (for example, administrative boundaries, hydrology, topography, geology, and so on); land use; ICT networks; and public infrastructure (such as roads, rails, health, and education facilities), among others. In the past, statistics, sectoral data, and satellite photos were fragmented and difficult to access as they were produced and managed by different agencies, using different systems and protocols. The GIS not only creates one point of access for all relevant spatial data, but also offers sophisticated analytical applications to facilitate cross-sectoral development planning.

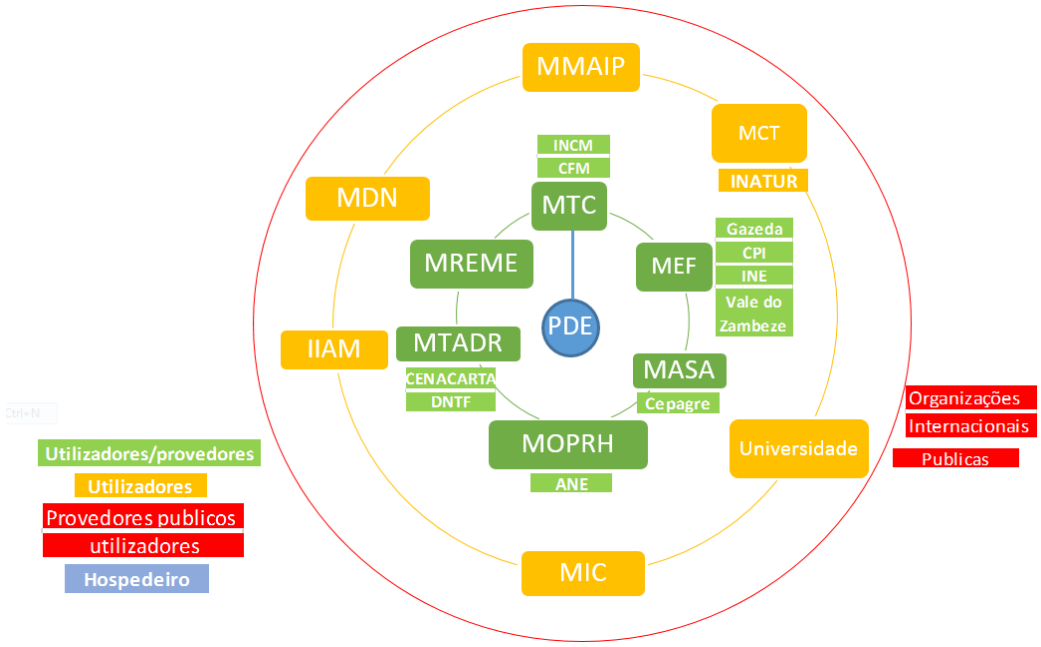
Figure 1.2. SDP Platform Capabilities/March 2017[18]

The SDP Cross-Sectoral Institutional Network

[16] The total US$10 million allocated to component three includes an unallocated amount of US$401,000.

[17] The World Bank assisted the GoM in implementing the SDP TA Project from 2011 to 2015. The project PDO was to provide financial and technical assistance to improve national social and economic development planning through the introduction, institutionalization, and mainstreaming of multisectoral SDP methodologies and practices.

[18] Source: Spatial Development Platform Project Implementation Unit, Ministry of Transport 2017



SDP Platform Hardware

Part Number	Description	QTY
	Blade Enclosure - SERVER CHASSI	1
	HP Suporte-anos Foundation care 24x7 service	1
	Blade Servers	3
	HP Suporte	3
	Switch para Chassi Blade	2
	HP Suporte	2
	Tor Switch	2
	HP Suporte	2
	core Switch	1
	HP Suporte	1
	Amario e Fontes de Alimentacao-server Rack	1

SDP Platform Software

Product Name	Version	Available	Total
Data Interoperability Server	10.5	1	1
Data Interoperability Server	10.5	1	1
ArcGIS Network Analyst for Server	10.5	1	1
ArcGIS Network Analyst for Server	10.5	1	1
ArcGIS GIS Server Advanced	10.5	1	1
ArcGIS GIS Server Advanced	10.5	1	1
Geostatistical Analyst for ArcGIS Server	10.1 - 10.4	0	1
Geostatistical Analyst for ArcGIS Server	10.1 - 10.4	1	1
Data Interoperability Server	10.1 - 10.4	0	1
Data Interoperability Server	10.1 - 10.4	1	1
ArcGIS Spatial Analyst for Server	10.1 - 10.4	0	1
ArcGIS Spatial Analyst for Server	10.1 - 10.4	1	1
ArcGIS Network Analyst for Server	10.1 - 10.4	0	1
ArcGIS Network Analyst for Server	10.1 - 10.4	1	1
ArcGIS for Server Advanced Enterprise	10.1 - 10.4	0	1
ArcGIS for Server Advanced Enterprise	10.1 - 10.4	1	1
ArcGIS 3D Analyst for Server	10.1 - 10.4	0	1
ArcGIS 3D Analyst for Server	10.1 - 10.4	1	1
SQL Server	12	0	1
SQL Server	12	1	1

31. **While a new SDP system was developed with TA from the World Bank, the system has not been mainstreamed into other sectors, and it remains to be effectively institutionalized.** The Government invested significant resources in the conceptualization and development of the Inter-Agency National GIS. Even though the GIS was launched by President Nyusi in October 2016, the SDP TA closed in December 2015. The platform has not yet gained much traction in ministries and national agencies outside the MTC. Further efforts are required to build capacity in the utilization of the platform across the main ministries and national and subnational agencies and avoid fragmentation and inefficiencies in current SDP practices. Different governmental entities and private organizations will continue to develop their own GIS' in an uncoordinated manner, wasting resources with multiple licenses and satellite images, and producing data without common protocols. It is important for the Government to formulate and implement a National SDI Strategy to expand the capabilities (data, services, and applications) of the GIS; build capacity on spatial development planning across key sectors (applying spatial planning in policy formulation, program design, planning, monitoring and evaluation); and strengthen the institutional framework (effective leadership, governance and management) underpinning national geospatial development planning.

32. **The aim of this component is to** (a) enhance SDP capacity across priority national government agencies; (b) ensure the sustainability and institutionalization of the PDE; and (c) enhance the development of skills in spatial planning in Mozambique's public sector. The project will finance primarily technical assistance (that is, consultancies), capacity building, and project management costs. The purchase of GIS equipment, software, and data gathering (high-resolution satellite imagery and sector data collection) is not the focus of this project. However, the project might provide limited financial support in these areas, if proven critical in the context of other activities. Several of the statistical products supported in this project (for instance, the Census 2017, the welfare household surveys, and AidData) are expected to provide key data to feed the spatial development-planning platform. This component comprises five subcomponents.

Subcomponent 3.1: Cross-Sectoral Institutional Development on Spatial Development Planning (US$4.18 million equivalent)

33. **This subcomponent will also support the mainstreaming of the spatial planning and the utilization of the SDP platform in priority national agencies where demand, ownership and impact have been identified.** Several national agencies need TA to mainstream the use of available spatial data for the formulation of policies, programs, and plans, as well as for monitoring and evaluation. This component will also support the mainstreaming of the spatial planning and the utilization of the SDP platform in priority national agencies where demand, ownership, and impact have been identified. Memorandums of Understanding between the PDE and the agency will describe the expected results from the TA, capacity-building activities, and time frame. Specific activities will include (a) mainstreaming of spatial planning in relevant sectoral policy formulation, development planning, and monitoring and evaluation across the selected national institutions and (b) developing new tools, applications, and methodologies to integrate spatial data, analysis and planning in the national planning processes across the selected national institutions. Government agencies that have been preliminarily identified to benefit from this TA and the specific areas of support include the following:

(a) **National Agency for Roads (ANE).** Project support for ANE would focus on (i) expanding the coverage of ANE's current spatial database, adding unclassified roads (under the responsibility of municipalities and districts) to the already existing data on classified roads (under ANE's responsibility) and (ii) developing an application to calculate the Road Accessibility Index.

(b) **National Statistics Institute (INE).** Project support to INE would focus on the production of maps and other analytical tools using updated census and household survey data.

(c) **National Agency for Health (INS).** Project support to INS would focus on (i) developing public health applications with georeferenced data, including modelling cases of diarrhea, tuberculosis, and malaria, identifying hot spots for road accidents, and tracking medical test samples; and (ii) prioritizing the allocation of human resources and the expansion of health clinics based on population density, access to transport, and epidemiology of diseases.

(d) **Bank of Mozambique (BoM).** Project support to the BoM would focus on helping operationalize the BoM's Financial Inclusion Support Framework by using geo-referenced data on the location of financial providers (ranging from brick-and-mortar commercial banks to mobile providers) to determine underserved areas.

(e) **National Institute for Disaster Management (INGC).** Project support for INGC would focus on (i) incorporating spatial analysis to enhance INGC's capacity for risk management and prevention and (ii) developing an application to assist INGC authorities in quickly determining the level of resources required for disaster recovery and response in the event of catastrophic events.

(f) **Ministry of Land, Environment, and Rural Development (MITADER).** Project support for MITADER would focus on (i) producing a national territorial master plan using the analytical tools in the PDE platform and (ii) integrating geospatial data from MITADER into the PDE platform to use for territorial planning and environmental management purposes.

(g) **National Institute of Communications and Postal Service (INCM).** Project support for the INCM would focus on the geo-referencing of mailing addresses across the entire country as this is currently nonexistent.

(h) **Minister of Economy and Finance (MEF).** Project support for the MEF will focus on piloting SDP in the Government's budget, five-year plan and medium-term fiscal scenario.

(i) **Ministry of State Administration and Public Function (MAEFP).** Project support for using spatial data and analytical tools in the formulation of municipal territorial planning instruments (Municipal Urban Structure Plans or PEUMs – Plano de Estructura Urbana Municipal, and Partial Urbanization Plan, or PPUs – Plano Parcial de Urbanizacao); land management (cadaster and land regularization); and property taxation (*Imposto Predial Autárquico*).

Subcomponent 3.2: National Policy and Institutional Framework of Spatial Development Planning (US$1.99 million equivalent)

34. **This subcomponent will provide technical support to Mozambique's authorities toward the permanent insertion of the PDE within the country's public sector.** While the PDE was developed under the MTC, the country still lacks a National Policy and Institutional Framework to guide, regulate, and ensure common protocols in spatial data and systems across sectors and government levels. Thus, this component will provide technical support to Mozambique's authorities toward the permanent insertion of the PDE within the country's public sector. Specific activities will include the following:

(a) Formulation and initial implementation of a five- to 10-year national SDI strategy

(b) Development of cross-sectoral norms and standards for GIS infrastructure and spatial data (for example, data quality standards and validation, database integration, and security)

(c) Development and implementation of a Business Plan for the SDP Unit, including governance, management, institutional, legal, and financial arrangements to ensure the sustainability of the PDE system in the medium and long term;

(d) Designing and implementation of a communication strategy and annual plans to enhance awareness of SDP.

35. This group of activities will be under the oversight of the Inter-Sectoral Ministerial Committee, with representation from key sectoral agencies under the leadership of the MEF and the MTC. This committee will have two tiers: (a) a technical level, responsible for building consensus and making formal recommendations regarding the technical aspects underlying the functioning of the PDE and spatial data standards in general, as well as providing formal recommendations and (b) a policy level,

responsible for overseeing the development and initial steps toward the implementation of national standards for spatial data, mechanisms to ensure the sustainability of the PDE, a national strategy, and plan for mainstreaming spatial planning throughout Mozambique's public sector.

Subcomponent 3.3: Spatial Development Planning Learning (US$0.53 million equivalent)

36. **This subcomponent will provide support to the selected academic institutions for the development of high-quality training programs on spatial planning and analysis.** The country lacks people with capacity in the utilization of GIS and people with capacity to incorporate SDP in policy making, programming, planning, and monitoring and evaluation. Demand for qualified GIS experts and senior public officers with spatial planning knowledge and skill is expected to grow substantial with the mainstreaming of the SDP platform across sectors and government levels. This will include the following:

(a) On the supply side, the project will provide support to strengthen the curricula of selected national academic institutions (that is, the Faculty of Geography, and Faculty of Architecture and Physical Planning at the Eduardo Mondlane University) to develop high-quality (accredited or tailor-made) training programs on spatial planning and analysis (including the utilization of the PDE).

(b) On the demand side, the project will provide support to key technical, medium career, and senior government staff at the selected national institutions to attend training programs of SDP in nationally and internationally recognized institutions.

Subcomponent 3.4: GIS Platform Management and Operation Costs (US$1.44 million equivalent)

37. **This subcomponent will provide support to the SDP Unit within the MTC, which has the overall responsibility for operating and managing the interagency GIS.** The SDP Unit within the MTC has currently the overall responsible for managing the national interagency GIS platform. It currently has a team of GIS specialists and IT technicians responsible for the technical aspects of the GIS infrastructure and data management. The project will support the SDP Unit to manage and expand the operational capabilities of the GIS platform, including the following:

(a) Overall management of the GIS platform and administration of institutional users

(b) Technical coordination of the integration of the interagency platform with the other sectoral GIS infrastructure

(c) Technical oversight for reviewing new geographic data and maps

(d) Overall technical support during implementation of MoUs with priority institution

(e) Technical support to the Inter-Ministerial Coordination Committee and the Inter Agency Coordination Group

(f) GIS licenses and operational costs

Subcomponent 3.5: SDP Unit Management (US$1.47 million equivalent)

38. **This subcomponent will finance the core activities needed to manage Component 3.** The SDP Unit has a core team responsible for managing all activities of Component 3, including the following:

(a) Overall coordination, planning, and management of Component 3

(b) Budget planning, FM, disbursement, and reporting

(c) Procurement planning, coordination of procurement processes, and administration of contracts

(d) Results Framework planning, monitoring of Component 3 indicators, and coordination of internal evaluation for the midterm review and for the ICR.

Component 4: Aid Data Management for Enhanced Planning, Budgeting, and Monitoring (Total of US$2.00 million equivalent)

39. **Mainstreaming the use of aid data for enhanced planning and budgeting has been a challenge for the GoM.** Tracking data on aid contributions from DPs is in the interest of the Government because it can enable more effective domestic resource allocation in the national planning and budgeting processes. An AIMS that is integrated into existing government systems for expenditure reporting and project management can strengthen national institutions and ensure the efficient use of national development resources. Government planning and budget officers can then review off-budget data and combine it with data captured in the budgeting and treasury systems, allowing for greater efficiencies in domestic and foreign development resource spending.

40. **Aligning and integrating data on aid contributions from DPs is also important as a critical first step to improving aid effectiveness.** Monitoring aid flows through a country's AIMS is important for three more key reasons:

(a) It encourages improved aid cooperation, avoiding duplication of DP efforts and ensuring equitable support across sectors and regions.

(b) It allows for monitoring and evaluating the implementation of national development strategies and international development agendas, harmonizing DP projects with key policy priorities.

(c) It facilitates greater transparency and accountability between governments and DPs, including increased oversight by NSAs.

41. **This component is a continuation of support from the World Bank to the GoM to improve its ability to capture, manage, and use aid data.** The World Bank's Governance Global Practice has been providing non-lending TA to DC since 2015. The culmination of this assistance was a functional and technical assessment of ODAmoz, conducted by the World Bank and DC in 2016, the recommendations of which were used to design the activities proposed for this project's component.

42. **The assessment report found that the primary challenge hampering aid data management in Mozambique is that ODAmoz does not use national budget classification categories, complicating the integration of aid data with budget data**. Secondary critical challenges include unnecessary complexity (there are currently more than 50 required fields), lack of flexibility (no updates to reflect annual changes to the country's Chart of Accounts), and inability to accommodate multidonor projects and pooled funds (leading to double counting). Communication lines between the GoM and DPs are also limited, thus excluding the principal source of feedback on usability. These challenges have led to a negative cycle whereby more data is being lost, or being captured but not shared.

43. **The report recommended several institutional changes, including allocating sufficient staff for directing and managing ODAmoz, improving communication by building on existing aid coordination mechanisms and collaborating better with line ministries, and restarting engagement with DPs**. Most critically, the report also recommends that the GoM redesigns ODAmoz in a way such that aid data is recorded in a format that can easily be used in the national planning and budgeting process; this would entail the new platform being housed within the MEF and closely linked to e-SISTAFE.

44. **The aim of this component is to enhance the GoM's aid data management for improved planning, budgeting, and monitoring of overall development spending.** This will be achieved through a combination of financial support for the design and development of a new AIMS, as well as sustained TA and capacity building for producers, managers, and users of aid data.

45. **The main activities under this component are the following**:

(a) **Development and maintenance of new AIMS**. The World Bank and DC's functional and technical assessment clearly identified the need for a new aid data management platform that is directly linked to e-SISTAFE and whose data structure uses Mozambique's Chart of Accounts. A follow-up data mapping and technical and data specifications analysis of Mozambique's national PFM systems was conducted to determine the exact manner in which the new system could interface with e-SISTAFE, as well as other PFM systems, and automatically push and pull data. This activity consists of development of a Business Architecture document that allows the GoM to understand and optimize the organizational structure, offering a clear vision of the present and future state of the processes and resources of aid data management, and how change will be achieved. It also involves a Process Architecture document that disaggregates the links of the value chain to a level of detail to understand the following aspects: (i) scope of the processes and interdependencies between existing PFM processes (including processes flowcharts); (ii) stakeholders and roles within the MEF; (iii) inputs required; (iv) products-services generated by the processes; (v) recipients of the products or services; and (vi) main concepts of the processes. To fully resolve the functional issues identified in the functional and technical assessment, the GoM requires a newly designed AIMS. This activity involves procurement of a new system and capacity building of the MEF to ensure that the GoM can manage and maintain the system with limited resources. Possibilities include procuring an existing, off-the-shelf AIMS or design of a customized AIMS. Table 1.1 highlights the trade-offs of both.

i) Consulting services for information technological services

ii) Design and development of new AIMS, including ongoing upkeep
iii) Acquisition of relevant software and licenses

Table 1.1. Procurement of an Off-the-Shelf AIMS Versus Customizing One

Option	Licensing	Hosting	Capacity Requirement
Commercial off-the-shelf AIMS (based on UNDP long-term agreement); no allowance for modifications based on specific needs	Vendor owns all the rights to the code	GoM or vendor-hosted	Negotiation and site administration, as these sites are complex
Customized AIMS—designed and built by a vendor to the GoM's needs	GoM owns source code and rights	GoM hosting, either in-house (preferably CEDSIF) or with a commercial service provider	Capacity to design and specify AIMS—require significant aid management TA

(b) **Aid data collection, management, and dissemination.** TA will be provided to DC on collecting, managing, and disseminating aid data for the planning and budgeting process. This will involve consultancy and non-consultancy services focusing on training manuals, regular trainings, institutionalizing data sharing, and capacity building on data analytics.

i) Consulting services to support project coordination and DC's aid data management
ii) Regular trainings and workshops for DPs and PIUs on data
iii) Support for relaunching and oversight of AIMS Management Committee

(c) **Data use for planning, budgeting, monitoring, and accountability.** TA will also be provided to the Government, DPs, and NSAs on accessing and using aid data for monitoring and holding to account DPs and their development projects, with a focus on demand-side capacity building.

i) Consulting services to work directly with PFM institutions on using aid data management within existing PFM systems and processes
ii) Regular trainings and workshops for MEF PFM institutions
iii) Workshops for NSAs on the use of aid data for monitoring and accountability
iv) Analytical work and data visualizations combining external finance data with domestic development resource data

(d) **Capacity building of DC and the DNPO.** Capacity building and training will be provided to staff at MEF Directorates involved in data collection, management, and use. Staff will also be offered skills enhancement activities based on diagnostics determining level of literacy around data management, manipulation, visualization, and analysis.

i) Training in data management, PFM, and information technology
ii) Study tours and peer learnings to obtain international good practices (such as from Bangladesh, Colombia, and/or Rwanda)
iii) Goods and services and operations costs

ANNEX 2: IMPLEMENTATION ARRANGEMENTS

COUNTRY: Mozambique
Mozambique National Statistics Data for Development Capacity Building

Project Institutional and Implementation Arrangements

1. **The project has three implementing agencies.** The implementing agencies were assigned according to the primary beneficiary of the project results. INE is the implementing agency for Components 1 and 2. The MTC is the implementing agency of Component 3. The MEF is the implementing agency of Component 4.

2. **Project management.** Each implementing agency will be responsible for carrying out day-to-day activities and to handle the management, reporting, and auditing responsibilities in accordance with World Bank Group procurement, disbursement, and FM policies. Each implementation agency will prepare an Operations Manual, AWPs, Procurement Plans, and annual reports. Each implementation agency will appoint a project coordinator. Due to the nature of the complexities of executing a population census, INE will supplement its own fiduciary staff with an additional FM manager and accountant to execute Subcomponent 2.1. INE will also hire a procurement officer consultant will also be hired to support the implementation of the project.

3. **Project oversight.** A PSC will be established to oversee implementation of the project. The PSC will oversee project progress through the regular review of the AWP reports. The PSC will also serve as a forum to resolve common implementation challenges and facilitate collaboration between the implementing agencies to take advantage of synergies between components. The PSC will be led by the MEF and will meet at least twice a year. The PSC will comprise representatives from each implementing agency. Since Component 3 has a complex cross-sectoral nature, an Inter-Ministerial Committee led by the MEF will oversee activities at the political level. Component 3 will also benefit from an Inter-Agency Group at the technical level.

Financial Management

4. **INE, the MTC, and the MEF will be responsible for implementing their respective components as described above.** The MTC has implemented a project financed by IDA in the recent past and maintained the same FM team. However, INE and the MEF DC have limited experience implementing World Bank-financed operations. Such lack of experience and institutional memory requires increased support throughout the project preparation phase and the beginning of implementation and the strengthening of finance personnel, training, and fiduciary arrangements to ensure that both institutions become familiar with IDA procedures.

5. The project will use the country's FM systems for budgeting, accounting, internal controls, funds flow, and financial reporting to auditing, as described in the following paragraphs.

Budgeting

6. **Budgeting, budgetary control, and budget revisions will follow national procedures requiring that the project budget is inserted as part of each implementing entity's respective ministries budgets for approval by Parliament.** INE's budget for the census will be sufficiently detailed to eliminate ambiguity and allow all Provincial Delegations of the National Statistics Institute (*Direções Provinciais do Institute Nacional de Estatisticas,* DPINE) to execute their transactions accordingly.

7. In coordination with respective project stakeholders of each of the three implementing entities, AWPs and budgets will be prepared following the budget preparation cycle of the GoM. For each implementing agency, the project budget will be registered with the MEF, National Directorate of Budget, and DNT. Budget monitoring will take place directly on e-SISTAFE through the CUT in combination with spreadsheets. The AWPs will be submitted to IDA no later than November 30, each year, except for 2017.

Internal Control and Accounting Procedures

8. **Internal controls and accounting for the census at the central and provincial levels will be based on national procedures, defined in the MAF.** While the census is complex in all respects, a significant strength is that, the internal controls and accounting will similarly be based on the national procedures and on which the three implementing entities use for their day-to-day activities. In addition, INE also has its own internal control cabinet oversight unit, the Internal Audit Office (*Gabinete de Auditoria Interna,* GAI), which is responsible for carrying out independent and objective activities of the operations of INE. It is expected that project activities will be part of the audit and inspection plans of the GAI throughout the project, particularly during the census to ensure that they add value to the project's operations.

9. **INE's Risk Management Unit *(Comissão de Gestao de Risco)* plays a critical role in identifying risks and adequate mitigation measures related to the census from both a technical and fiduciary perspective.** The unit, in collaboration with other key stakeholders will utilize the census risk matrix, which identifies all potential risks to the achievement of a successful census—their impact/likelihood, mitigating measures, and responsible parties. This will ensure that INE is prepared to deal with any potential issues which may arise and affect the census.

10. **Updates to INE's standard FM procedures manual captures additional census-specific procedures.** The standard manual contains accounting procedures for approval of transactions, travel and per diem procedures, and supporting documentation, which are issues that are normally raised by independent audits. FM procedures relating specifically to the census, such as the disbursements and reporting templates, are to be captured in the updated FM procedures manual as part of the Administrative Expenses Policy Manual (*Manual de Normas de Gastos Administrativos*).

11. **The MTC's Project Implementation Manual is considered acceptable to IDA, and it will be making use of the same for the project.** Any lessons learned under the implementation of the previous World Bank-financed operation will be incorporated and the PIM will be updated. The MEF will also be expected to make use of its daily procedures under the MAF, and given the simplicity of the subcomponent, no major issues are expected. The personnel from the Administration and Finance

Directorate (*Direção de Administração e Finanças,* DAF) will obtain support and continuous guidance from the World Bank FM team to ensure they become conversant with World Bank reporting and disbursement procedures.

12. **The MEF already has a ministry-wide manual that is considered acceptable to IDA, and it will be making use of the same for the project.** Personnel from the MEF's UGEA will obtain support and continuous guidance from the World Bank FM team to ensure that they become conversant and compliant with World Bank reporting and disbursement procedures.

Staffing

13. **INE has its own DAF which is responsible for managing its own funds, in addition to managing a Common Fund, which receives from different donors.** However, the project will result in additional responsibilities and challenges, as well as a need for coordination with the DPINEs. Although, there will be a finance officer financed by the Common Fund, an additional experienced finance manager and an accountant will be required to provide support to INE. These additional personnel will work in close coordination with INE's staff and provide support throughout the project life. DPINEs will make use of their respective DAFs to handle the FM responsibilities including the census cash payments throughout the districts and other locations. All the FM staff will be trained to handle these payments as well as their timely accountability to INE central.

14. The MTC will deploy the same team that was responsible for FM of the recently closed project and which is already experienced in all aspects of handling World Bank-financed operations.

15. **Given the limited nature of Component 4, the MEF will make use of the personnel with the DAF of DC.** The World Bank will provide the necessary training in FM and disbursements for World Bank-financed operations to the personnel and also hand-holding during the initial stages of the project.

Accounting System

16. **INE is already connected the Government's own IFMIS e-SISTAFE and CUT.** However, INE will request a waiver from the MEF not to make use of the IFMIS to ensure there are no delays or any other issues which may affect the timely implementation of the census. This procedure is in line with the fact that transactions on the IFMIS can only take place to beneficiaries with bank accounts, and there will be several transactions to beneficiaries without bank accounts. The IFMIS also makes use of the Government's economic classifiers, and the use of spreadsheets or a simplified accounting software system will allow for classification of expenditures by activity/component which will make it easy to track project progress. The formatting of these spreadsheets to facilitate budget preparation and reporting on the uses of funds will be prepared no later than May 31, 2017.

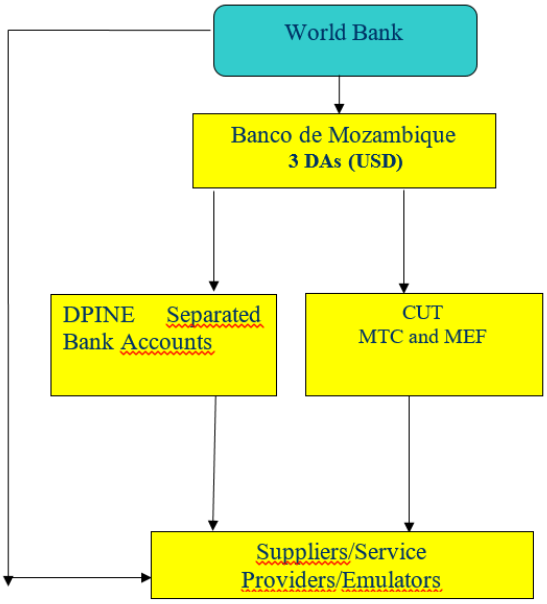
17. **Both the MTC and MEF will make use of the government IFMIS** to summarize and report on the project activities. Also, the preparation of the accounting information for the three implementing entities will be on cash basis in accordance with the GoM's requirements, which are in alignment with the International Public Sector Accounting Standards. This means that all funds advanced to the DPINEs will not be considered expenditures until INE central has received sufficient and reasonable evidence to submit withdrawal applications to the World Bank.

Funds Flow

18. **The project will operate three Segregated Designated Accounts in U.S. dollars at the BoM, independently managed by each of the three implementing entities.**[19] INE's account will be used to transfer funds to the DPINEs, and these provincial accounts may also not be commingled with funds from other sources. The MTC's and MEF's accounts will be FOREX accounts to allow them to make use of the Government's CUT, as required for all public funds. Payments for goods and services will be paid directly using the IFMIS, as illustrated in Figure 2.1.

19. Given the risks associated with the cash payments expected to made throughout the country for the census, the census procedures manual provides additional funds flow procedures. All personnel handling cash will be required to obtain training on the respective procedures as well as accountability of the funds.

Figure 2. 1 Project flow of funds



[19] The use of Designated Accounts is contingent upon the resolution of two lapsed loans in the Mozambique portfolio as of March 30, 2017.

Reporting

20. **Each implementing agency will submit quarterly interim financial reports, in the agreed format, to the World Bank.** The quarterly reports will be prepared and submitted to the World Bank within 45 days of the end of each calendar quarter reported on. These quarterly reports will include:

(a) Sources and Uses of Funds;
(b) Summary payments by DPINE (INE only);
(c) Detailed Use of Funds Schedule by Project Component/ Disbursement Categories, comparison with budgets; and short-term forecasts of expenditure;
(d) Summary Statements of DA expenditures subject to Prior Review;
(e) Designated Account Activity Statement;
(f) A narrative description of implementation highlights and challenges for the quarter which help the readers understand the financial statements with more clarity.

21. **Each implementing entity will submit the audited annual financial statements together with the management letter to the World Bank within six months of the end of the fiscal year**. These audits will cover all funds related to the Census, which will also include funds from other financiers and will be conducted by the Administrative Tribunal (*Tribunal Administrativ*o, TA) in accordance with International Standards on Auditing (ISA). The Annual Financial Statements for the project will incorporate all activities, and prepared in accordance with International Public Sector Accounting Standard for cash basis and specifically include among others:

(a) A consolidated Sources and Uses of funds
(b) A Statement of Sources and Uses of Funds by financier, showing funds from IDA and how they were applied
(c) The supporting Notes in respect of significant accounting policies and accounting standards adopted by management
(d) Designated Account Activity for the Year showing deposits and replenishments received, payments substantiated by withdrawal applications, interest that may be earned on the account and the balance at the end of the fiscal year

External Auditing

22. **The *Tribunal Administrativo* (TA) which is constitutionally mandated to audit all government funds, including projects financed by external sources**. Therefore, the TA will have overall responsibility for the audits of the project. The audits may be subcontracted to a firm of private auditors, with/or without the participation by TA staff in the actual audit. Any firm of auditors subcontracted by the TA to carry out the audit will have to meet IDA's requirements in terms of independence, qualifications and experience, which are designed to provide to assurance on whether the annual financial statements fairly present the financial transactions and balances associated with the project. The project will set aside some funds to cover TA's reasonable incremental costs (travel, per diem, accommodation) to cover the audit which will be transferred to TA once a year.

21. The audited financial statements, along with the auditor's report and management letter

(incorporating management's comments) covering identified internal control and accounting system weaknesses, will be submitted to IDA within six months of the end of each fiscal year. A single audit opinion will be issued and will cover all project receipts and payments, and Designated Accounts.

Disbursements

22. Disbursements under this project will be carried out in accordance with the provisions of the Disbursement Guidelines (Disbursement guidelines for Investment Financing Project, dated February 2017). More specifically, all the three implementing entities will make use of report-based disbursement method through submission of Interim Financial Reports. The project may make use of the following disbursement methods (a) Reimbursement disbursement method, whereby the World Bank reimburses the Borrower for eligible expenditures prefinanced from its own resources; (b) Direct Payment method, by which at the Borrower's request, the World Bank makes direct payments to suppliers and contractors from the grant account; (c) the Special Commitment method, whereby the World Bank will issue special commitment to commercial banks for payment of eligible expenditures. Upon resolution of multiple lapsed loans in the World Bank Mozambique portfolio, the disbursement methods will be updated to include advances through separate Designated Accounts for each implementing agency. The World Bank will issue the "Disbursement Letter" which will specify the additional instructions for withdrawal of the proceeds of the grant.

23. Upon submission of withdrawal applications and respective funds, INE will advance funds to the DPINEs for the census also based on the detailed, agreed and approved forecast of payments expected to be made. Based on the project's needs and work plans, MTC and DIC will request the DNT to transfer funds into the government's single treasury account CUT, where payments will be effected directly to suppliers in Meticais, US$, Euros and Rands. These expenditures will be posted directly into e-SISTAFE, enabling the project Finance Managers to collate expenditure information and produce the necessary regular reports.

Category	Amount of the Financing Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, Non-Consulting services, consulting services, Training, Operating Costs required for Parts 1 and 2 of the Project	27,765,000	100%
(2) Goods, Non-Consulting services, consulting services, Training, Operating Costs required for Part 3 of the Project	7,306,000	100%
(3) Goods, Non-Consulting services, consulting services, Training, Operating Costs required for Part 4 of the Project	1,461,000	100%
(4) Unallocated	4,368,000	100%

(5) Refund of Preparation Advance	4,400,000	Amount payable pursuant to Section 2.07 of the General Conditions
TOTAL AMOUNT	**45,300,000**	

Procurement

24. Applicable procedures. Procurement for the proposed operation will be carried out in accordance with the 'World Bank Procurement Regulations for Borrowers under Investment Project Financing', dated July 1, 2016, and the provisions stipulated in the Financing Agreement. Further, the 'Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants', dated October 15, 2006, and revised in January 2011, will apply.

25. Procurement strategy. A Project Procurement Strategy for Development (PPSD) was developed during preparation to inform the applicable procurement arrangements during implementation. The outcome of the PPSD was the Procurement Plan that was prepared and recorded by the Borrower in the World Bank's Systematic Tracking of Expenditures in Procurement (STEP). Overall, the procurement aspect of the activities to be implemented are modest in scope and complexity. Limited international interest will be created. The procurement of the 131 pick-up vehicles required for the census and other statistical operations funded by the project is underway through UNOPS using a single source contract since the market in Mozambique has limited capacity to provide the number of new vehicles with the required specification in the timeframe required. UNOPS has the ability to quickly mobilize the number of vehicles needed as they normally keep stock in bonded warehouses in the region and they possess long-term contracts with manufactures allowing the fast placement of orders into production lines and offer better pricing than local dealers. Thus, UNOPS is an instrumental partner of the project to ensure timely delivery and thus the successful implementation of the census. This expenditure is being financed by the PPA.

26. Procurement arrangements. Activities to be procured under the project are generally of low value and risk as these will mostly be for the procurement of small value goods and recruitment of individual consultants. However, fewer contracts for the selection of firms will be procured, hence the need to enhance the capacity of PDE and INE or the UGB of DC, as needed, for the implementation of these.

27. Procedures for selection of consultants. Quality and Cost-Based Selection will be the main method for the selection of firms for (a) TA Mainstream SDP in core national agencies, (b) development of new analytical tools and upgrade SDP platform, c) SDI National Policy and Institutional Framework; and (d) development and maintenance of a database system. Other consultancies will be sourced to individual consultants to be identified in the local market, such as the IT specialist, the PFM specialist, the financial management specialist and other technical specialists. Occasionally, consulting services may be procured through Consultants Qualifications based Selection (CQS), particularly for the design of a customized AIMS system.

28. **Procedures for goods.** Goods, including vehicles, office equipment and stationery, IT equipment, and office furniture, communications equipment, GIS and other software will be procured generally through Request for Quotations (RFQ). Occasionally, if the estimated amount exceeds US$100,000, procurement may be done through an Open Competitive Procedure, the Request for Bids (RFB), consistent with the Mozambique Procurement Regulation (Decree 5/2016 of March 8, 2016) and limited to the local market. No international competition will be carried out. The values of the goods are low and there are several reputable suppliers and providers to ensure competition and value for money.

29. **The Procurement Plan** will be individualized by each of the three beneficiaries, INE for Components 1 and 2, the MTC/PDE for Component 3, and the MEF for component 4. Each agency will manage its own activities, separately, according to project design and will manage them through the World Bank's tracking system, STEP.

30. **Review by the World Bank of procurement decisions.** Table 2.1 indicates the initial values for prior Review by the World Bank. All activities estimated to cost below these amounts shall be treated as post review and will be reviewed by the World Bank during the Implementation Support Mission under a post procurement review exercise. Direct Contracting/Single Source Selection will be subject to prior review only for contracts estimated to cost more than the amounts indicated in the Table 2.1. The World Bank may, from time to time, review the amounts, based on the performance of the implementing agencies.

Table 2.1. Prior Review Thresholds

Procurement Type	Prior Review (US$)
Goods and non-consulting services	1,5000,000
Consultants (Firms)	500,000
Individual consultants	200,000

31. **Assessment of National Procedures.** The Mozambique Procurement Regulation, the Decree 5/2016 of March 8, has been assessed as required under the World Bank's Procurement Framework. The assessment indicated that the Country's Regulations are generally consistent with international best practice for the following reasons: (a) there is adequate advertising in national media; (b) the procurement is generally open to eligible firms from any country; (c) contracts documents have an appropriate allocation of responsibilities, risks, and liabilities; (d) there is publication of contract award information in local newspapers of wide circulation; (e) the national regulations do not preclude the World Bank from its rights to review procurement documentation and activities under the financing; (f) there is an acceptable complaints mechanism; and (g) maintenance of records of the procurement process.

32. However, the request for bids/request for proposals document shall require that bidders/proposers submitting bids/proposals present a signed acceptance at the time of bidding, to be incorporated in any resulting contracts, confirming application of, and compliance with, the World Bank's Anti-Corruption Guidelines, including without limitation the World Bank's right to sanction and the Bank's inspection and audit rights

33. With the incorporation of the above provision, the Mozambique Procurement Regulation will be acceptable to be used under those procurements not subject to the World Bank's Prior Review, as the thresholds indicated in Table 2.1, or any updates indicated by the World Bank in the Procurement Plan.

ANNEX 3: IMPLEMENTATION SUPPORT PLAN

COUNTRY: Mozambique
Mozambique National Statistics Data for Development Capacity Building

Strategy and Approach for Implementation Support

1. The strategy for implementation support has been developed based on (a) the existing capacity of the implementing agencies; (b) the nature of activities involved in the project; and (c) the commensurate risk profile in accordance with the risk assessment. The Implementation Support Plan, as described below, will be a live document and will be reviewed regularly and revised when required during the implementation.

Implementation Support Plan and Resource Requirements

2. **Implementation support will be provided by at least two implementation support missions per year complemented by remote support on demand.** The implementation support will cover technical, procurement, FM, and project management support. The implementation support will be advisory in nature to ensure that project ownership remains with each implementing agency and to ensure that their internal capacity is strengthened.

3. **FM.** The FM Implementation Support Plan will be risk-based and will include review of the project's FM system, including, but not limited to, accounting, reporting and internal controls, and coordination between the DPINEs and INE central. It will also include review of an in-depth FM review of transactions under the census on a sample basis to different locations within the country, including provincial delegations. The plan will also include reviews of quarterly reports, review of annual audited financial statements and the Management Letter as well as timely follow-up of issues arising, and participation in project supervision missions as appropriate.

4. **Procurement.** Due to the capacity of the implementing agencies and the nature of the activities, a supervision mission will be carried out every six months and at least one annual post procurement review. Missions in the first 18 months shall have a World Bank procurement specialist or a specialized consultant accompanying the mission.

Table 3.1. Implementation Support Plan

Time	Focus	Skills Needed	Resource Estimate	Partner Role
First 12 months	Project management and team leadership	Knowledge of World Bank operation policy/Bank policy and experience in supervising lending operations	12 weeks 4 missions	Partners will participate in technical discussions.
	Operational	Drafting terms of reference, plans and	12 weeks	

Time	Focus	Skills Needed	Resource Estimate	Partner Role
	support	budgets, reporting, and general project management skills		
	Procurement	World Bank operation policy/Bank policy on procurement	4 weeks	
	FM	World Bank operation policy/Bank policy on FM; Specific focus during first two months on verifying the risk mitigating measures implemented by project effectiveness are still functioning as intended for the census; Identification of any potential problems early in the life of the project	6 weeks	
	Survey support	Sampling, questionnaire design, survey budgeting, supervision, and analysis	12 weeks 2 missions	
12–48 months	Project management and team leadership	Knowledge of World Bank operation policy/Bank policy and experience in supervising lending operations	8 weeks 2 missions	Partners will participate in technical discussions.
	Operational support	Drafting terms of reference, concept notes, plans and budgets, reporting, and general project management skills	8 weeks	
	Procurement	World Bank operation policy/Bank policy on procurement	4 weeks	
	FM	World Bank operation policy/Bank policy on FM	4 weeks	
	Survey support	Sampling, questionnaire design, survey budgeting, supervision, and analysis	5 weeks 1 mission	

Table 3.2. Required Skills Mix (Duration of Project)

Skills Needed	Number of Staff Weeks	Number of Trips	Comments
Task team leaders	44	12	Washington, DC
Operational support	20		Washington, DC and country office
Census specialist	5		Regional
Survey specialist	10		Regional
Procurement specialist	10		Country office
FM specialist	10	Fields trips as required	Country office