



28.9.2023

MISSION REPORT

following the Committee on Budgets' ad hoc delegation to Maputo and Beira (Mozambique), 23-28 July 2023

Committee on Budgets

Members of the mission:

José Manuel Fernandes	(EPP) (Leader of the mission)
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BUDG ad-hoc delegation to Mozambique

23-28 July 2023

Mission Report

I. Overview of the mission

The objective of this mission was to analyse and investigate the EU financial assistance to Mozambique aimed at generating a resilient society and promoting a stable economy through supporting job creation, fostering rural competitiveness and better engaging the private sector. To this effect, meetings were held in Maputo as well as in Beira to ensure that Members had a broader understanding of the issues at stake, particularly from a regional and local perspective. Five BUDG Members participated in the mission, with Mr José Manuel Fernandes (EPP), as Head of the mission.

Over the three days of the mission, Members had fruitful exchanges with political actors from the Government, members of the Mozambican Parliament, regional and local authorities and with a broad range of stakeholders. Moreover, the Delegation visited three projects to grasp the practical implications and challenges of using EU funds in different contexts.

Background information - EU financial support to Mozambique

The EU supports Mozambique through various budgetary instruments, such as NDICI, EDF, ICSP, Humanitarian Aid, etc. In its [Multiannual Indicative Programme 2021-2027](#), the Commission (DG INTPA) planned the following budgetary allocation for the following priority areas:

Priority Area	EUR	Share of Total
Growing Green	150 000 000	35%
Growing Youth	163 000 000	38%
Governance, Peace and a Just Society	94 000 000	22%
Other support measures	21 000 000	5%
TOTAL (2021-2024)	428 000 000	100%

Mozambique also receives support from the European Peace Facility (EPF), an off-budget funding mechanism for EU actions with military and defence implications under the Common Foreign and Security Policy (CFSP).

Conclusions

During the mission, Members assessed the use of the EU budget in Mozambique. The main conclusion of the mission is that EU development and humanitarian aid are essential factors to help Mozambique support its economic, social and territorial cohesion

Furthermore, Members concluded that:

- The EU Mozambique relations should be based on a strong partnership, considering the need to promote EU interests and values in a competitive environment in a strategic region. Strategic communication, including on the use of EU funds, should reflect this partnership based on common principles and values.
- Supporting peace and stabilisation efforts in Mozambique, as well as fighting climate change are shared interests of Mozambique and the EU.
- Budget support, if political and policy conditions are met, is a good tool to reinforce this partnership; moving away from the donor/recipient relation towards a true partnership is the way forward.
- The EU should closely follow the situation in terms of human rights, political and press freedoms in the build up to the upcoming electoral cycle (municipal elections in October; Presidential, legislative and provincial in 2024). Through the EU budget, it is essential to continue supporting progress in democracy, rule of law and respect of human rights.
- The Mozambican youth is an asset for the modernisation of the country and the EU should continue to support it financially, particularly through basic education and vocational training (linked to employment creation in association with the private sector).
- Teenage pregnancy and child marriage are impediments to gender equality and inclusive development. The financing of programmes such as Spotlight should continue.
- The use of the EFSD+, in the framework of the Global Gateway, should be promoted to attract investment to the country.
- The current EEAS/INTPA mission budget limitations, in a country with the dimensions of Mozambique, with extremely poor road infrastructure, jeopardize the appropriate understanding of this very diverse country and limits the monitoring of projects financed through EU funds.

Mission debriefing: The mission debriefing took place in the BUDG meeting of 20 September 2023.

II. Meetings and visits summaries

During the mission, Members had the opportunity to meet with central, regional and local authorities of Mozambique as well as to visit three project sites with a view to analyse the use of the EU budget and to see possible new needs and challenges for the future.

1. Meeting with Mr Antonino Maggiore, Head of the EU Delegation de Mozambique

The EU Ambassador

- Pointed to the important economic potential of Mozambique deriving from gas projects in the region of Cabo Delgado, and explained that the current government has significantly increased its efforts to stabilize that region, with the help of the EU Member States through the European Peace Facility (of which Mozambique is the second largest beneficiary, following Ukraine),
- Insisted on the importance of the EU-Mozambique partnership, with an ongoing portfolio of around EUR 1 billion, including a significant NDICI contribution, organised around three priorities: Growing Green, Growing Youth, and Governance, Peace and a Just Society, but admitted that the important EU budgetary engagement still needs to be translated into political influence.

The Members

- Enquired about the neutral position of Mozambique regarding the Russian war of aggression against Ukraine, and the relationship between Mozambique and global players,
- Highlighted the importance of education, youth, gender, and human rights when deciding the allocation of EU funds in Mozambique.

2. Meeting with Mr Manuel José Gonçalves, Deputy Minister of Foreign Affairs



The Deputy Minister

- Stressed that the relationship between the EU and Mozambique is very strong, consistent and exemplary, as the EU is one of the country's main partners in humanitarian aid, development and trade,
- Reviewed the recent developments regarding the peace process in Cabo Delgado, highlighting the important EU contribution through the EU Training Mission, but emphasized on the need for lethal equipment (the EU only provides non-lethal equipment) since terrorists have sophisticated weapons,
- Highlighted that Mozambique is now a non-permanent Member of the UN Security Council, that has a relationship with both Ukraine and Russia and seeks for the conflict opposing them to end quickly since it impacts energy, grains and inflation,
- Explained that the government has four priority areas for foreign investment: infrastructure, energy, tourism and social development, identified as key steps in the development of the country.

The Members

- Inquired about challenges which are common to the EU and Mozambique, such as climate change, migration, the energy crisis, and agreed with the Deputy Minister on the need to invest in the African continent to create jobs and create opportunities for the youth,
- Expressed concerns regarding the high number of child marriages and the limitations to the right of demonstrating, while congratulating Mozambique for its high percentage of female parliamentarians (42%).

3. Meeting with Member States agencies (Austria, Germany, Italy, Portugal, Spain)

Member State agencies

- Described projects implemented in partnership with the EU, such as EYouth, Procultura, +EMPREGO, and insisted on the necessity to support youth in the country to keep them from turning to terrorist groups out of despair and lack of opportunities;
- Praised the Team Europe approach for development policies in Mozambique as a real value added, and welcomed the coordinating role of the EU Delegation, which organises monthly meetings of Member State, in order to ensure a coherent EU approach and avoid double-funding;
- Regretted nevertheless the lack of cooperation with other global players, which probably leads to double-funding in some sectors;
- Explained that in order to intervene in Mozambique, the central authorities have to be involved, and they sometimes capture the visibility of the project;
- Highlighted that EU rules of procurement are a barrier for local companies which do not have the capacity or the envy to follow them.

The Members

- Inquired about the three main daily issues of an average Mozambican citizen, which were described as being:
 - food,
 - transport to school for children (and is it safe to go to school, especially for girls),
 - how to do business in urban areas;
- Emphasised the importance of making the EU visible to beneficiaries of projects co-financed by it, especially in light of the visibility of other global players.

The EU Delegation

- Provided the below table on the delegation of the management of EU funds to Member State agencies in Mozambique:

EU Support to the EUMS in Mozambique (August 2023)

Domain	Year	Status	Contract title	Partner	Amount	Action location	Sector
FED	2023	Ongoing	ElectriFI Country Window for Mozambique	OVS	15.000.000	Nationwide	Energy generation, renewable sources – multiple technologies
FED	2022	Ongoing	Rehabilitation of the sanitation system in Beira	AFD	20.600.000	Selected districts in Sofala	WASH
FED	2022	Ongoing	Addendum 1 to FED/2020/419-614 - DELPAZ: Manica and Tete Sub-programme - Additional contribution	AICS	1.500.000	Manica, Tete	Peace, Economic development
FED	2022	Ongoing	GET FiT Mozambique II	KFW	20.421.920	Nationwide	Energy generation, renewable sources – multiple technologies
FED	2022	Ongoing	Rehabilitation of the Cahora Bassa Hydropower Plant in Mozambique	AFD	22.671.000	Tete	Energy generation, renewable sources – multiple technologies
FED	2021	Ongoing	Non-technical losses reduction project - support to Electricidade de Moçambique (EDM)	AFD	10.000.000	Nationwide	Electric power transmission and distribution (centralised grids)
FED	2021	Ongoing	EU Support to Decentralization (SO2): the human resource capacity of decentralised	GIZ	8.100.000	Nationwide	Decentralisation and support to subnational government

			governance bodies and municipalities strengthened to effectively and accountably manage public resources and services.				
FED	2020	Ongoing	Local Development for the Consolidation of Peace in Mozambique - DELPAZ: Manica and Tete Sub-programme	AICS	9.800.000	Manica, Tete	Peace, Economic development
FED	2020	Ongoing	WASH Programme - Technical Assistance for Mozambique Climate Resilient Framework Loan	EIB	10.608.000	Nationwide	WASH
FED	2020	Ongoing	PROLER +	AFD	27.329.000	Nationwide	Energy generation, renewable sources – multiple technologies
FED	2020	Ongoing	Apoio ao Combate a Corrupção em Moçambique	AECID	8.500.000	Nationwide	Democracy, Governance
FED	2020		Covid-Plus: Support scheme for renewable energy businesses that provide access to energy in Mozambique during the Covid-19 pandemic	GIZ	5.000.000	Nationwide	Energy generation, renewable sources – multiple technologies
FED	2020	Ongoing	Local Development for the Consolidation of Peace in Mozambique - DELPAZ: Sofala Sub-programme	ADA	9.500.000	Mozambique	Peace, Economic development

FED	2020	Ongoing	EMPREGO em parceria público-privada para os jovens de Cabo Delgado	IC	4.000.000	Mozambique	Employment
FED	2019	Ongoing	PALOP-TL Culture & employment programme - PAGODA Camoes	IC	17.750.000	Several Countries and Regions at global level	Culture and recreation
FED	2019	Ongoing	PROMOVE Agribiz - GIZ Sub-Programme	GIZ	20.000.000	Mozambique	Agriculture
Sub-Total					210.779.920		
NDICI AFRICA	2023	Ongoing	VAMOOZ DIGITAL - Digital skills, entrepreneurship and services as opportunities for youth in Mozambique	AICS	7.500.000	Cabo Delgado, Nationwide	Employment creation
NDICI AFRICA	2023	Ongoing	CULTIV'ARTE - Strengthening the cultural sector in Mozambique	EF	4.850.000	Nationwide	Culture and recreation
NDICI AFRICA	2022	Ongoing	EU SUPPORT TO THE EDUCATION SECTOR SUPPORT FUND - FASE	KFW	50.000.000	Nationwide	Education policy and administrative management
NDICI AFRICA	2022	Ongoing	National Control Center for Energy	KFW	18.000.000	Nationwide	Energy generation, renewable sources – multiple technologies
Sub-Total					80.350.000		
EU TOTAL					€ 291.129.920		

4. Meeting with UN agencies (UNFPA, UNICEF and UNDP) and World Bank



The UNFPA (United Nations Fund for Population Activities)

- Saluted the Spotlight initiative (a UN-EU initiative to eliminate violence against women and girls) as a key collaboration effort with the EU.

The UNICEF (United Nations International Children's Emergency Fund)

- Informed Members that the EU had provided 20% of the UNICEF funding in the last budgetary cycle and praised the strong collaboration between UNICEF and the EU;
- Described the situation of education in Mozambique: 56% of the population is below 18, 2.4 million children are out of school, the drop-out rate at primary stage is 50%, teachers have an average of 60 students each, and the enrolment rate at 6 years-old is now back to 90% (where it was before COVID-19);
- Underlined that 38% of children under five are malnourished, 14% of women become pregnant before 15, and 87% before 18;
- Expressed that the Mozambican government is the best-placed actor to coordinate international donors and ensure that there is no double-funding.

The UNDP (United Nations Development Programme)

- Informed that 40% of the UNDP envelope in Mozambique comes from the EU and EU Member States;
- Praised the EU for intervening quickly when cyclone Freddy hit Mozambique in February 2023 and explained that cyclones have become less deadly thanks to the joint work of various donors;
- Called on the EU to collaborate on its actions in the context of the upcoming Mozambican elections (countering hate speech and fake news).

The World Bank

- Described its country engagement strategy (since February 2023, with USD 5 billion of active commitments) and its three pillars: inclusive institutions, inclusive green job creation, and human capital;
- Reminded that the Mozambique economic growth rate is still below the population growth rate, and that there is very little space for public investments;

- Expressed its conviction that the most effective development actions are those in which the government is fully engaged and deemed that donor collaboration in Mozambique is quite elaborate.

Members

- Welcomed the work undertaken by the UN agencies and the World Bank;
- Insisted on the need to cooperate amongst donors to avoid double funding;
- Learnt that as an average, 30% of the funding of the UN agencies and the World Bank in Mozambique comes from the EU.

The EU Delegation

- Provided the below table on the EU support to the UN in Mozambique:

EU Support to the UN in Mozambique (August 2023)

Domain	Year	Status	Contract title	Partner	Amount	Action location	Sector
FED	2021	Ongoing	Support to the Implementation of the Maputo Accord for Peace and Reconciliation – Phase 2	UNOPS	2.000.000	Manica, Sofala	Peace, economic development
FED	2021	Ongoing	EU Support to Decentralization (SO1): Decentralization for Development – D4D.	UNDP	4.300.000	Nationwide	Democracy, governance
FED	2020	Ongoing	Mozambique Recovery Facility – EU contribution to the UNDP Multi-partner Basket Fund	UNDP	34.300.000	Sofala, Cabo Delgado and central level	Social/economic recovery
FED	2020	Ongoing	MZ - UNICEF - Improving Child Nutrition and Building Resilience in cyclones affected areas in Mozambique (SOFALA)	UNICEF	14.700.000	Selected districts in Sofala	Nutrition
FED	2020	Ongoing	Local Development for the Consolidation of Peace in Mozambique - DELPAZ: Local Governance Sub-programme	UNCDF	3.000.000	Manica, Sofala	Resilience, economic development
FED	2019+ 2022	Ongoing	PROMOVE Agribiz - FAO Sub-Programme	FAO	44.000.000	Nampula, Zambezia and central level	Agribusiness
FED	2019	Ongoing	PROMOVE Comércio - Building Competitiveness for Exports	UNIDO	6.500.000	Nationwide	Trade
FOOD	2019	Ongoing	Pro-Resilience Action in Mozambique - PRO-ACT	WFP	3.000.000	Mozambique	Resilience

FED	2018	Ongoing	Programme for Consolidating Economic Governance and Public Finance Management systems in the PALOP-TL (Pro PALOP-TL SAI (Phase II)	UNDP	7.750.000	PALOP-TL	Economic development
ENV	2018	Ongoing	Building Local Climate Resilience in Mozambique	UNCDF	4.300.000	Nampula, Zambezia	Resilience
FED	2017	Ongoing	MZ - UNICEF - Improving nutritional status of children in Mozambique	UNICEF	24.200.000	Selected districts in Zambezia and Nampula	Nutrition
Sub-Total					141.750.000		
ICSP	2021	Ongoing	Strengthening community security and stability in communities affected by violence in the Northern Region of Mozambique through police capacity building and community engagement	IOM	4.000.000	Cabo Delgado, Nampula	Civilian peace-building, conflict prevention and resolution
ICSP	2019	Ongoing	Building Resilience Through Education and Youth Engagement in the cyclone-affected schools in Mozambique	UNICEF	7.000.000	Mozambique	Education
Sub-Total					11.000.000		
NDICI AFRICA	2023	Ongoing	Laying the foundation for VaMoz Digital!	ITU	2.300.000	Cabo Delgado	Telecommunications
NDICI AFRICA	2023	Ongoing	Building Resilience for Women and Girls in the North	UNFPA	5.000.000	Malawi & Regional	Reproductive health care
NDICI AFRICA	2023	Ongoing	The EU contribution to the UNDP Immediate Stabilization and Recovery Programme for Cabo Delgado Province, Mozambique	UNDP	15.000.000	Cabo Delgado	Immediate post-emergency reconstruction and rehabilitation
NDICI AFRICA	2023	Ongoing	AGUANORTE - ACCESS TO WATER, SANITATION AND HYGIENE IN NORTHERN MOZAMBIQUE	UNICEF	19.800.000	Nationwide	WASH
Sub-Total					42.100.000		
ECHO	2020	Ongoing	Strengthening disaster risk resilience through enhanced coordination mechanisms	UNDRR	500.000	Malawi & Regional	DRR

ECHO	2020	Ongoing	Lifesaving humanitarian food assistance to conflict affected populations in Cabo Delgado	WFP	1.150.000	Cabo Delgado	Food Security, Livelihood
ECHO	2020	Ongoing	Strengthening National Institutions and Programmes in Early Warning and Early Actions using innovating technologies and approaches, including floods modelling, enhanced rapid Post Disaster Assessment, contingency planning and social protection schemes in Mozambique	WFP	900.000	Nationwide	DRR/DP
ECHO	2020	Ongoing	Life-saving food and nutrition support to disaster-affected communities of Mozambique	WFP	3.500.000	Drought-affected southern and central provinces, post-cyclones areas and conflict-affected IDPs in Cabo Delgado	Food Security
ECHO	2019		Growing safer: Supporting school disaster prevention & Building back better reconstruction	UNICEF	500.000	Zambezia and Inhambane Provinces	Education in Emergencies
ECHO	2019	Ongoing	Provision of life-saving food assistance to cyclone and flood affected populations of Mozambique	WFP	2.500.000	Sofala, Tete	Food security, Livelihood
ECHO	2019	Ongoing	Life-saving food and nutrition support to disaster-affected communities of Mozambique	WFP	7.500.000	Nationwide	Food assistance, pre-positioning
ECHO	2019	Ongoing	Provision of Logistics Cluster Common Services in Support of the Humanitarian Community responding to Cyclone Idai in Mozambique	WFP	1.000.000	Zambezia, Manica	Logistics
ECHO	2018	Ongoing	WFP support to Government disaster risk reduction, early response, recovery systems and policies	WFP	800.000	Nationwide	DRR, early response
ECHO Sub-Total					18.350.000		
					0		
EU TOTAL					€ 213.200.000		

5. Meeting with Civil Society, NGOS, including Women, LGTIBQ+ and student organisations and Trade Unions

Civil society organisations

- Have been engaged in the laws to decriminalize abortion (2014), the family law (2019), the Act on Domestic Violence Perpetrated against Women (2010) and now work on rural laws;
- Warned of a current trend of going back in time on social issues and expressed that they would fight to keep the acquired rights and victories;
- Explained that they do not receive financial support from rich individuals or companies as those demand alignment with their commercial interests and want results that can be immediately “photographed” and promoted, while real change takes time.
- Informed Members that homosexuality has been decriminalized in Mozambique in 2015 and that a law forbids discrimination based on gender, but insisted that LGBTQI+ minorities are still suffering from discriminations, in particular due to the low level of literacy in the country;
- Thanked the EU for the political support it receives and called for further resources to be able to provide trainings and raise awareness in the Mozambican society.

Student organisations

- Explained that it is difficult to receive funding from the EU because of the very complex procedures organisations have to go through;
- Warned that many students finishing college are unable to find jobs and fall into depression and asked for a programme targeting young people from beginning to end.

Trade Unions

- Described that they currently engage in revising the labour law, extending the maternity and paternity leaves, having Mozambique ratify the ILO Convention 190 on violence and harassment;
- Described that the oil and gas sector is new in Mozambique, that it therefore needs trade unions to organise in order to face its particular challenges and that companies in that sector are not very keen in letting workers organise themselves.



Members

- Were informed that the possibilities of expressing dissatisfaction on social issues through demonstration have been reduced in the past years (violence, threats, discrimination);
- Inquired about the minimum wage in the country (5800 MZN per month = 84.81 EUR) and poverty levels;
- Learnt that Mozambican children do not have dreams anymore and civil society organisations do their utmost to offer them a new positive model of reference.

6. Visit of the Estoril Secondary school - Mozambique Recovery Facility (MRF)



The UNDP

- Manages the Mozambique Recovery Facility (MRF), a programme running from 2019 until 2024, aiming for resilient recovery of livelihoods, community infrastructures and houses to facilitate income generation provisions and access to basic services for the communities most affected by and vulnerable to cyclones, financed by the EU, Canada, China, Finland, India, the Netherlands, Norway, and UNDP with own resources;
- Supervised the rehabilitation of 19 classrooms, one administrative block, one library and one lunchroom of the Estoril Secondary school between 2021 and 2022;
- Gave example of other projects financed through the MRF, such as giving bicycles to women to enable them to sell fish, providing solar panels for businesses so that they can sell electricity to people wanting to charge their phones, rehabilitating health centres, training people to save money, etc.

Members

- Were informed by the school principal that teachers, school board and parents feel like the reconstruction was well done and are thankful to the EU for participating in this action;
- Observed the technicalities of the reconstruction work described by the Government Post-Cyclones Reconstruction Cabinet (GREPOC), in particular the roofs, windows/doors and the connexion between wall and roof which have been designed to withstand future cyclones;
- Interacted with school children and learnt that they have to walk between 3 and 7 km in average to come to school.

7. Meeting with the office of the Secretary of State of the province of Sofala (with participation of the Governor staff)

Members

- Exchanged with the team of the Governor, including the head of cabinet, the director for planning and finance and the advisor for the economic area;
- Learnt that the province has not yet recovered from the 2019 cyclone and key equipment has not yet been rebuilt, such as the provincial library, sports equipment, the cultural house;
- Inquired about the participation of the citizens to decision-making in the region and learnt that consultations do take place in the context of a decentralised system, for example citizens are asked how the provincial budget should be spent.



The Governor's office

- Described how the province suffered from cyclones and has enormous needs for resilient infrastructure (water management systems, roads, bridges, housing), support to the youth and job creation;
- Highlighted the high potential of the agriculture and fishing sectors in the region and the need for investments to build roads to transport production as well as processing factories;
- Explained that there are no local taxes to finance the local budget and that taxes collected in the port of Beira (which is a key infrastructure for neighbour landlocked countries) go directly to the State.

8. Visit of the Mozambique Integrated Urban Development by Actions and Relationships (MUDAR)



The Mayor of Beira

- Saluted the EU for its help in making Beira a city resilient to climate change and called for further investments in youth and women;
- Explained that the annual city budget amounts to EUR 10 million, with no support from the central government.

The project manager

- Described how the project (EUR 3,2 million / 94,95% of which are financed by the EU) has been designed in cooperation with the inhabitants of the Macuti neighbourhood to face their problems (rains, floods, water distribution, green areas) and improve their living conditions;
- Walked Members through the neighbourhood, showing where it was decided following a public consultation of 1000 people to build a road to allow for a better circulation, including for emergency vehicles, and improve waste collection.



Members

- Reminded that they were in Beira to learn from the people, cooperate in improving their lives and succeed together in the climate transition.

9. Visit of a Vocational Education and Training centre of Young Africa - DelPaz programme



Members

- Visited the centre, a result of the EU's commitment to Mozambique's October 2019 Peace Agreement and funded by the 11th European Development Fund, with the goal of supporting the consolidation of peace in Mozambique (the programme is referred to as "DELPAZ") through a combination of territorial and social targeting, working through local structures to enhance livelihood opportunities with a special focus on women, youth, and disadvantaged groups as well as on vulnerable conflict affected communities;
- Learnt that the total budget for the Action is EUR 29 million (EU contributing with EUR 28 million and Austria with EUR 1 million) and the implementation period runs from November 2020 to December 2024;
- Interacted with vocational training students in the field of mechanics, cooking/baking, carpentry, metallurgy, sewing, electricity, masonry, and heard that many had the goal of starting their own company and had parents who are demobilized military.

10. Visit of the EU Training Mission in Mozambique (EUTM-MOZ)



The EU Training Mission commanding officers

- Briefed Members on the mission, financed through the European Peace Facility (an off-budget instrument / EUR 89 million for EUTM-MOZ), with military personnel from 12 Member States, and launched in October 2021 at the request of the Mozambican government in order to provide training and support to the Mozambican armed forces to protect the civilian population and restore security in the Cabo Delgado province;
- Explained that the mission will be concluded once the goal of training eleven companies (quick reaction forces - each of 140 units) and enabling them to operate in any designated area of operations, including Cabo Delgado, is completed;
- Described that so far eight companies have been fully trained, two are currently under training and only one company and the OPS are still to be trained, and that the objective is to create a self-sustainable cycle in which Mozambican forces are fully able to train themselves.

Members

- Learnt that the EUTM-MOZ provides only non-lethal equipment to Mozambican armed forces and that this is a political decision of EU Member States;
- Learnt that Mozambique is the second beneficiary of the European Peace Facility after Ukraine, and that the mandate of the EUTM-MOZ will be reviewed in September 2023;
- Regretted that Mozambican special forces are only men, but welcomed the inclusion of a week of training on human rights, children rights, women rights, civil-military relationship, etc, in the cursus.

11. Meeting with Manuel Bazo, Vice Minister of Education and Human Development



The Vice Minister and his team

- Explained that the Ministry for Education and Human Development is responsible for elementary and secondary schooling, and has the goal of introducing 9 year mandatory schooling in the country, which necessitates trained teachers, school premises, furniture, etc;
- Pointed out that 25% of the Mozambican government budget goes to education;
- Described their objective of expanding distance learning in Mozambique through digitalisation as part of the distance learning strategy 2023-2032 and reminded that further funding is very welcome;
- Highlighted the importance given by the Ministry to the participation of girls in education and detailed a project which provided bicycles to girls to enable them to go to school;

Members

- Were informed that the illiteracy rate among adults in Mozambique is 39%, 9.5 million children are currently enrolled in the school system (made of 11 000 schools of grade 1-6, 1450 schools of grade 1-9 and 669 schools of grade 7-12) and 1.5 million children enter the schooling system every year;
- Learnt that 7,8% of schools provide meals and partners are needed to increase that number.

12. Meeting with Esperança Bias, President of the Assembly of the Republic



The President

- Introduced the Assembly of the Republic, which gathers 250 Members since 1977, two years after the independence of Mozambique, and reminded of the neutral position of the country, which means they will not pick a side between Russia and Ukraine but encourage both to find a peaceful solution to the war through dialogue;
- Highlighted that Mozambique is a democratic country, with free elections, respect of human rights, freedom of the press and strong institutions; added that in the Assembly of the Republic, the opposition sits in all committees;
- Thanked the EU for its support in fighting terrorism in Cabo Delgado and argued for the provision of lethal equipment and the extension of the EU Training Mission.

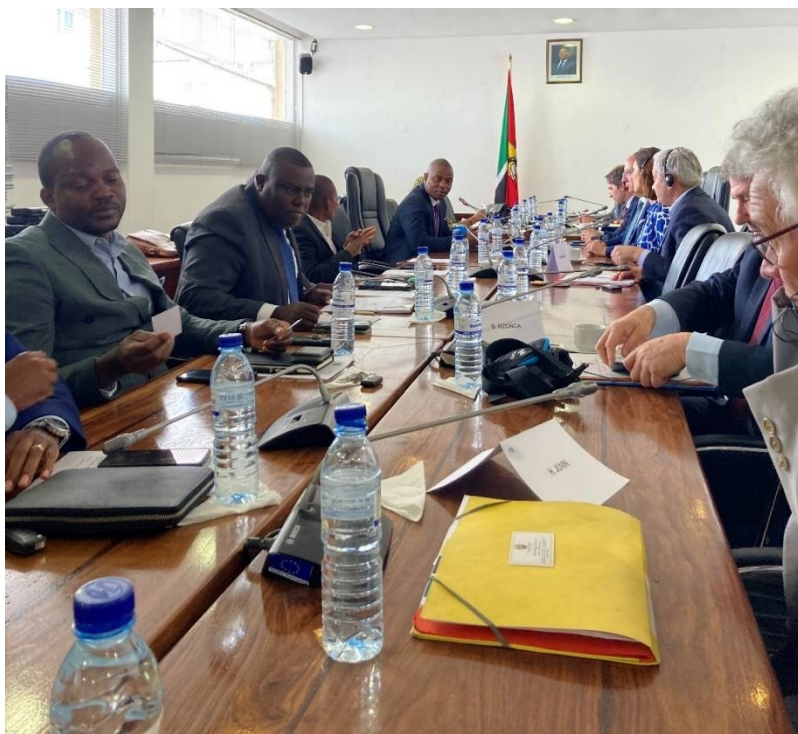
Members

- Explained the EU budgetary process and the role of the EP Committee on Budgets;
- Invited the Assembly of the Republic to visit the European Parliament in order to reinforce the good relationship between the two institutions.

13. Meeting with the Budget Committee of the Assembly of the Republic

António Rosário Niquice, Chair of the Budget Committee

- Explained that the main concern of its Committee is about how to finance public expenditure as the State budget runs a deficit (in 2022, the State budget amounted to MZN 476 billion and the deficit amounted to MZN 150 billion), in order to invest in education, health, fight against poverty, climate change adaptation and infrastructure;
- Highlighted that the main source of revenue of the Mozambican budget is taxes; added that before the hidden debt scandal, there was also a lot of direct budgetary support from international partners; concluded that with the withdrawal of the direct support, the situation has become dire for Mozambican finances;
- Pointed that the oil and gas potential in Cabo Delgado brings hope, and that the government is creating a sovereign fund to manage the revenue coming from the extraction of oil and gas, to be managed in a transparent and inclusive way.



Members

- Were informed that the support provided by the EU to Mozambique is on an off-budget basis, which prevents parliamentary scrutiny and received calls for budgetary support;
- Inquired about gender budgeting in Mozambique.

14. Meeting with Ernesto Max Elias Tonela, Minister of Economy and Finance

The Minister and his team

- Thanked the EU for being the largest donor for development in Mozambique, highlighting the help the EU provided during the COVID-19 pandemic, and mentioned that more funds could be put to good use, in particular through direct budgetary support;
- Announced that economic growth should be 7% in 2023, and the same is expected for 2024 and 2025; highlighted recent initiatives undertaken to support economic growth: visa removed for a number of countries to promote tourism, exchange rate policy, investment legislation, management of public debt, creation of a sovereign fund with part of the revenue collected from oil and gas exploitation and invested for future generations;
- Described the challenges faced by Mozambique, in particular climate change and terrorism; explained that 10% of the revenue from mining and gas is allocated to the districts where the extraction takes place, to reduce development inequalities within the country;



Members

- Inquired about the amount provided by other global players to Mozambique and about gender budgeting;
- Were informed about the efforts undertaken by the government to increase transparency in the use of public funds.

15. Press conference

José Manuel Fernandes, head of the ad-hoc delegation

- Highlighted the positive findings of the BUDG mission, the will to reinforce cooperation between the EU and Mozambique, learn from each other and the common objective of both to promote peace;
- Affirmed that education and youth are an incredible opportunity for Mozambique and should be the priority of public investments;
- Reminded that the EU has strong internal rules that have to be respected before direct budget support to a third country can be considered.



III. Programme

COMMITTEE ON BUDGETS OF THE EUROPEAN PARLIAMENT
Ad hoc delegation to Mozambique
23-28 July 2023
PROGRAMME

Monday 24 July 2023

15.00 - 16.10	Briefing with Antonino Maggiore, Head of the EU Delegation to Mozambique - Hotel Radisson Blu
16.30 - 17.30	Meeting with Manuel José Gonçalves, Deputy Minister of Foreign Affairs
18.00 - 20.30	Cocktail reception - EU Ambassador Residency
20.30	<i>End of official programme for the day</i>

Tuesday 25 July 2023

08.30	<i>Departure from hotel</i>
09.00 – 10.30	Meeting with Member States agencies - EU Delegation premises
10.40 – 12.30	Meeting with implementing partners of the EU programmes: UN agencies (UNFPA, UNICEF and UNDP) and World Bank - EU Delegation premises
14.50 - 16.20	Meeting with Civil Society, NGOS, including Women, LGTIBQ+ and student organisations and Trade Unions - EU Delegation premises
18.00 - 19.40	<i>Flight to Beira</i>
20.30	<i>End of official programme for the day</i>

Wednesday 26 July 2023

07.00	<i>Departure from hotel in Beira</i>
07.15 - 08.30	Mozambique Recovery Facility (MRF) - Visit to one rehabilitated school
08.50 - 09.40	Meeting with the office of the Secretary of State of the province of Sofala (with participation of the Governor staff)
10.10 - 11.25	Mozambique Integrated Urban Development by Actions and Relationships (MUDAR)
12.00 - 13.15	DelPaz programme - Vocational Education and Training centre of Young Africa
15.00 - 16.20	<i>Flight to Maputo</i>
18.30 - 20.00	Meeting with the EU Training Mission in Mozambique
20.30	<i>End of official programme for the day</i>

Thursday 27 July 2023

8.15	<i>Departure from hotel</i>
08.50 - 09.50	Meeting with Manuel Bazo, Vice Minister of Education and Human Development
10.15 - 11.15	Meeting with Esperança Bias, President of the Assembly of the Republic
11.25 - 12.00	Meeting with the Budget Committee, Assembly of the Republic
12.40 - 14.00	Meeting with Ernesto Max Elias Tonela, Minister of Economy and Finance
16.00 - 16.30	Press conference - EU Delegation premises
16.30	<i>End of official programme</i>

IV. Participants

MEPs BUDG	Group	Country
José Manuel Fernandes	EPP	Portugal
Robert Biedroń	S&D	Poland
Valérie Hayer	Renew	France
Bogdan Rzońca	ECR	Poland
Hervé Juvin	NI	France

Secretariat staff		
Alice Rouquette	Administrator	BUDG Secretariat
Vanessa Aulehla	Administrator	BUDG Secretariat

Political Group staff	Group
Benjamin Descamps	EPP
Nikola Turčínov	S&D
Katharina Burlafinger	Renew
Jan Van Brussel	ECR

Interpreters	Intepretation
Cristovao Leitao	PT-EN
Paula Cunha MATTOS	PT-EN