

COUNTRY PROGRAMME FOR
DEVELOPMENT COOPERATION

MOZAMBIQUE

2021-2024

Revised 2022

CONTENTS

1. Expected Results of the Country Programme	3
IMPACT 1: EQUITY AND RESILIENCE INCREASED IN MOZAMBIQUE (SDG 1, TARGET 1.3; SDG 5, TARGETS 5.3, 5.6; SDG 10, TARGETS 10.1, 10.2, 10.4; SDG 16, TARGETS 16.6, 16.7; SDG 17, TARGET 17.1).....	3
Description [Theory of Change].....	3
Outputs:.....	4
Inputs:.....	5
IMPACT 2: MORE EFFICIENT AND INCLUSIVE EDUCATION SYSTEM PROVIDES ALL BOYS AND GIRLS BETTER LEARNING IN PRIMARY AND SECONDARY EDUCATION (SDG 4, TARGETS 4.1, 4.5, 4.7, 4.A, 4.C; SDG 5, TARGETS 5.2, 5.3).....	7
Description [Theory of Change].....	7
Outcome 2.1 Girls’ retention and school completion improved.....	8
Outputs:.....	8
Inputs:.....	9
Outcome 2.2 Teachers’ and principals’ performance improved to enhance learning.....	9
Inputs:.....	9
Outcome 2.3 School accountability strengthened.....	10
Inputs:.....	10
2. Implementation	11
2.1. RISK MANAGEMENT.....	11
2.2 MONITORING, EVALUATION AND LEARNING.....	11
2.3. TENTATIVE FINANCING PLAN.....	12
Annexes	14
ANNEX 1. RESULTS FRAMEWORK.....	14
ANNEX 2. RISK MANAGEMENT PLAN.....	14
ANNEX 3. MONITORING, EVALUATION AND LEARNING PLAN.....	14
ANNEX 4. THEORY OF CHANGE GRAPHS FOR EACH IMPACT AREA.....	14

EXECUTIVE SUMMARY

Mozambique and Finland have a long partnership in development cooperation with the overall aim of poverty reduction. The context for Mozambique's development has become increasingly volatile due to the effects of climate change and the many repercussions of the COVID-19 pandemic, as well as the fact that the underlying causes of fragility and conflict remain unsolved. With this in mind, this country programme for 2021-2024 emphasizes resource sharing, inclusiveness, equity and accountability, which are considered to be drivers of resilience also in the Mozambican context. Finland promotes the achievement of the country program goals by policy dialogue with the government of Mozambique, the civil society and other stakeholders. Furthermore, Finland contributes to the emergence of a streamlined donor coordination structure, the triple nexus approach as well as to having relevant and effective dialogue between international development partners and the Government of Mozambique.

Finland continues to contribute to two key areas of Mozambique's development: 1) increased equity and resilience and 2) more efficient and inclusive education system provides all boys and girls better learning in primary and secondary education. This is in line with the Government of Mozambique's five-year programme's objectives of enhancing good governance, decentralization and service delivery, as well as developing human capital and promoting gender equality, social inclusion and the protection of persons in vulnerable situations. Finland diversifies its collaboration with additional efforts in areas where more impact is needed: girls' education and sexual and reproductive health and rights, teacher education and the protection and empowerment of poorest women and girls, and youth affected by conflict and disasters.

The first expected impact, **increased resilience and equity**, is a core objective of Finland's country strategy in Mozambique. More specifically, the aim is that the Ministry of Finance and Revenue Authority are better able to collect and manage public revenues and that their policies are more strongly based on research and evidence, so that service delivery will be facilitated. Secondly, the aim of this impact area is to increase demand for accountability, and that duty bearers have a better capacities to undertake their functions and citizens more opportunities to participate in decision making. . Thirdly, the poorest women and girls, and youth affected by conflict or climate related disasters will be supported through child-sensitive social protection programmes and sexual and reproductive health and rights.

The second impact, **more efficient and inclusive education system provides all boys and girls better learning in primary and secondary education**, is linked to the country strategy goal of Finland to invest in youth and gender equality. More specifically, this refers to ensuring that all girls are able to complete basic education. This requires major improvements in the realization of girls' sexual and reproductive health and rights as well as reduction of gender based violence. This is linked with efforts to reduce regional disparities in education service delivery. A further aim is to improve the performance of teachers and school principals by better quality initial and in-service training and by provision of adequate and sufficient teaching and learning materials especially for the early grades. Finland also contributes to improving the school level accountability by developing and implementing tools for the school management and strengthening the school supervision.

The impact areas are interlinked; effective public financial management and strong revenue collection mechanisms and fiscal decentralization enhance the provision of quality education for all as well as protecting and empowering the poorest and those affected by conflict and disasters. Effective and

transparent social protection programmes targeting the poorest and the most vulnerable enhance the possibility for all girls and boys to learn and complete their schooling, also in times of volatility. Sexual and reproductive health and rights are also addressed within the both programme areas, in order to support girls retention at schools, but also to empower the adolescents and youth. Similarly, accountability measures and citizen participation is envisioned to contribute to monitoring of delivery of services in education, social protection and SRHR, as well as addressing better the needs of the vulnerable population. Finland seeks greater impact and risk sharing by joining forces with other international partners and channeling support through joint financing mechanisms.

1. EXPECTED RESULTS OF THE COUNTRY PROGRAMME

IMPACT 1: EQUITY AND RESILIENCE INCREASED IN MOZAMBIQUE (SDG 1, TARGET 1.3; SDG 5, TARGETS 5.3, 5.6; SDG 10, TARGETS 10.1, 10.2, 10.4; SDG 16, TARGETS 16.6, 16.7; SDG 17, TARGET 17.1)

DESCRIPTION [THEORY OF CHANGE]

In Mozambique, the economic growth has been mostly based on extractive industries, and it has largely favored a small proportion of the population mainly in urban areas and the southern provinces. The expected large-scale gas investments may bring a considerable increase in revenue, but also a new challenge for both macroeconomic stability and inclusive growth. The decisions on the management and use of gas revenue will be critical for future generations. This calls for strong and accountable institutions to ensure that revenue is used for the benefit of the poorest and those affected by shocks and crises.

The theory of change consists of three pathways that complement each other and eventually build the social contract between the state and the people, which is key in conflict prevention and building of a democratic, more equal, stable and therefore more resilient society. Firstly, the aim is to strengthen the institutions responsible for public finances in order to ensure sustainable financing of, and efficient and transparent spending for, inclusive development. This will eventually enable efficient and inclusive service delivery also during the the times of volatility. Secondly, the aim is to increase demand for accountability by strengthening capacities of key actors in this field: the national parliament and selected provincial assemblies, and civil society organizations or networks, including human rights actors or defenders. The establishment of inclusive and participatory processes is an essential step to overcome development challenges in a collaborative and sustainable manner. More attention will therefore be paid to people's participation and access to information. Thirdly, there is a need to develop and strengthen mechanisms to protect those, who have been left behind or affected by crises. Enabling particularly the poor and vulnerable, to contribute to and benefit from economic progress requires investing in their human capital and improving the quality of service delivery. The idea is consequently to support initiatives, which protect and empower the poorest women, girls, and youth affected by the conflict, crises or climatic events in the northern regions, including Cabo Delgado, in line with National Programme for the Integrated Development of the North (PRDIN). In addition to the social protection (child grant) the outcome will also include sexual and reproductive rights and youth, peace and security agenda. This enables introducing the triple nexus approach to the Country Programme.

It is assumed that the government of Mozambique will elaborate an overall vision for the use of resource revenue for the structural transformation and diversification of the economy. This vision can include the

establishment of a resource revenue fund/sovereign wealth fund in order to build fiscal stability as well as to function as an investment fund and a saving mechanism for future generations.

This impact area forms the basis for Finland's strategic goal of "contributing to stronger institutions to enhance equity and resilience". It also contributes to the goal "Finland enhancing peace and conflict prevention" and to Finland's development policy programme's priority area 3 "Education and peaceful, democratic societies" as well as the priority area 1 on women's and girls' rights.

OUTCOME 1.1 STRENGTHENED MANAGEMENT OF PUBLIC RESOURCES FOR SERVICE DELIVERY

This outcome aims to ensure that the institutions responsible for public finances in Mozambique, specifically the Ministry of Economy and Finance (MEF) and the Revenue Authority (AT), have better capacity to make evidence-based economic policy decisions and are better fit to guarantee efficient and transparent revenue collection and use of public funds. The outcome will support the implementation of the upcoming public financial management strategy. The Government's report on Transparency, Governance, and Corruption (2019) further underscores efforts to reform the country's public financial management system, restore fiscal governance, and reduce vulnerabilities to corruption.

In order to strengthen public financial management and policy design as well as decision making, *inter alia* the following key changes in the system are needed: the tax base needs to be broadened and tax collection modernized, the use of evidence in investment decisions needs to be systematized, and budgeting and budget execution processes need to be made more efficient and transparent. The updated SISTAFE (State financial and administrative system) law and regulations extend the scope of the system to cover subnational government structures and thus provide a foundation for the management of public resources under the government's decentralization policy. It also creates a need for new tools and capacity to effectively implement the provisions and realize the intended positive impact on the management of public resources in the country.

With regard to the broadening of the tax base, it is assumed that there is sufficient political will to reduce tax exemptions for politically and economically linked actors. In order to improve the public finance management cycle as a whole, it is expected that other partners continue to support the other elements of the cycle, such as budgeting and auditing, and that no new critical weaknesses arise in the system. It is also assumed that the political will to proceed with decentralization process will not deteriorate. For research and capacity building to feed into policy design, it is assumed that policy makers take research evidence into account. Furthermore, it is assumed that the Government will continue, with support from other partners, its efforts to develop a public investment management system, which is based on clear criteria for investment selection and supported by research findings.

OUTPUTS:

- The intergovernmental fiscal transfer system improved
- Capacities of the Ministry of Economy and Finance and Revenue Authority strengthened

INPUTS:

- Managing Public Resources for Service Delivery –programme (GEPRES) supported through “Public Revenue, Expenditure, And Fiscal Decentralization Enhancement and Reform” (PREFER), a Multi Donor Trust Fund managed by World Bank
- “Inclusive Growth in Mozambique” – Research and capacity building programme, phase II with UNU-WIDER
- Policy dialogue emphasizing: an inclusive process to develop a mechanism for resource revenue; equitable, inclusive and sustainable tax and investment policies; transparent use of public funds; and use of research evidence and inclusive participation in the design of public policies.
- Policy dialogue in line with Finland’s “Taxation for Development” -programme

Finland’s regional and thematic programmes related to taxation, such as support to African Tax Administration Forum (ATAF); Tax Justice Network Africa, Extractive Industries Transparency Initiative (EITI) and as well as the partnership with UNU-Wider, may complement the achievement of the goals of this outcome area.

OUTCOME 1. 2 DEMAND FOR ACCOUNTABILITY STRENGTHENED

For institutions to function effectively and to provide public goods and services, it is essential to strengthen mechanisms that hold authorities accountable. In Mozambique, these institutions have traditionally been weak and built around the idea of a strong and centralized state ruled by one party. The process of political, administrative and fiscal decentralization is advancing, but slowly. Political power devolved to provincial assemblies has been limited. Civil society organizations (CSO) have become stronger, but their political space has been shrinking. There is a need to strengthen these mechanisms and provide conditions for the CSOs to function independently and effectively, especially in light of the conflict, crisis and volatility, and the great expectations of increased revenues from natural resources, that depict Mozambique today.

Also the space for citizen engagement remains limited both at the national and subnational levels. From a public sector development standpoint, citizen engagement is one the most effective means to ensure that i) policies and budget priorities are aligned with citizen needs, and ii) citizens can hold leaders accountable for their performance. For the accountability mechanisms to improve, efforts to enhance people’s participation are essential. For informed participation information is needed, hence access to information and transparency are equally important elements. Looking at the duty bearers, the oversight role of the National Parliament and Provincial Assemblies also plays an important part, in particular in the oversight of natural resources management and budget execution. Supreme audit institution (Tribunal Administrativo) also needs institutional strengthening in order to perform its functions. Furthermore, the voice of the civil society must be reinforced and its enabling environment improved so that it is better able to hold the Government and corporate actors accountable.

Finland will support the strengthening of the National Parliament and selected Provincial Assemblies and enhancing their engagement with the civil society, focusing especially in extractive industries. Finland will also increase its support to civil society, including human rights actors, and citizen’s engagement in order to have a more comprehensive approach to accountability. It is expected that other actors, such as the audit institutions and EITI, continue to provide useful information on extractive industries. It is assumed that having sufficient knowledge, political decision makers are willing to effectively exercise their oversight role. It is further expected that other development partners continue to support the judiciary, as well as the civil society, more broadly.

OUTPUTS:

- Political decision makers have improved capacities to understand equity
- Citizen's engagement in decision making supported
- Access to information and evidence to inform advocacy increased
- Human rights actors strengthened

INPUTS:

- Improving oversight role of the National Parliament and Provincial Assemblies in the Extractive Industries in Mozambique Project (Demo Finland, IMD, NIMD)
- Support to the Institute for Social and Economic Studies, IESE
- Managing Public Resources for Service Delivery -programme (GEPRES) supported through "Public Revenue, Expenditure, And Fiscal Decentralization Enhancement and Reform" (PREFER), a Multi Donor Trust Fund managed by World Bank
- "Inclusive Growth in Mozambique" – Research and capacity building programme, phase II with UNU-WIDER
- Support to civil society actors that enhance accountability
- Policy dialogue emphasizing the importance of democratic institutions and strong civil society, human rights and inclusive participation in important decisions concerning development.

OUTCOME 1.3 POOREST WOMEN AND GIRLS, AND YOUTH AFFECTED BY CONFLICT / CRISES / CLIMATE EVENTS PROTECTED AND EMPOWERED

The recurring natural disasters, the effects of the COVID-19 pandemic and the conflict in the northern Mozambique have heightened the regional inequalities and the need to develop the capacities of both national and regional authorities so that they are better able to support persons living in poverty or in vulnerable positions and situations. In June 2022 the government of Mozambique approved an integrated programme for the northern regions of Mozambique (PRDIN), which aims to tackle the root causes of conflict and fragility, build trust in state institutions, reduce inequalities and improve public service delivery in the three northern provinces of the country. The poorest people in the northern part of the country are also those affected most by the extreme climate events.

As one of the strategies to address the vulnerabilities the Government of Mozambique (GoM) is implementing the National Basic Social Security Strategy (ENSSB 2). The National Institute of Social Action (INAS), under the policy guidance of the Ministry of Gender, Children and Social Action (MGCAS), implements several social protection programs, including a social pension (PSSB) programme with a component of child grants. The evaluation of the child grant pilot shows that the grants and related guidance have a positive impact not only on the development of the children but the whole families, in particular from the point of view of gender equality. The impact will also potentially cascade to girls' education and possibilities to remain in school. To complement these efforts sexual and reproductive health and rights are also supported in order to influence social norms and behaviour which are among the root causes for persisting gender inequalities. Youth participation is an important element that can help build trust, social cohesion and support conflict prevention, and is therefore also considered under this outcome.

It is assumed that the Government of Mozambique's commitment to reduce inequalities is constant and the national funding to programmes and initiatives to enhance equity and resilience will increase in the long run. It is also assumed that the support from the international partners to reduce inequalities continues and that

there is effective dialogue between the international community and the government on these issues. Proactive coordination within the donor community is also an important factor here as well as the ability to develop and implement programmes with the triple-nexus approach.

OUTPUTS:

- Child grant (0-2 years) subcomponent of PSSB consolidated and expanded
- The youth have improved capacities to make informed choices and have improved access to SRH services
- Youth have increased opportunities to participate in maintenance of peace and security

INPUTS:

- UN Joint Programme on Social protection (UNICEF, ILO)
- Support to SRHR and youth empowerment (is being identified) targeted to the northern regions of the country.
- Political and policy dialogue to enhance policies and programmes to reach the most vulnerable – promotion of “leave no one behind” –agenda.

IMPACT 2: MORE EFFICIENT AND INCLUSIVE EDUCATION SYSTEM PROVIDES ALL BOYS AND GIRLS BETTER LEARNING IN PRIMARY AND SECONDARY EDUCATION (SDG 4, TARGETS 4.1, 4.5, 4.7, 4.A, 4.C; SDG 5, TARGETS 5.2, 5.3)

DESCRIPTION [THEORY OF CHANGE]

Mozambique has made good progress in access to education and in building education sector institutions. However, the education system suffers from overall inefficiency. More than one third of students drop out before the 3rd grade, and only less than half of students complete primary education. Due to high teacher absenteeism and other factors, children only attend 74 out of 190 school days in a year. Student learning is improving, but it is still at a critically low level. In 2016, only five percent of 3rd grade students were able to read at the expected level. There are big regional disparities in learning, with provinces in the central and northern parts of the country lagging behind significantly. The system is faced with additional challenges posed by weather-related emergencies, such as the cyclones IDAI and Kenneth in 2019. In 2020, the COVID-19 pandemic led to the closure of schools. The conflict in the northern part of the country with around 800.000 people living as IDPS, many of them children, poses yet another challenge. The situation is likely to result in further losses in enrollment and deterioration in the already low learning outcomes.

Mozambique developed a new Education Strategic Plan (ESP) for 2020-2029. The three strategic objectives of the ESP are (i) to ensure equitable and inclusive access, participation and retention; (ii) to ensure quality of learning; and (iii) to ensure a transparent, participative, efficient and effective management of the sector. Finland aligns to these objectives and focuses on **more efficient and inclusive education system provides all boys and girls better learning in primary and secondary education**. This impact area contributes to Finland’s Country Strategy goal of “Finland invests in youth and gender equality”, as well as to the goals of “Finland contributes to building stronger institutions to foster equity and resilience” and “Finland contributes to peace building and conflict prevention”.

The theory of change entails three complementing pathways that contribute to the desired impact. Firstly, all boys and girls have better learning outcomes in primary and secondary education, when more girls attend and complete school and when regional disparities are reduced. Secondly, the overall quality of primary and secondary education improves, when teachers have better knowledge and pedagogical skills and they are motivated to perform, and when school principals are well qualified to manage learning. Thirdly, the system is better able to provide quality education services for all, when schools are managed in an efficient and accountable manner. The approach is to look at the development of the education system as a whole, yet keeping in mind the need to pay increasing emphasis to issues of equity, inclusion and quality in learning.

This is expected to happen in a context in which reaching ESP objectives and an emphasis on equity remain a political priority reflected by increased budget allocations, and international development financing to education in Mozambique remains well coordinated and stable until the country can benefit from its own resources. It is further assumed that major national reforms, such as decentralization, advance, and accountability mechanisms become stronger, so that there is more demand for quality and equity in education. The first impact area of the Country Programme partly enhances the implementation of these reforms.

OUTCOME 2.1 GIRLS' RETENTION AND SCHOOL COMPLETION IMPROVED

There has been little progress in closing the gender gap in student learning in Mozambique. Most girls tend to leave school after the 5th grade due to reasons mostly related to sexual and reproductive health, early marriages, gender based violence and inadequate school WASH facilities. Mozambique has the tenth highest rate of early marriages in the world. Almost half of the adolescent girls between the ages of 15 and 19 are married, mothers or pregnant. The risk of gender-based violence is alarmingly high. Around 40% of schools do not have adequate sanitation facilities, at least 30% of them have no access to water. In central and northern parts of the country WASH indicators are even worse. The retention and school completion rates of girls are much lower than the national average in central and northern parts of the country, which are also the poorest.

Finland will support the Government of Mozambique's efforts to improve school infrastructure with adequate facilities for girls and to increase school availability through the Education Sector Common Fund (FASE). It is assumed that better facilities will keep girls in school and thus enable better learning. In the sector dialogue, Finland emphasizes the need to invest most in regions, in which girls' retention and school completion rates are the worst. In addition, Finland calls for progress in reforms related to GBV as well as sexual and reproductive health and rights in the education sector, including sexual education. In addition, Finland promotes the retainment and recruitment of female teachers in line with the evidence of female teachers contributing to girls retention and school completion. There is currently a clear gender imbalance in favor of male teachers that increases towards the upper grades and is particularly prevalent in school management positions.

Reduction of gender based violence, early pregnancies and child, teenage and forced marriages requires changes in social norms and behavior. The issue cannot be solved solely by efforts within the education sector. The country programme Impact Area 1 includes therefore specific multisector measures to promote sexual and reproductive health and rights. This will also enhance girls' education. As poverty is also an important factor hindering girls' education, Finland also supports the consolidation and expansion of the child grant component of the Mozambican social protection system to complement these efforts.

OUTPUTS:

- Better school availability and resilient school infrastructure with WASH facilities in areas with most needs.

- GBV at school reduced by defining sanctions and establishing mechanisms identifying and processing cases of abuse by teachers, school staff and peers, and by improving teachers' capacities to prevent and deal with GBV
- Capacities of students and teachers on SRHR improved through the promotion of comprehensive sexuality education
- Better gender balance in teaching profession

INPUTS:

- Education Sector Common Fund FASE
- Support to Comprehensive Sexuality Education (to be specified in 2022)
- Political and policy dialogue on girls' education, gender balance in the teaching profession and in career development, SRHR , and the countering of gender-based violence at schools

Ongoing project by Plan Finland complements efforts of this outcome area.

OUTCOME 2.2 TEACHERS' AND PRINCIPALS' PERFORMANCE IMPROVED TO ENHANCE LEARNING

One key factor contributing to poor learning at schools is the low performance of teachers and school managers. Teachers do not master curricula and their pedagogical skills are limited. The lack of appropriate teaching materials especially for early grades hampers teachers' performance. Teacher absenteeism is high and is facilitated by poor supervision and management by school principals.

The FASE will support the expansion of the new three-year pre-service teacher training program to all teacher training facilities in the country. Finland pays special attention to the quality of teacher pre-service training in disadvantaged provinces and to teaching skills in bilingual classes. In addition, Finland sees a need to develop and pilot new methods for in-service teacher training. The provision of textbooks to all students in grades 1-3 should also be guaranteed.

Finland underlines the role of school principals in school performance and learning enhancement. Currently, the training of principals is being revised to address the day-to-day school management problems, which principals face. With the support of FASE, more principals will undergo the revised training and their performance will be evaluated. It is assumed that improved training will lead to behavioural change in school managers that leads to improved learning and supervision and reduced absenteeism.

Improving the capacities of teachers and school managers and providing good teaching materials alone do not solve the problems related to teachers' performance. It is assumed that systemic issues related to the status and appreciation of the teaching profession, salaries and other incentives, as well as possibilities for career development are also addressed. Finland advocates the importance of qualified teachers for learning and, therefore, calls for the improvement of their status.

OUTPUTS:

- Teacher graduates have skills to teach in monolingual, bilingual and inclusive classes
- Teachers and school principals benefit from continuous, practical and tailored in-service training
- Adequate teaching materials are available for learning

INPUTS:

- Education Sector Common Fund FASE

- World Bank COACH – pilot project in Mozambique to develop new teacher in-service training methods
- Policy dialogue to promote the expansion and improved quality of bilingual education, implementation of the strategy for inclusive education, the provision of qualified teachers to disadvantaged regions, the improved status of teachers, and the role of principals.

The Higher Education Institutional Cooperation (HEI-ICI) project of the Pedagogic University of Maputo, the Jyväskylä University of Applied Sciences and the University of Lapland improves teacher trainers' pedagogical skills at the secondary education level. The project by UFF Finland and ADPP Mozambique also enhances the achievement of the objectives of this outcome area. Possibilities for partnerships in the area of technical and vocational education teacher training with the help of other complementing instruments is being explored.

OUTCOME 2.3 SCHOOL ACCOUNTABILITY STRENGTHENED

The Decentralization Law of 2018 establishes a decentralization process for the education sector in the Primary, Secondary and Vocational Education subsystems. The process foresees increased decision making and management at the provincial and district levels, as well as increased human, material and financial capacity at these levels. It is expected that through fiscal decentralization, the allocation of funds will take into account disparities in terms of poverty and the level of service delivery in education. Currently, severe institutional constraints hamper service delivery at all levels, including schools. Weak mechanisms of accountability have contributed to high absenteeism amongst teachers and school principals.

The purpose of this outcome area is to contribute to more efficient and accountable education sector governance, focussing on improving the management and increasing the accountability at school level by strengthening the school supervision and inspection mechanism, and developing and implementing tools for school management. Increasing the use of ICT in management and expanding the use of well-defined school quality standards are tools to improve the management. The use of well-defined quality standards and criteria at the school level help schools, communities and other stakeholders to plan and assess progress, thus increasing accountability. The capacity building of teachers and especially principals will also contribute to the achievement of this outcome.

The underlying assumption is that roles and responsibilities within the education sector with respect to decentralization will become clear, and that the overall process of decentralization is well supported by other actors. It is also expected that technical assistance to education sector planning, budgeting and the use of EMIS data will continue to be delivered by other partners. It is further assumed that the management of the sector's human resources in terms of recruitment, selection, hiring, performance appraisal and career advancement will improve. It is expected that other partners support the strengthening of external accountability mechanisms, such as school councils, to create demand for quality education for all, which Finland promotes through policy dialogue.

OUTPUTS:

- Supervision and school inspection strengthened
- Tools for school management developed and in use.

INPUTS:

- Education Sector Common Fund FASE

- Policy dialogue on the strengthening of social accountability mechanisms for education, and on the building of a sector based on accountability, transparency and merit.

2. IMPLEMENTATION

2.1. RISK MANAGEMENT

All development cooperation involves risks. Development cooperation is often conducted in complex and difficult conditions – in countries in which administration may be weak, people live in extreme poverty and corruption remains a problem.

The risks related to the Country Programme are assessed and monitored closely, but sometimes risks materialise despite precautions. Anticipating and managing risks is an essential part of the implementation of the Country Programme: Risk assessments are done regularly and they impact programme design and decision making process at all stages. Reporting on risk mitigation measures and their outcomes, including the materialization of risks, is done annually.

In Mozambique, one of the main strategic risks of the Country Programme relates to increased volatility, fragility and conflict, which make the prospects for poverty reduction and the distribution of wealth stemming from natural resources more uncertain than before. Major natural disasters, conflicts, and new waves of the COVID-19 pandemic may hamper the financing of medium and long term development efforts. Other strategic risks include the close link between the state and the ruling party, the further shrinking of the political space, and delays in the progress of major reforms such as decentralization. All these factors pose significant risks to both impact areas. Risk management measures include continuous monitoring and political dialogue. Since these risks are by nature difficult to mitigate, their realization may call for considerable strategic changes.

Operational risks are mainly related to weak implementation capacity and possible sudden reductions of international financing for education or public financial management reforms due to political or fiduciary reasons. Capacity constraints and corruption increase the probability of financial risks, which are mitigated through joint programmes, joint financial oversight and policy dialogue.

In the context of Programme implementation, risks are managed through careful planning, screening and selection of partners and funding channels. All Programmes report on the use of funding and the results of their work. The Ministry and the Embassy follow the progress, the use of funds, and the reliability of reporting through steering groups, monitoring visits, independent evaluations and reviews and regular communication. Ministry also commissions external auditing companies to perform regular audits.

2.2 MONITORING, EVALUATION AND LEARNING

Country teams are in charge of monitoring the performance of Country Programmes for Development Cooperation. This work follows the MFA's principles and guidelines, especially the Guidelines on Results-based Management, the Manual for Bilateral Programs and the Evaluation Guidelines. In joint arrangements,

Finland will participate in joint reviews and evaluations, and aims to support the development of local monitoring and evaluation frameworks and capacity.

Country Programme monitoring and evaluation is done in order to understand, how the Programme is performing in relation to planned results in order to direct the work towards the expected results, to make adjustments as needed, to learn and to be accountable for the Country Programme results. As Country Programmes operate in complex and dynamic environments, monitoring the context and assessing its implications on the validity of theories of change is also crucial. Monitoring and evaluation activities are identified in the monitoring and evaluation plan, which is updated and followed up on regularly.

To further develop the country programme, Finland's engagement in the area of sexual and reproductive health and rights is also being planned with the purpose of linking it with the nexus approach and responding to the situation in the north of the country. Furthermore, there is a need to understand better the political and economic dynamics of the education sector, especially in the context of regional disparities and conflict. This would precede the proposed evaluation of Finland's education sector support to Mozambique. These would guide the further development of Finland's country programme in the coming years, taking into consideration also the study on technical and vocational education and training and skills development completed in 2022.

The collective monitoring and evaluation cycle of Finland's Country Programmes includes monitoring, evaluation and reporting activities, which will be carried out simultaneously for all Country Programmes and in a fixed format. These include annual reports, biannual synthesis reports, mid-term reviews and external evaluations.

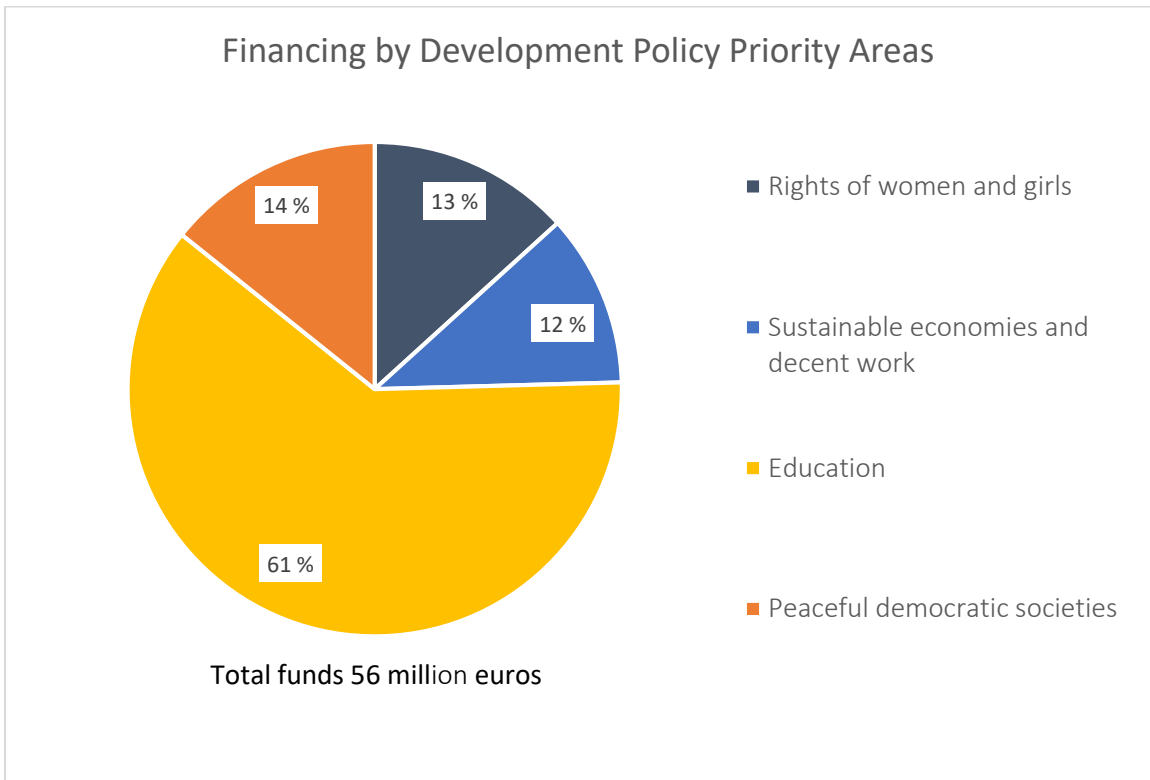
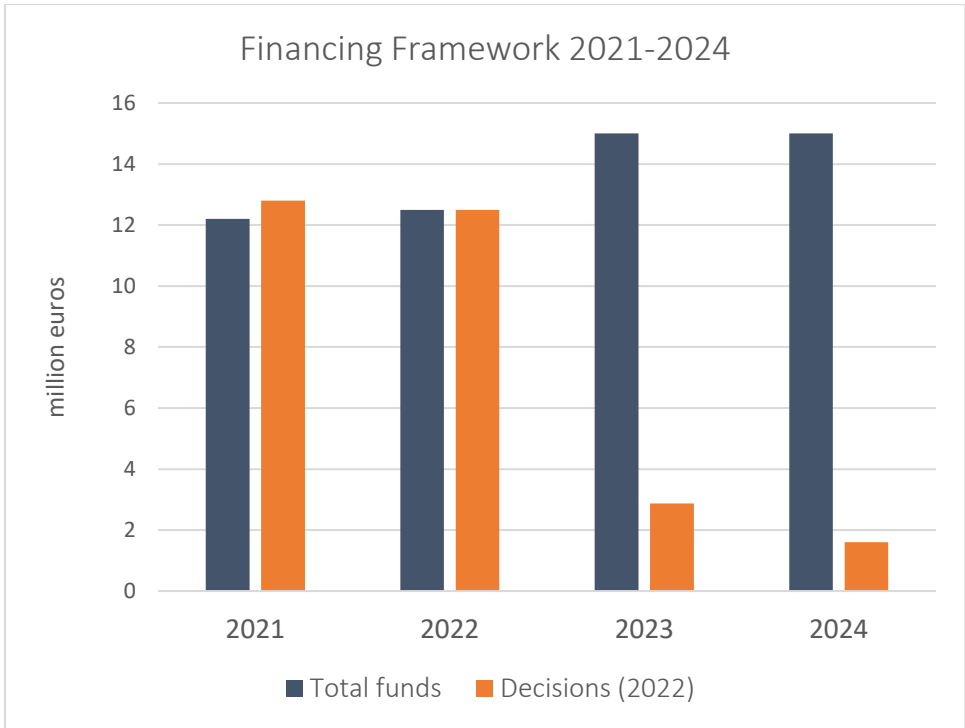
In preparing the **annual results report** of the Country Programme for Development Cooperation, the country team assesses not only the Programme performance as per the results framework, but also the validity of the theories of change and related assumptions and risks vis-à-vis the context. The annual report is discussed within the respective regional department.

A synthesis report of the annual reports is prepared as a joint effort by the regional departments every two years. The departments synthesise the main findings or trends found in all of the Country Programmes' annual results reports.

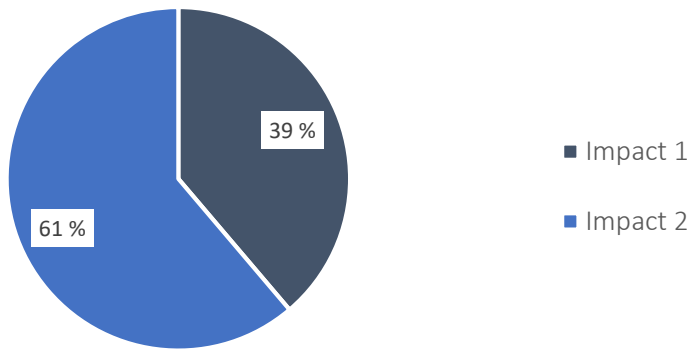
Country teams will carry out a **mid-term review** of the Country Programme. The mid-term review results and recommendations are used for decision making on whether changes are needed in Country Programme impact areas. The MFA Evaluation Unit may carry out an evaluation of Country Programmes towards the end of the Country Programme cycle.

2.3. TENTATIVE FINANCING PLAN

The financial frame for 2021–2024 is approximately 56 million euros. The financing plan includes the bilateral development cooperation that is programmed under the Country Programme. It does not include humanitarian aid, private sector instruments or Finnish CSOs.



Financing by Impact Areas 2021-2024



Total funds 56 million euros

ANNEXES

ANNEX 1. RESULTS FRAMEWORK

ANNEX 2. RISK MANAGEMENT PLAN

ANNEX 3. MONITORING, EVALUATION AND LEARNING PLAN

ANNEX 4. THEORY OF CHANGE GRAPHS FOR EACH IMPACT AREA