



REPUBLIC OF MOZAMBIQUE  
MINISTRY OF AGRICULTURE  
Centre for the Promotion of Agriculture  
(CEPAGRI)

**Pro-poor Value Chain Development Project in the Maputo and Limpopo Corridors  
(PROSUL)**

**ANNUAL WORK PLAN AND BUDGET 2014 AND  
PROCUREMENT PLAN**

Xai-Xai, January 2014

## Acronyms

ASAP	Adaptation for Smallholder Agriculture Program
AWPB	Annual Work Plan and Budget
CEPAGRI	Center for the Promotion of Agriculture
CFMP	Medium-term Fiscal Ccenario
CT	<i>Conselho Técnico</i> do MINAG
DE	Directorate of Economics
DNEA	National Directorate of Agriculture Extension
DNSA	National Directorate of Agrarian Services
DNSV	National Directorate of Veterinary Services
DNTF	National Directorate of Lands and Forests
DPA	Provincial Directorate of Agriculture
e-SISTAFE	State Financial Administration System
FA	Financing Agreement
GC	Knowledge Management
GoM	Government of Mozambique
ha	Hectare
IFAD	International Fund for Agricultural Development
IIAM	Agrarian Research Institute of Mozambique
INAM	National Institute of Meteorology
INIR	National Institute of Irrigation
ITA	International Technical Assistance
LF	Logical Framework
LSP	Lead Service Provider
LTA	Land Tenure Adviser
LTSP	Land Tenure Service Provider
MFI	Microfinance Institution
MINAG	Ministry of Agriculture
MoU	Memorandum of Understanding
N/A	Not Applicable
NTA	National Technical Assistance
PEDSA	Strategic Plan for Agriculture Development Sector
PIM	Project Implementation Manuel
PM&E	Planning, Monitoring & Evaluation
PMT	Project Management Team
PNISA	National Investment Plan for Agriculture Sector
PP	Procurement Plan
PROPECA	Artisanal Fisheries Project
PSC	Project Steering Committee
PSP/PRONEA	PRONEA Support Project
RIMS	Results and Impact Management System
SDAE	District Service of Economic Activities
STF	Spanish Trust Fund
TOMPRO	Financial Management System
UNCDF	United Nations Capital Development Fund
USD	American dollar
VC	Value Chain
VC DAP	Value Chain Development Action Plan

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## **1. INTRODUCTION**

1. This document presents the Annual Work Plan and Budget (AWPB) and the Procurement Plan (PP) 2014 for the Pro-Poor Value Chain Development Project in the Maputo and Limpopo Corridors (PROSUL).
2. PROSUL is a Government of Mozambique (GoM) Project, implemented by the Ministry of Agriculture (MINAG) through the Centre for the Promotion of Agriculture (CEPAGRI), as Leading Coordination and Implementation Institution of the Project. PROSUL is an instrument aiming at materialize the Strategic Plan for Agriculture Sector Development (PEDSA) and of the Investment National Plan for the Agricultural Sector (PNISA).
3. The Project objective is the sustainable increased returns to smallholder farmers from increased production volumes and quality in three target value chains (horticulture, cassava and red meat), improved market linkages, efficient farmer organisation and higher farmers' share over the final added value, via interventions contributing for climate resilience and gender equity. PROSUL will reach 20.350 beneficiary households, mostly economically active poor who are already involved in value chain production across 19 districts of the provinces of Maputo, Gaza and Inhambane.
4. The implementation of PROSUL is estimated at USD 44.95 million. The Project is funded by the International Fund for Agricultural Development (IFAD), Spanish Food Security Cofinancing Trust Fund (STF), Adaptation for Smallholder Agriculture Programme Trust Fund (ASAP) of IFAD, United Nations Capital Development Fund (UNCDF), and counts on the contribution of the GoM, Private Sector and Project Beneficiaries. The project has a duration of seven (07) years. PROSUL became effective on 3 October 2012, after the signing of the Financing Agreement (FA) between the Government of Mozambique and the International Fund for Agricultural Development (the number of FA: IFAD Loan number. I-878-MZ; IFAD Grant number. I-C-1391-MZ; Trust Loan number. E-15-MZ and ASAP Grant number. C-ASP-1-MZ).
5. PROSUL is operationalized through Annual Work Plan and Budget (AWPB). It was in this context that the AWPB 2014 has been drafted. The elaboration of the AWPB 2014 observed the following steps:
  - 1) Review of the Project Logical Framework (LF) by CEPAGRI/PMT, under guidance and technical assistance from the Planning, Monitoring and Evaluation Specialist;
  - 2) Determination of activities for each of the five components of the project including indicators and physical target, timeline, budget, composed by categories and financiers
  - 3) Presentation of AWPB 2014 at the meeting of the Project Steering Committee (PSC) of PROSUL held on 22 November 2013
  - 4) Harmonization of the AWPB 2014 with MINAG National Directorates and Subordinate Institutions, as well as the Provincial Directorates of Agriculture (DPA's) and District Services of Economic Activities (SDAEs)
  - 5) Discussion with the IFAD Implementation Support Mission from 2 to 9 December 2013. The mission inputs were taken into consideration

6. In the elaboration of the AWPB 2014, the following assumptions were considered : i) the recruitment of the Lead Service Providers for the Cassava and Red meat value chains will be completed by January 2014; ii) the re-launching of the recruitment processes for the horticulture LSP and the Land Tenure Service Provider (LTSP) will be finalized until May 2014; iii) the project will operate in e-SISTAFE system by February 2014; and iv) the project will regist progresses in regard to the implementation of the Component 4 – financial services, through measures allowing the redesign of the component.
7. The implementation of the AWPB 2014 is estimated at 166.659.175,00 MZN (equivalent USD 5.555.306).
8. This document is organized into six (06) chapters, being the first the present introductory note. The second chapter presents a summary description of the Project including the general data and information, Project strategy and sustainability aspects, goal and objectives, components, the project budget and the logical framework. The third chapter is devoted to the assessment of the implementation of the project in 2013. In this chapter, project progresses are presented, as well as challenges and relevant lessons that can contribute for further improvements and decision-making towards good Project Management and Leardeship. Chapters 4, 5 and 6 focuses on the AWPB 2014 including the Procurement Plan 2014. Chapter 4 is devoted to a brief summary of key interventions that constitute the strategic direction or focus of the project in the year 2014; the expected results, a detailed description of the activities by component, and potential risks that may affect the implementation process. In chapter 5, it is provided a brief summary about training and technical assistance required for the Project. Finally, in chapter 6 the budget for 2014 is presented.

## 2. SUMMARY DESCRIPTION OF THE PROJECT

### 2.1. General Data and Information of the Project

9. Table 1 below presents a summary of the key data and information on the PROSUL.

**Tabela 1: General and Information of PROSUL**

ITEM	Description
Name of the Project	Pro-poor Value Chain Development Project in the Maputo and Limpopo Corridors (PROSUL).
Owner of the project	Government of Mozambique (GoM)
Date of Effectiveness	3 October 2012
Reference of the Financing agreement	IFAD Loan number. I-878-MZ; IFAD Grant number. I-C-1391-MZ; Trust Loan number. E-15-MZ and ASAP Grant number. C-ASP-1-MZ)
Launching Date	17 April 2013
Project Implementation Entity	MINAG/CEPAGRI
Project Budget	USD 44.95 million USD
Form of financing	Loan, Grant and Reimbursement by the GoM
Duration of the Project	Seven (07) years (2012-2019)
Project Objective	Sustainable increased returns to smallholder farmers from increased production volumes and quality in three target value chains (horticulture, cassava and red meat), improved market linkages, efficient farmer organisation and higher farmers' share over the final added value, via interventions contributing for climate resilience and gender equity
Target Area	19 Districts: <ul style="list-style-type: none"> <li>• Maputo province: 1) Moamba; 2) Marracuene; 3) Namaacha; 4) Boane; 5) Manhica; and 6) Magude</li> <li>• Gaza Province: 1) Xai-Xai; 2) Manjacaze; 3) Chókwè; 4) Guijá; 5) Chibuto; 6) Chicualacuala; 7) Massingir; and 8) Mabalane</li> <li>• Inhambane province: 1) Zavala; 2) Inharrime; 3) Jangamo; 4) Morrumbene; and 5) Massinga</li> </ul>
Target Area for each Value Chain (components 1, 2 and 3)	<ul style="list-style-type: none"> <li>• Horticulture <ul style="list-style-type: none"> <li>○ Maputo: 1) Moamba; 2) Marracuene; 3) Namaacha; and 4) Boane</li> <li>○ Gaza: 1) Xai-Xai; 2) Manjacaze; 3) Chókwè; 4) Guijá; and 5) Chibuto</li> </ul> </li> <li>• Cassava <ul style="list-style-type: none"> <li>○ Gaza: 1) Manjacaze</li> <li>○ Inhambane: 1) Zavala; 2) Inharrime; 3) Jangamo; 4) Morrumbene; and 5) Massinga</li> </ul> </li> <li>• Red meat <ul style="list-style-type: none"> <li>○ Gaza: 1) Chókwè; Guijá District 2); 3) Chicualacuala; 4) Massingir; and 5) Mabalane</li> <li>○ Maputo: 1) Manhica; and 2) Magude</li> </ul> </li> </ul>



ITEM	Description
Target Group	<p>Smallholder farmers</p> <ul style="list-style-type: none"> <li>• Horticulture: 4.800 (50% women)</li> <li>• Cassava: 8.000 (50% women)</li> <li>• Red Meat: 5.600 (50% women);</li> </ul> <p>Other beneficiaries: 1950 (includes private sector and meat traders)</p>

## 2.2. Background for the AWPB 2014

10. The AWPB 2014 and the Procurement Plan 2014 serve as operational and guiding instruments for the implementation process of PROSUL for CEPAGRI/PMT, Lead Service Providers (LSP's), DPA's, SDAE's, MINAG National Directorates and Subordinate Institutions, and other government institutions involved in the implementation of the project. Apart from the AWPB and PP being implementing tools of the Project, they allow the establishment and strengthening of synergies, and above all, they are key tools for the monitoring and evaluation process, and therefore for the project impact assessment, through Results and Impact Management System (RIMS) indicators.
11. The preparation of the PROSUL AWPB 2014 was based on the preliminary assessment of the AWPB 2013, review of the projections in the Project Design Report (PDR), CFMP (2014-2016) and the FA. However, there is a full recognition of the limitations of this AWPB due to the fact that CEPAGRI has not completed the recruitment of the LSP's yet. This means that after finalizing the recruitment of the LSP's, they have to assume this document as the basis for project implementation in fiscal year 2014.
12. In future, the preparation process of the AWPB has to start from the bottom, with the LSP playing the role of facilitation and ensuring appropriate involvement of DPA's and SDAE's. The project beneficiaries play a key role at the bottom level, being them in the light of their problems, stage and progress of the project, proposing activities to be implemented. Then, these proposed activities will be harmonized at innovation and regional platforms level. After harmonization of the AWPB at the regional VC level, the LSP will submit it to the PMT at the CEPAGRI Delegation in Gaza. The PMT will globalize in a unique AWPB for the Project and submit to IFAD for No Objection (NO). After receiving the NO, the AWPB will be submitted and discussed at the MINAG Technical Board (CT), and then to Project Steering Committee (PSC).

## 2.3. Project Strategy and Sustainability Aspects

13. **Project Strategy.** As defined in the PM&E Systems – Inception Report, the project is guided by four strategic objectives, namely:
  - 1) Increased productivity, quality and sales of irrigated vegetables produced in smallholder irrigation schemes;
  - 2) Increased productivity, quality and sales of cassava by smallholder farmers;
  - 3) Increased productivity, quality and sales of ruminants by small-scale livestock producers; and
  - 4) Improved financial, market-related and technical support services available to and assessed by farmers.

14. The Project is expected to achieve the strategic objectives above, through various expected outcomes that can be grouped into four categories, namely:
- 1) Capacity Building;
  - 2) Infrastructures and Facilities;
  - 3) Investment support through equity, loans and grants; and
  - 4) Other including: studies, tools, policies, tenure security, market linkages.
15. **Aspects of Sustainability.** The project will develop interventions aimed at strengthening farmer group organisations (FGO's) through capacity building in aspects of organization, management, agribusiness and markets matters and provide support in accessing improved technologies, with a view of becoming these FGO's an autonomous and independent entities.
16. In regard to the access to improved technologies and market linkages, the project will prioritize whenever possible the development of *outgrowing* schemes. In cases where it is difficult to develop outgrowing schemes, the Project will support the establishment of service hubs that will be operated by full a dedicated management team. The FGO's will be shareholders of the service hubs. The Project also foresees supporting other market and animal health infrastructures including slaughterhouse, veterinary pharmacies and cassava processing units. A careful identification of the potential beneficiaries and training in agribusiness to ensure profitably and sustainable business will deserve special attention.
17. The Project Management Team is based at CEPAGRI Delegation in Gaza, and works in close collaboration with the Delegation staff. The project is directly contributing for the delegation capacity building. Other training and capacity building programs for the DPAs, SDAEs, MINAG National Directorates and Subordinate Institutions and other government institutions will be implemented whenever it deems that may have a positive impact on project sustainability.

## **2.4. Project Goal and Objective**

18. The project goal is to establish improved and climate-resilient livelihoods of small farmers in selected districts of the Maputo and Limpopo corridors. Its development objective is to achieve sustainable increased returns to smallholder farmers from increased production volumes and quality in the targeted value chains, improved market linkages, efficient farmer organisation and higher farmers' share over the final added value. The project goal is measured by RIMS indicators increased assets for participating households and reduced child malnutrition as well as by ASAP indicator increased household climate resilience.

## 2.5. Project Components

19. PROSUL comprises five (05) components (see table 2 below).

**Tabela 2: Summary of Project Components**

<b>Nr of Comp.</b>	<b>Designation</b>	<b>Amount (USD million)</b>	<b>Summary Description</b>
C1	Horticulture	12.75	Increased sustainable income for smallholder farmers producing irrigated vegetables in project areas (3000 ha distributed in 20 irrigation systems) through increased productivity, volumes and quality of vegetables reaching both traditional and modern market segments. It is expected to reach 4800 smallholder farmers
C2	Cassava	3.92	Increased sustainable income for smallholder farmers in project areas from improved cassava production, based on proof-of-concept business models for the profitable production and marketing of cassava-based products. It is expected to reach 8000 smallholder farmers exploiting around 2800ha
C3	Red Meat	5.40	Increased sustainable income for small-scale cattle, goat and sheep breeders in project areas through improved production and better organized markets. It is expected to reach 5600 livestock breeders
C4	Financial Services	14.5	Selected value chain stakeholders have a timely and adequate access to a diversified range of affordable financial products, through existing or to be created financial and non-financial service providers.
C5	Institutional Support and Project Management	6.7	Strengthening the institutional capacity of CEPAGRI and other institutions involved in the implementation of the project and the development of interventions that contribute to climate resilience of the targeted value chains and gender equity

## 2.6. Target Group

20. The *main target group* will consist of the economically active poor who are already involved in value chain production (existing cassava, horticulture and livestock producers) and are able to produce a surplus, but who are caught in a cash trap whereby their failure to improve crop productivity prevents them from accessing to higher returns. These households do not suffer from chronic food insecurity, although they may be food

insecure in drought years, and their main livelihood strategy is household food production supplemented with off-farm wage labour and trade. *Women* will constitute a direct target group in each value chain because of the clear evidence that, whilst they constitute the majority of the population and female-headed households are amongst the poorest, their access to the value chain and capacity to generate income is heavily curtailed by traditional gender roles that will undermine their participation unless gender is mainstreamed into the project.

21. The *secondary target group* will include both: (i) (emergent) commercial farmers, i.e. medium and large farmers, mainly geared to cash crops (horticulture and livestock) and who have stable linkages to markets; and (ii) small and medium cassava processors who produce for the market. Both groups can be important drivers of change, because they have a commercial interest in the development of the smallholder sector to meet market demand, and they can be an effective channel for facilitating smallholders' access both to markets and services.
22. The *indirect target group* will include poorer households who lack the assets necessary to participate directly in the project activities, but who will benefit from labour opportunities generated by increased agricultural production (especially in horticulture) and processing (cassava processing units and slaughterhouses). Furthermore, project investments in value chain development will lead to a number of indirect benefits for value chain producers even out of the project area. The project will also have a considerable number of indirect beneficiaries from investments in service centers, access to credit via funds of reimbursing loans will be granted.
23. PROSUL will directly target 20,350 beneficiaries households.

## 2.7. Programme Financing

24. Tables 3, 4 and 5 show respectively, the project budget by component; project budget by category; and the project budget by financier.

**Tabela 3: Budget by Component**

<b>Component</b>	<b>USD Million</b>
C1. Horticulture	12,75
C2. Cassava	3,92
C3. Red meat	5,39
C4. Financial Services	14,5
C5. Institutional Support and Project Management	6,72
<b>Total Baseline Costs</b>	<b>43,28</b>
Physical Contingencies	1,19
Price Contingencies	0,48
<b>Total Project Costs</b>	<b>44,95</b>

**Tabela 4: Budget by Category**

<b>Component</b>	<b>USD Million</b>
I. Civil Works	9,25
II. Vehicles, Equipment and Materials	3,56
III. Training, TA and Studies	10,75
IV. Contractual Services	3,64
V. Financial Services	13,25
VI. Recurrent Costs	2,83
A. Salaries and Allowances	2,73
B. Operating and Maintenance	0,1
<b>Total Baseline Costs</b>	<b>43,28</b>
Physical Contingencies	1,19
Price Contingencies	0,48
<b>Total Project Costs</b>	<b>44,95</b>

**Tabela 5: Budget per Financier**

<b>Source of funding</b>	<b>Amount (millions USD)</b>
IFAD Loan	16,3
IFAD Grant	1,52
Spanish – Trust Fund Loan	16,3
ASAP-Grant	4,9
United Nations Capital Development Fund	0,14
Private Investors	1,9
Beneficiaries	1,4
Government of Mozambique	2,49
<b>Total</b>	<b>44,95</b>

## **2.8. Logical Framework**

25. The logical framework (LF) is presented in annex 1 (excel separate file). It was revised from 2 to 9 December 2013 with the assistance of the IFAD Implementation Support Mission and under guidance of the Planning, Monitoring & Evaluation Specialist recruited by PMT from 15 to 20 December 2013.

### 3. AWPB 2013 EVALUATION AND IMPLEMENTATION PROGRESS

26. This chapter "AWPB 2013 evaluation and implementation progress ", reports in a summary form, the implementation progress of PROSUL, since its effectiveness on 3 October 2012 to date.
27. This section is organized in 3 parts. The first part is devoted to the progresses achieved. The second part refers to the budget plan and disbursements in 2013. Finally, the third part presents lessons learnt and constraints.

#### 3.1. Expected results and Progress Achieved

**Tabela 6: Project Progress in 2013**

Nr	Main Indicators	Progress Made
1	A complete Project Management Team (PMT) recruited and established in the CEPAGRI Delegation in Xai-Xai	The Project Coordinator, M&E and KM officer, Agribusiness Officer and Gender and Targeting Officer were recruited and fully established at the CEPAGRI Delegation in Xai-Xai. The Financial Manager was recruited and given a 6-month contract, after which, CEPAGRI decided to not extend the contract. The tender for recruiting the Financial Manager has been launched on 5 September 2013, and it is expected to be finalized in January 2014. Other two key positions are also missing: the <i>Climate Change specialist</i> and the <i>Financial Services specialist</i> . For the Climate Change specialist, CEPAGRI tried twice to recruit someone to fill this position, but it was not possible to find people meeting the required requisites. For the Financial Services Specialist, CEPAGRI launched the tender on 5 September 2013, but later on, both CEPAGRI and IFAD agreed to suspend this tender, till reaching agreement in regard to the implementation of Component 4 – Financial Services.
2	Inception Workshop (01) for launching the project	Done. The launching ceremony was held on 17 April 2013
3	CEPAGRI Delegation Building rehabilitated/renovated	Finalizing. The main building is ready. The backoffice is expected to be finalized in January 2014.
4	Five vehicles, computer equipment and office furniture purchased	Done
5	Three LPS's for the 3 value chains (Horticulture, Cassava and Red Meat) recruited	Ongoing process (technical and financial proposals finalized resulting in the selection of the two LSPs for Cassava and Red Meat). The negotiations for these two LSPs were carried out as well and the contract is due to be signed in January 2014. The tender for the recruitment of the Horticulture LSP will be relaunched in January 2014
6	Three scoping studies for the 3 value chains conducted	The scoping studies will be conducted by an independent consultant in 2014. The recruited LSP, instead of scoping studies, they will conduct a Participatory Rapid Appraisal (PRA) so as to compensate for the delay in the effective project

		commencement and implementation.
7	Three VC DAP's elaborated for the three value chains	The VC DAP's depend on the finalization of nr 6
8	Quantitative Baseline Survey conducted	In progress. A contract has been awarded to Ernest & Young Consulting Firm. The delay was a large extent due to the long discussion on matters regarding sample size and the possibility of capitalizing this study collecting more information instead of limiting to the standard RIMS questionnaire
9	Two meetings of the <i>Steering Committee</i> held	Done
10	Three Memorandos of Understanding (MoU) signed: i) CEPAGRI and IIAM; ii) CEPAGRI and INIR; and iii) CEPAGRI and INAM	MoU's drafted. However, during the PSC held on 22 November 2013, the PMT was oriented to draft an Action Plan Document for MINAG National Directorates and Subordinate institutions. The MoU between CEPAGRI and INAM will be signed after appreciation by staff dealing with legal issues in each of the parties involved
11	A memorandum of understanding (MoU) signed between CEPAGRI/PMT and the Catalytic Fund of the BAGC	CEPAGRI and IFAD have agreed to go for a review of the Financial Services Component implementation approach on 9 December 2013
12	Two Microfinance Institutions selected (MFI) to participate in the implementation of C4 – Financial Services	No progress. It depends on the review of the C4 – Financial Services implementation approach
13	A Project Implementation Manual (PIM) drafted	Done
14	AWPB 2014 and PP 2014 prepared	Ongoing
15	Capacity Development Plan for CEPAGRI elaborated	Not done. It was re-scheduled for 2014
16	PROSULGender Strategy elaborated	Not done. It was re-scheduled for 2014, and it has to be done by the Gender and Targeting Specialist
17	Planning, Monitoring & Evaluation (PM&E) System designed, established and operational	A PM&E Specialist was recruited by CEPAGRI/PMT, and he has undertaken several tasks including length discussion on the design of the log frame, design of the M&E system, training to the M&E and KM officer, provision of inputs for the baseline survey. The Project has started operating in the database. The final mission is expected to held on February 2014.

### 3.2. Budget and Disbursements

28. As shown in table 7, the implementation of the revised AWPB 2013 was estimated at approximately USD 1.7 million (equivalent to 51 million MZN). The budget for components 1, 2 and 3 was basically for the scoping studies. There was a delay in the disbursement of funds, and this has conditioned the recruitment process of Lead Service Providers. Moreover, there were not progresses in the implementation of the financial services component, it was decided to not continue considering activities for this

component. It is worth to refer the fact that after the IFAD implementation support mission held in June 2013, it was agreed that the Supervision Mission Report would provide the Subsidiary Financing Agreement. The Supervision Mission Report was only made available in December 2013 and without such SFA.

29. In terms of disbursements, the Project received the first disbursement of funds from IFAD (USD 800,000) on 12 June 2013, through a designated account opened at the Bank of Mozambique. This amount was aimed at project start-up activities. To date, a total amount of USD 741,785.12 was executed (see table 8), representing 43.58% of the budget planned for 2013 and 92.64% of the amount disbursed.

**Tabela 7: PROSUL Proposed Budget for 2013 by Component and Subcomponent**

Code	Summary Proposed Plan Budget for 2013			
	Component/Subcomponents	Investments	Recurrent	Total
<b>C.1</b>	<b>Horticulture</b>	<b>88.023,26</b>	<b>0,00</b>	<b>88.023,26</b>
<b>C1.1</b>	Rehabilitation & Expansion of existing irrigated perimeters			
<b>C1.2</b>	Strengthening linkages between value chain stakeholders	88.023,26		
<b>C.2</b>	<b>Cassava</b>	<b>188.441,86</b>	<b>0,00</b>	<b>188.441,86</b>
<b>C2.1</b>	Strengthening linkages between value chain stakeholders	188.441,86		
<b>C2.2</b>	Value chain environment			
<b>C.3</b>	<b>Red meat</b>	<b>132.034,88</b>	<b>0,00</b>	<b>132.034,88</b>
<b>C3.1</b>	Value chain environment	132.034,88		
<b>C3.2</b>	Production Improvement			
<b>C3.3</b>	Market linkages			
<b>C.4</b>	<b>Financial Services</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
<b>C4.1</b>	Financial Services	0,00		
<b>C4.2</b>	Capacity Building	0,00		
<b>C.5</b>	<b>Institutional Support and Project Management</b>	<b>1.018.608,89</b>	<b>273.490,00</b>	<b>1.292.098,89</b>
<b>C5.1</b>	Institutional Support	391.778,01		
<b>C5.2</b>	Land Tenure Security			
<b>C5.3</b>	Project Management	681.588,43		
	<b>Total Baseline Costs</b>	<b>1.427.108,89</b>	<b>273.490,00</b>	<b>1.700.598,89</b>

**Tabela 8: Summary of the Budget Execution of the Start-up Amount (USD 800,000)**

Category	Description	Amount Spent (USD)	% Execution based on Start-up Amount of USD 800,000
I	Civil Works	40.243,30	5,03
II	Vehicles, Equipment and Materials	236.001,00	29,50
III	Training, TA and Studies	120.095,93	15,01
VI	Recurrent Costs	344.785,89	43,10
	<b>Total</b>	<b>741.126,12</b>	<b>92,64</b>



### 3.3. Lessons Learnt

30. The documentation of lessons learnt is an important aspect in any stage of the Project implementation. Despite the implementation of PROSUL still at an early stage, it was possible to draw some lessons including:

- i. **Recruitment of Lead Services Providers.** The process is complex, involving about 10 steps. The process was remarkably inflated by low quality of technical proposals, which leads to an apparent conclusion that there is a lack of qualified service providers. This apparent conclusion probably explains the reasons making the Government to be very sceptical with outsourcing or subcontracting. After finalizing the evaluation of the technical and financial proposals, it was not possible to select a potential candidate to be the Horticulture LSP. The sole technical proposal submitted was very poor in almost all aspects including value chain development approach and strategy, methodology and key staff. In order to mitigate the negative impacts of further delays in the recruitment of the Horticulture LSP, during the IFAD implementation support mission held from 2 to 9 December 2013, CEPAGRI and IFAD agreed to re-launch the tender, directly requesting technical and financial proposals, instead of the request for expressions of interest.
- ii. **The challenge of ensuring realistic AWPB.** With the implementation of the first year AWPB, it was noted that the plan was far from fit to reality. The AWPB for 2013 was the first plan for PROSUL. The plan was elaborated by CEPAGRI considering a lot of assumptions such as PMT in place without delays, first disbursement in December 2012 or January 2013 and not in June as it was the case. Moreover, during the elaboration of AWPB 2013, it was assumed that it would be possible to recruit LSPs and still carry out scoping studies. Looking behind and considering what happened in reality, one could, therefore, argue that there was too much optimism.
- iii. **Training in Project Leadership, Planning and Financial Management.** The Project Coordinator participated in the training in Project Leadership and Planning in Accra from 7 to 11 October 2013 and then, the Project Coordinator together with the Financial Assistant attended the training in Financial Management in Rome from 2 to 8 November 2013. Both trainings were extremely important in terms of gaining technical and methodological background on several topics like planning, communication, management, M&E (in particular logframe as planning tool), finance matters, procurement and disbursement. As outcome of these trainings, it is expected that the PMT registers significant improvements in terms overall Project Leadership and Management.
- iv. **Communication, Articulation and Coordination.** PROSUL involves several stakeholders including National Directorates and Subordinate Institutions under the umbrella of MINAG, Provincial and District Governments, Apex Farmer Group Organizations and Private Sector, as well as financial institutions. Although still at early stage, the experience of the first year has shown that it is necessary to develop a strategy for efficient and effective involvement and communication.

- v. **Flexibility.** In particular for this first year of the Project implementation, it was inevitably to take into account the PDR. However, the reality has shown that the PDR is in many just indicative. This means that adjustments may have to be done always, with the exception of those situations or aspects having implications in the financing agreement.
- vi. **Planning, Monitoring and Evaluation Database and the Financial Management System - TOMPRO.** During planning, it became clear that using *excel* results in inefficiency and time consuming exercise. The same applies to the financing data management. In this way, it becomes imperative for the project to adopt the use of existing tools, namely M&E database and TOMPRO. However, it will be necessary that the M&E and KM officer and the Financial Administration Staff continue having a regular backstopping and technical assistance for knowledge consolidation.
- vii. **Capacity Building and Active Involvement of the CEPAGRI Delegation staff.** As a mechanism to ensure capacity building and knowledge transfer, the PMT works in close collaboration with the CEPAGRI Delegation staff, the PMT counterparts. The role of the delegation staff has been quite crucial to the day-to-day activities of the project, in all aspects. In particular, it can be highlighted the contribution of the Delegation Staff in planning process and financial and administration sector, where the Project only counts with the financial Assistant. However, there are challenges, and one of them is related to the English language. There is a need to train CEPAGRI Delegation staff and the PMT financial Assistant, and PROSUL Secretary/Assistant in English language.
- viii. **Establishment of e-SISTAFE.** The project has been making efforts for the installation of the e-SISTAFE System, which is a critical factor for future disbursements of funds by IFAD. In regard to this, the PMT has found that inspite existing two projects already operating in e-SISTAFE (PSP/PRONEA and PROPESCA), it persists a lack of clear guidance on steps to be taken and necessary adjustments that would allow adequate accountability in line with IFAD procedures. After all efforts, the project intends to proceed with just a simply and generic e-SISTAFE rather than programmatic. Apart from flexibility, this will help the Project avoiding regular requests of funds redistribution and easily report to the Ministry of Finance. To report in compliance with IFAD procedures, the Project will rely on TOMPRO.

#### **4. STRATEGIC DIRECTION, ACTIVITIES BY COMPONENT & RESOURCES PLAN**

##### **4.1. Strategic Direction, Objectives and Operational Guidelines for the Year 2014**

31. The year of 2013 was the first in terms of Project implementation. It was devoted for start activities. As the Project has started, the expectations from the potential beneficiaries, Government institutions at district and provincial level and other stakeholders are high, and they are anxious in seeing concrete actions in the field. As such, the strategic orientation and focus of the Project in 2014 are to ensure a rapid establishment of the LSPs and identify and carry out impacting activities in the field. In this context, the orientation for the key interventions of PROSUL in 2014 by component have been structured as follows:

###### **1) Component 1 – Horticulture**

- Development of irrigation technical studies;
- Rehabilitation of irrigation schemes in three selected clusters, namely: Moamba, Chókwè/Guijá and Manjacaze;
- Innovation development through farmer field schools (FFS) in collaboration with DNEA, DPA's and FAO; and
- Feasibility study for the horticulture service hubs.

###### **2) Component 2 – Cassava**

- Establishment of multiplication sites of cassava improved varieties (resistant to pest and diseases, and tolerant to drought);
- Innovation development through farmer field schools (FFS) in collaboration with DNEA, DPA's and FAO;
- Strengthening farmer group organizations including support towards their effective linkage to emerging cassava industry; and
- Feasibility study for the cassava service hubs.

###### **3) Component 3 – Red Meat**

- Conducting survey aimed at identifying strategic locations for water points, and then carry out construction, improvement or rehabilitation interventions;
- Revitalization of the Animal Health Agents network including training and provision of animal health kits; and
- Feasibility study for the slaughterhouse.

###### **4) Component 4 – Financial Services**

- Review of the component implementation approach
- Selection of participating financial institutions

5) Institutional support and project management

- Ensure the recruitment and complete establishment of 3 LSPs for the three targeted value chains;
- Ensure the recruitment and establishment of the Land Tenure Service Provider (LTSP);
- Capacity building and training in climate change including renovation of meteorological stations, training for LSPs and Government staff, and improve Project participation in climate change agenda dialogue;
- Baseline survey and effective operationalization of the PM&E system in line with the financial management system TOMPRO;
- Establishment of Regional Value Chain platforms and ensure their participation in planning processes and their representation at the Project Steering Committee (PSC)

## 4.2. Expected results in the year 2014

32. In this section, in each component, expected results have been grouped as shown in tables 9 to 13.

**Tabela 9: Expected Results – Component 1 - Horticulture**

Sub-component	Expected Results/Outputs	Summary of M&E indicators 2014	RIMS Indicator
<b>1.1 - Irrigated perimeters rehabilitated/ improved</b>	1.1.1: Irrigation schemes/perimeters rehabilitated/ improved	1 irrigation technical study; 9 irrigation perimeters rehabilitated/ improved (1,300ha)	Land under irrigation schemes constructed/rehabilitated
	1.1.2: Farmer organizations established or strengthened	500 smallholder farmers supported	Groups managing infrastructure formed/strengthened
	1.1.3: Capacity of farmers to manage irrigation schemes and develop their horticultural production/marketing systems strengthened	6 Farmer Field Schools established	infrastructure management and People trained in crop
<b>1.2 - Strengthening linkages between value chain stakeholders</b>	1.2.1: Marketing arrangements between producers and value chain actors facilitated	-	-
	1.2.2: Meteorological stations rehabilitated and capacity to disseminate information strengthened	1 meteorological station renovated	-
	1.2.3: Facilities established to support horticultural production and marketing	-	Marketing facilities constructed/rehabilitated

**Tabela 10: Expected Results – Component 2 - Cassava**

Sub-component	Expected Results/Outputs	M&E indicators 2014	RIMS Indicator
<b>2.1 - Strengthening linkages between value chain stakeholders</b>	2.1.1: Farmer organizations established or strengthened	300 smallholder farmers supported	Marketing groups formed/strengthened
	2.1.2: Capacity of farmers to develop their cassava production/marketing systems strengthened	30 potential enterprises trained	People trained in post-production, processing and marketing
	2.1.3: Facilities established to support cassava production and marketing	6 Farmer Field Schools established; Area of multiplication sites: 4 ha; 300 production kits made available	Marketing facilities constructed/rehabilitated and Processing facilities constructed/rehabilitated
<b>2.2 - Value chain environment</b>	2.2.1: Marketing arrangements between producers and value chain actors facilitated	-	-
	2.2.2*: Meteorological stations rehabilitated and capacity to disseminate information strengthened	1 Meteorological station renovated	-

**Tabela 11: Expected Results – Component 3 – Red meat**

Sub-component	Expected Results/Outputs	M&E indicators 2014	RIMS Indicator
<b>3.1 - Value chain environment</b>	3.1.1: Marketing arrangements between producers and value chain actors facilitated	3 innovation platforms and 1 regional VC platform	-
<b>3.2 - Production improvement</b>	3.2.1: Improved pasture management through ENRM plans	-	Environmental management plans formulated
	3.2.2: Soil carbon stock increased in grazing areas	-	-
	3.2.3 Farmer organizations established or strengthened	400 livestock small producers supported	Marketing groups formed/strengthened
			People in marketing groups formed/strengthened
			Marketing groups with women in leadership position
	3.2.4: Capacity of farmers to develop their livestock production/marketing systems strengthened	60 Animal Health Agents trained and 30 potential enterprises trained in Vet Stores management	People trained in livestock production and technologies
		-	People trained in post-production, processing and marketing
	3.2.5: Facilities established to support livestock production	3 water points rehabilitated/constructed	Livestock water points constructed/rehabilitated
<b>3.3 - Market linkages</b>	3.3.1: Marketing arrangements between producers and value chain actors facilitated	80 meat traders supported	-
	3.3.2: Facilities established to support livestock marketing	-	Marketing facilities constructed/rehabilitated
		-	Processing facilities constructed/rehabilitated
		-	Roads constructed

**Tabela 12: Expected Results – Component 4 – Financial Services**

Sub-component	Expected Results/Outputs	M&E indicators 2014	RIMS Indicator
<b>4.1 - Financial Services</b>	4.1.1 Financial products to support value chain development made available to value chain stakeholders	-	Active borrowers (enterprises)
		-	Enterprises accessing financial services facilitated by the project
		-	Value of the gross loan portfolio (enterprises) (USD)
<b>4.2 - Capacity Building</b>	4.2.1 Financial institutions strengthened	-	Financial institutions participating in the project
		-	Staff of financial institutions trained

**Tabela 13: Expected Results – Component 5 – Institutional Support and Project Management**

Sub-component	Expected Results/Outputs	M&E indicators 2014	RIMS Indicator
<b>5.1 - Institutional support</b>	5.1.1: Capacity of local actors on value chain development strengthened	-	Government officials and staff trained
	5.1.2: Country dialogue on climate-related issues supported	-	-
	5.1.3: CEPAGRI is capable to climate proof commercial agriculture, and contribute to the broader national and regional climate change agenda	1 CEPAGRI staff attending MSc in Climate Change Adaptation; 1 workshop on CC issues for Government Officials and LSP's; and 1 short training course in UK for the Project Coordinator	Government officials and staff trained
<b>5.2 - Land Tenure Security</b>	5.2.1: Land management and tenure security of farmers improved	Land Tenure Service Provider, GIS SP and LTA recruited	Land under improved management practices
<b>5.3 - Project Management</b>	5.3.1 Adequate goods and equipment available for PMT operations	-	-
	5.3.2 Financial Management system and Planning, Monitoring and Evaluation system established and operational	3 Project staff trained in Financial Management; 2 Project staff trained in TOMPRO; M&E database installed and operational; TOMPRO consolidated	Government officials and staff trained

### **4.3. Activities by Component**

33. In annex 2 (separate file in excel), activities by component are presented. As it can be seen, this annex presents detailed information including activity (number of order, name, activity unit and physical target); related activity in TOMPRO financial system to allow linking this with the M&E system; Implementation Location; adapted Schedule by Month as the M&E data base only allow schedule by quarter; estimated budget per activity in MZN; and Budget in MZN distributed according the source of funds (Financier).

### **4.4. Main Implementation risks**

34. The main implementation risks are:

- a. **e-SISTAFE.** A slight delay at the beginning of the use of the system can affect the whole process of implementation. The availability of funds is crucial.

- b. **Lead Service Providers (LSPs).** The AWPB for 2014 has been elaborated while the process of recruiting LSP was still ongoing. CEPAGRI is finalizing the recruitment of Cassava and Red meat LSP's, and preparing the relaunching tender for Horticulture LSP. Moreover, it is being prepared the process for recruiting LTSP and GIS SP. This means that the recruited LSPs will have to adopt this AWPB, and their capacity in all aspects including human resources is critical for effective implementation of this AWPB.
- c. **Human Resources.** First of all, the recruited PMT staff has to quickly understand the project, be enough creative, flexibly and be results oriented with adequate quality, and hence allowing appropriate guidance to Project stakeholders. In addition, it is critical to rapidly finalize the recruitment of additional staff foreseen including the Financial Manager (one of the primary conditions for further disbursement of funds), Procurement Officer and Climate Change.
- d. **Component 4 – Financial Services.** As it may be seen in the detailed plan of activities per component, the Project will start with the rehabilitation of irrigation schemes, strengthening farmer group organizations and other actors. The implementation of the financial services component should not register further delays, because it can jeopardize other Project activities, like production, construction of services hubs, etc.

## 5. TRAINING AND TECHNICAL ASSISTANCE

### 5.1. Summary of Training and Technical Assistance Activities and Budget for 2014

35. In 2014, the project will require technical assistance in all five (05) components of the Project. As illustrated in table 14 below, the total budget for technical assistance is estimated at 19.211.910,00 MZN.

**Tabela 14: Technical Assistance for 2014**

Component	Main Activity for TA	Budget in MZN
<b>C1. Horticulture</b>	Irrigation Technical Studies	3.510.000
	Horticulture Feasibility Study for Service Hubs	2.520.000
	Horticulture Scoping Study	2.160.000
<b>C2. Cassava</b>	Cassava Scoping Study	3.194.196
<b>C3. Red meat</b>	Red Meat Value Chain Scoping Study	2.520.000
	Slaughterhouse Feasibility Study	1.776.000
<b>Institucional Support and Project Management</b>	Institutional Development Plan, Communication Strategy and Capacity Building for Agribusiness Education	1.296.000
	M&E system	800.714
	TOMPRO	720.000
	PMT Performance Assessment Guidelines	300.000
	PROSUL Gender Strategy	415.000
<b>Total</b>		<b>19.211.910</b>

36. In addition to the technical assistance, the project will undertake training activities basically for PMT, CEPAGRI, DPA's, SDAE's, and MINAG National Directorates and Subordinate institutions. The total budget for these activities is estimated at 9.888.000,00 MZN (table 15 below).

**Tabela 15: Training for 2014**

Ref Act. Code	Main Training Actions for 2014	Budget in MZN
5.1.1	MSc in Adaptation to Climate Change	1.500.000
5.1.2	Short term training courses on: M&E and KM, value chain Approach GALS, English, Climate Change, Financial Management and Land Tenure Security	2.184.000
5.1.3	Workshop on climate change	5.400.000
5.3.1	Training on GALS methodology	804.000
<b>Total</b>		<b>9.888.000</b>



## 6. BUDGET

37. As mentioned before, the annex 1 presents detailed information on planned activities including budget. In this section, summary budget tables are presented, namely: Summary of Budget Components and Subcomponents X Financiers in MZN (table 16); Summary of Budget Components and Subcomponents X Categories in MZN (table 17); and Summary of Budget Expenditure Categories X Financiers (table 18).
38. Looking at table 16 of Budget Components and Subcomponents X Financiers in MZN, it can be seen that Component 1 has the highest percentage of the amount planned (49,3%). This is due to the fact that it has been foreseen carrying out rehabilitation works of irrigation perimeters. Component 5 occupies the second position (25.8%), followed by Red meat (14.7%). The implementation of Component 4 has not started, and it will absorb only 1,1% of the total amount planned. Main activities in this component may be related to the redesign and selection of participating financial institutions.
39. From table 17 of budget summary Components and Subcomponents X Categories, due to civil works related to the rehabilitation of irrigation schemes and water points, category I has the highest amount (82.226.870,00 MZN), followed by category III (48.730.353,00MZN). The financial services category has the lowest amount because Component 4 – Financial services still has to be reformulated.
40. In a form of loan, IFAD and STF will contribute with the amount of 56.330.546,00 MZN each (see table 18). The amount of grant planned is estimated at 38.030.457,00 MZN, from which ASAP contribute with 26.915.126,00 MZN, and the remaining 11.115.331 MZN from IFAD. The contribution of the GoM is estimated at 15.967.626,00 MZN, representing around 9% of the total amount.

**Tabela 16: Budget – Components and Subcomponents X Financiers**

Components and Subcomponents		Components and Subcomponent by Financiers in MZN						%
Code	Description	IFAD Loan	IFAD Grant	STF	ASAP Grant	GoM	TOTAL	
1	<b>Component 1 Horticulture</b>							
1.1	Rehabilitation & Expansion of existing irrigated perimeters	32.099.414	0	32.099.414	0	5.103.657	69.302.485	41,6%
1.2	Strengthening linkages between value chain stakeholders	3.793.800	0	3.793.800	3.294.600	2.010.000	12.892.200	7,7%
	<b>Total Component 1 Horticulture</b>	<b>35.893.214</b>	<b>0</b>	<b>35.893.214</b>	<b>3.294.600</b>	<b>7.113.657</b>	<b>82.194.685</b>	<b>49,3%</b>
2	<b>Component 2 Cassava</b>							
2.1	Strengthening linkages between value chain stakeholders	1.545.200	0	1.545.200	6.422.826	1.609.211	11.122.437	6,7%
2.2	Value chain environment	1.650.000	0	1.650.000	150.000	674.280	4.124.280	2,5%
	<b>Total Component 2 Cassava</b>	<b>3.195.200</b>	<b>0</b>	<b>3.195.200</b>	<b>6.572.826</b>	<b>2.283.491</b>	<b>15.246.717</b>	<b>9,1%</b>
3	<b>Component 3 Red Meat</b>							
3.1	Value chain environment	1.156.500	0	1.156.500	1.500.000	734.280	4.547.280	2,7%
3.2	Production Improvement	1.198.350	0	1.198.350	12.247.700	1.184.489	15.828.889	9,5%
3.3	Market linkages	1.738.650	0	1.738.650	0	645.600	4.122.900	2,5%
	<b>Total Component 3 Red Meat</b>	<b>4.093.500</b>	<b>0</b>	<b>4.093.500</b>	<b>13.747.700</b>	<b>2.564.369</b>	<b>24.499.069</b>	<b>14,7%</b>
4	<b>Component 4 Financial Services</b>							
4.1	Financial Services	35.400	0	35.400	0	0	70.800	0,0%
4.2	Capacity Building	576.000	0	576.000	0	576.000	1.728.000	1,0%
	<b>Total Componente 4 Financial Services</b>	<b>611.400</b>	<b>0</b>	<b>611.400</b>	<b>0</b>	<b>576.000</b>	<b>1.798.800</b>	<b>1,1%</b>
5	<b>Componente 5 Institutional Support and Project Managemento</b>							
5.1	Institutional Support	1.140.050	8.239.000	1.140.050	3.300.000	1.735.190	15.554.290	9,3%
5.2	Land Tenure Security	2.676.942	0	2.676.942	0	906.716	6.260.600	3,8%
5.3	Project Management	8.720.240	2.876.331	8.720.240	0	788.203	21.105.014	12,7%
	<b>Total Componente 5 Institutional Support and Project Managemento</b>	<b>12.537.232</b>	<b>11.115.331</b>	<b>12.537.232</b>	<b>3.300.000</b>	<b>3.430.109</b>	<b>42.919.904</b>	<b>25,8%</b>
	<b>TOTAL</b>	<b>56.330.546</b>	<b>11.115.331</b>	<b>56.330.546</b>	<b>26.915.126</b>	<b>15.967.626</b>	<b>166.659.175</b>	<b>100,0%</b>

**Tabela 17: Budget – Components and Subcomponents X Expenditure Categories**

Components and Subcomponents		Planned Expenditure Category Codes and Amount in MZN for 2014						
Code	Discription	I	II	III	IV	V	VI	TOTAL
1	<b>Componente1 Horticulture</b>							
1.1	Rehabilitation & Expansion of existing irrigated perimeters	69.123.751	0	178.734	0	0	0	69.302.485
1.2	Strengthening linkages between value chain stakeholders	0	2.820.000	6.907.080	3.165.120	0	0	12.892.200
	<b>Total Component 1 Horticulture</b>	<b>69.123.751</b>	<b>2.820.000</b>	<b>7.085.814</b>	<b>3.165.120</b>	<b>0</b>	<b>0</b>	<b>82.194.685</b>
2	<b>Component 2 Cassava</b>							
2.1	Strengthening linkages between value chain stakeholders	0	3.078.232	8.044.205	0	0	0	11.122.437
2.2	Value chain environment	0	0	164.280	3.960.000	0	0	4.124.280
	<b>Total Component 2 Cassava</b>	<b>0</b>	<b>3.078.232</b>	<b>8.208.485</b>	<b>3.960.000</b>	<b>0</b>	<b>0</b>	<b>15.246.717</b>
3	<b>Component 3 Red Meat</b>							
3.1	Value chain environment	0	0	4.547.280	0	0	0	4.547.280
3.2	Production Improvement	13.103.119	2.005.200	720.570	0	0	0	15.828.889
3.3	Market linkages	0	0	1.905.300	2.217.600	0	0	4.122.900
	<b>Total Component 3 Red Meat</b>	<b>13.103.119</b>	<b>2.005.200</b>	<b>7.173.150</b>	<b>2.217.600</b>	<b>0</b>	<b>0</b>	<b>24.499.069</b>
4	<b>Component 4 Financial Services</b>							
4.1	Financial Services	0	0	0	0	70.800	0	70.800
4.2	Capacity Building	0	0	1.728.000	0	0	0	1.728.000
	<b>Total Componente 4 Financial Services</b>	<b>0</b>	<b>0</b>	<b>1.728.000</b>	<b>0</b>	<b>70.800</b>	<b>0</b>	<b>1.798.800</b>
5	<b>Componente 5 Institutional Support and Project Managemento</b>							
5.1	Institutional Support	0	0	12.734.290	2.820.000	0	0	15.554.290
5.2	Land Tenure Security	0	0	6.260.600	0	0	0	6.260.600
5.3	Project Management	0	0	5.540.014	0	0	15.565.000	21.105.014
	<b>Total Componente 5 Institutional Support and Project Managemento</b>	<b>0</b>	<b>0</b>	<b>24.534.904</b>	<b>2.820.000</b>	<b>0</b>	<b>15.565.000</b>	<b>42.919.904</b>
<b>TOTAL</b>		<b>82.226.870</b>	<b>7.903.432</b>	<b>48.730.353</b>	<b>12.162.720</b>	<b>70.800</b>	<b>15.565.000</b>	<b>166.659.175</b>

**Tabela 18: Budget – Expenditure Categories X Financiers**

Expenditure Accounts/Category		Planned Expenditure Accounts by Financiers in MZN						%
Code	Description	IFAD Loan	IFAD Grant	STF	ASAP Grant	GoM	TOTAL	
I	Civil Works	32.016.014	0	32.016.014	12.247.700	5.947.142	82.226.870	49,3%
II	Vehicles, Equipment and	882.600	0	882.600	5.013.600	1.124.632	7.903.432	4,7%
III	Training, TA and Studies	11.749.792	8.715.331	11.749.792	9.653.826	6.861.612	48.730.353	29,2%
IV	Contractual Services	3.892.800	2.400.000	3.892.800	0	1.977.120	12.162.720	7,3%
V	Financial Services	35.400	0	35.400	0	0	70.800	0,0%
VI	Recurrent Costs	7.753.940	0	7.753.940	0	57.120	15.565.000	9,3%
<b>TOTAL</b>		<b>56.330.546</b>	<b>11.115.331</b>	<b>56.330.546</b>	<b>26.915.126</b>	<b>15.967.626</b>	<b>166.659.175</b>	100,0%

## **7. PROCUREMENT PLAN (PP) 2014**

41. In annex 6, the Procurement Plan (PP) 2014 is presented. As it can be seen, the PP 2014 is structured such that it illustrates the global plan, and then, this global plan is split in three parts: i) services, goods and works. The implementation of the PP 2014 is estimated at USD 1.292.185,03. The amount for works (2.101.772,33) represents the highest proportion (62%), followed by services (30,3%). Finally, the proportion for goods is 7.7%.

## **Annexes**

The following 6 annexes are presented in excel separate files.

**Annex 1 – Logical Framework**

**Annex 2 – Detailed Plan of Activities by Component and Subcomponents**

**Annex 3 – Summary of Budget Components and Subcomponents X Financiers**

**Annex 4 - Summary of Budget Components and Subcomponents X Expenditures Categories**

**Annex 5 - Summary of Budget Expenditures Categories X Financiers**

**Annex 6 – Procurement Plan 2014**