

**ANALYSIS OF THE STATE OF LABOUR-BASED  
TECHNOLOGY IN MOZAMBIQUE:**  
*A Review of Current Practice since 2005*

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## List of Acronyms and Abbreviations

ANE	Administração Nacional de Estradas - National Road Administration
Asdi	Agencia Sueca de Desenvolvimento Internacional - Swedish International Development Cooperation Authority
ASIST	Advisory Support Information Services & Training
CFE	Centro de Formação de Estradas - Road Training Centre, Chimoio
CNCS	National Council for the Combat of HIV/AIDS
DFID	Department for International Development (UK)
DPOPH	Direcção Provincial de Obras Públicas e Habitação - Provincial Directorate of Public Works and Housing
ECMEP	Empresa de Construção e Manutenção de Estradas e Pontes - Provincial Company for Construction and Maintenance of Roads and Bridges
FE	Fundo de Estradas - Road Fund
FRP	Feeder Roads Programme
HIPC	Highly Indebted Poor Countries
IDA	International Development Association
ILO	International Labour Organization
LRCI	Local Road Construction Industry
MF	Ministério de Finanças - Ministry of Finance
MOPH	Ministério de Obras Públicas e Habitação - Ministry of Public Works & Housing
mUSD	Million American dollars
MZM	Metical (unit of currency)
NORAD	Norwegian International Development Agency
PARPA	Plano de Acção Para a Redução da Pobreza Absoluta - Poverty Reduction Strategy Paper
STDs	Sexually transmitted diseases
TA	Technical Assistance
UASMA	Unidade das Assuntos Sociais e Meio Ambiente – Social and Environmental Issues Unit
WB	World Bank

## **BACKGROUND**

A firm commitment on the part of the Government of Mozambique and a consortium of donors working under the umbrella of the Feeder Road Programme has resulted in an expansion of the use of labour-based techniques for the rehabilitation and maintenance of feeder roads from isolated pilot projects into a institutionalised country-wide programme managed by the Directorate of Regional Roads of the National Road Administration and implemented by the Provincial Directorates of Public Works and Housing. Over 6,000 km of road were rehabilitated under the programme, contributing significantly to the resettlement of rural areas following the end of the civil war in 1992.

As a result of the high-level support the programme has enjoyed from government, it has evolved into one of the largest institutionalised labour-based road programmes in sub-Saharan Africa. The Government of Mozambique's Poverty Reduction Strategy Paper and the Road Policy recognize the need to use methods that create local employment opportunities.

The development of the FRP has been accompanied by major changes in the way that the road network is managed in Mozambique. The focus of the programme gradually switched from building capacity to construct roads, to strengthening the bodies responsible for their management.

All Government and donor support to the road sector is now coordinated under a Sector-Wide Approach within the 1.7 bUSD 10-year Roads III Programme, which commenced in 2002. This is a 3-phase programme designed to support the Government's Poverty Reduction Strategy Programme through the targeted improvement of road transport linkages throughout in the country in order to facilitate the commercialisation of agricultural surpluses and the delivery of development services.

The programme adopts an integrated approach for the road network as a whole, with major investments in the upgrading of the inter-provincial trunk routes and the reinforcement of sustainable mechanisms for the funding and management of road maintenance and the improvement of rural roads.

Major reforms of the road sector have been implemented in two phases since 1999. There has been a separation of the executive and management functions, which had been closely interrelated in the past. The National Road Administration, governed by a Road Board, has been created. The establishment of the Road Fund as a separate autonomous body under the World Bank's Road Management Initiative has enabled dedicated funding (of the order of 50 mUSD per year from road user charges) for road maintenance to be collected by the Government in a sustainable manner.

## 1 OBJECTIVES

The report presents an overview of the management of rural roads in Mozambique and an analysis of the state of Labour Based Technology since its first implementation in Mozambique in eighties, and changes since the 11<sup>th</sup> Regional Seminar for Labour-Based Practitioners held in Mombassa, Kenya, from 2<sup>nd</sup> – 7<sup>th</sup> October 2005 under the theme Integrated Labour-based Approach (LBA) for Socio-Economic Development. When preparing the assignment, the author felt the need to not only present the progress towards the 11<sup>th</sup> Regional Seminar but also provide a clear and concise picture of the status of Labour Based Technology In Mozambique.

## 2 INTRODUCTION

The management of all road maintenance, and tertiary, unclassified and urban roads has been decentralised to the Provincial Governments with a coordinating and monitoring role being given to the Directorate of Maintenance at ANE. Provincial Road Commissions have been created, and are to be the first stage in the establishment of the Provincial Road Administrations.

The Program “Institutional and Budget Support for the Decentralised Management of Regional Roads 2006 - 2010” is aimed at supporting this decentralisation process. Its design is based on the activities outlined in the Government's Poverty Reduction Strategy and the Road Policy. It is a key component of the Roads III Programme. Overall Goal of the Project is: *‘To improve the quality of the Regional Road network and the road maintenance carried out on National Roads’*, and three Project Purposes have been defined as: -

- Increase government agency capacity to plan and manage routine and periodic maintenance, and the rehabilitation of priority Regional Roads,
- Increase the private sector’s capacity to provide road maintenance, rehabilitation, project management and supervision services at provincial level, and
- Provide employment opportunities for rural communities, in particular their most disadvantaged members.

The Project sets out the range of activities considered necessary for improving the decentralised management of the road network and contribute to the above goals. Key areas for support have been identified as follows: -

- Building the capacity of the Directorate of Maintenance, former Directorate of Regional Roads of the National Road Administration to fulfil its new role and effectively coordinate the management of the regional road network,
- Strengthening the Provincial Road Departments of the Provincial Directorates of Public Works and Housing and assisting their transformation into Provincial Road Administrations,
- Budgetary support to the Road Fund for rehabilitation and periodic maintenance works on tertiary and unclassified roads,
- Establishment and strengthening of a representative nation-wide system of associations for contractors, with training and support for the contractors and other measures to create an environment that will encourage the private sector to flourish,
- Support for the training of local consultants,
- Mechanisms to improve the environmental management of work at provincial level and to increase the participation of women at all levels of the road sector.

Total cost of the 4-year support programme is 30,469,575USD, of which 21.8mUSD from Asdi, 7.5mUSD from DFID, and 1.2mUSD provided under existing WB Roads III allocations. Implementation started in the second quarter of 2006 and will run until mid-2010. Summarised activities and their respective costs are indicated below.

• Works:	Rehabilitation	- 10.5mUSD
	Periodic Maintenance	- 2.7mUSD
	Spot Improvement	- 0.8mUSD
	Provincial Supervision	- 3.5mUSD
• Training:	DPOPHs	- 0.6mUSD
	ANE	- 0.5mUSD
	Contractors	- 0.7mUSD
	Consultants	- 0.1mUSD
• Technical Assistance:	DPOPHs	- 3.4mUSD
	DIMAN	- 0.8mUSD
	FE	- 0.4mUSD
	ANE	- 1.6mUSD
	Contractors	- 0.6mUSD
• Gender and the Environment:		- 1.2 mUSD
• Studies and consultancies:		- 2.5mUSD
• Equipment:		- 0.6mUSD

### 3 POLICY FRAMEWORK

In common with other countries that have applied for HIPC debt relief, Mozambique has produced a Poverty Reduction Strategy Paper (PARPA). The document identifies the main causes of poverty in the country and sets out a detailed programme of activities to address them.

It forms the basis for the justification, implementation and monitoring of the government's policies, budget and programme for all sectors. It is intended to be a rolling and evolving instrument.

In 2005 an Institutional and budget support for the decentralisation of management of rural roads was prepared, where the principal results to be achieved within the road sector were defined as:-

- ◆ Reduce to less than 5 % the number of impassable roads; reduce to 25 % the percentage of poor quality roads (through labour based technology);

Other measures, which contribute to the promotion of employment and business development, include: -

- ◆ Update labour legislation, eliminating those aspects, which unnecessarily increase labour costs and create difficulties in terms of flexibility of the labour market;
- ◆ To update Commercial Law and eliminate those aspects which contribute to red tape, ensuring that it meets the needs of the present marketplace;
- ◆ To improve the business environment by making public institutions more effective, efficient and timely; Increase the participation of the private sector in the business sector, including their participation in restructuring state companies involved in infrastructure activities.
- ◆ Restructure the Small Industry Support Fund (FFPI), and expand its activities so that it will more effectively support micro, small and medium-sized enterprises.

#### **4 INSTITUTIONAL FRAMEWORK**

MoPWH has the overall responsibility for the roads sector. It sets policies and strategies. It oversees the proper functioning of the agencies under its responsibility, and coordinates their activities. MoPWH has an advisory unit called GAS (Gabinete de Assessoria e Supervisão), which assists the Minister in his sector oversight and policy setting functions.

As the Government of Mozambique is committed to a policy of decentralisation in the management of Regional Roads, the day-to-day management of Regional Roads is decentralised to the Provincial Directorates of Public Works and Housing, municipal councils and district administrations, whilst DIMAN has a coordinating and advisory role. Activities previously undertaken by the Feeder Road Programme (the rehabilitation and maintenance of tertiary roads) are now, together with the routine maintenance of the road network, the direct responsibility of the DPOPHs and their contractors in the provinces, under the overall coordination and monitoring of ANE's Directorate of Maintenance.

For the majority of the duration of the Feeder Road Programme, implementation of works on tertiary roads was carried out by the state companies (ECMEPs) that have until recently been responsible for the bulk of the country's road maintenance. As a result of Ministerial instructions, all works at provincial level are now put out to tender, with private sector companies winning a significant proportion of the contracts. Following on from the leads of the WB funded LRCI and DFID funded Zambézia Feeder Road Projects, donors have increasingly supported projects that include the development of small contractors. However there are still significant shortfalls in both numbers and skills amongst these small scale Mozambican contracting companies if the requirements for capacity to execute road maintenance and rehabilitation works are to be met. The companies also face constraints due to the difficult business environment in which they work.

The improved levels of rural access that have been achieved as a result of the Feeder Road Programme and other investments in the road sector have allowed rural economies to develop, and facilitated the reestablishment of educational, health and administrative services. The wages earned through the employment opportunities created by the programme have made a small contribution to the economic development of rural areas.

## **5 LEGISLATION**

The road sector legislation currently in place in Mozambique is favourable for the use of Labour Based Technology. The Government of Mozambique's Poverty Reduction Strategy Paper and the Road Policy recognize the need to use methods that create local employment opportunities.

In all, the ten-year Investment Plan calls for almost doubling the maintained tertiary network most of it accomplished via labour-based rehabilitation and maintenance techniques that have proved very effective under the Feeder Roads Program.

In 2006 was introduced in the provinces a manual that sets out procedures for the procurement and management of contracts. These procedures which, form the basis of a transparent and appropriate procurement process favour the promotion and use of labour based technology on all works carried out in the provinces, especially in the regional road network

## **6 CONTRACTS**

The current contract documents are suitable to Labour Based Technology. The last update of these contracts, in 2005 form part of the measures that the Government put in place to allow the private sector to increase the benefits they gain from the development of the construction industry and to increase their ability to manage Labour Based contracts.

The capacity to manage contracts at provincial level has lagged behind the development of contractors. ANE has taken various initiatives to stimulate the development of national consulting companies in the road sector. International consultants have been encouraged to associate with national consultants in the design and supervision of major projects, including labour based projects. Currently all the works carried out on the provinces are supervised by national consulting companies.

On a Labour Intensive Road Programme to mitigate the impact of drought in the provinces of Gaza, Inhambane and Tete, funded by DFID, contract clauses were introduced aimed at increasing the benefits of these major works contract for the local population. Requirements included:-

- ◆ The temporary workforce be recruited entirely from local residents;
- ◆ Women made up at least 15% of locally recruited labour;
- ◆ The value of temporary employment be worth at least 2.6% of the total contract value;
- ◆ Compliance with local labour legislation;
- ◆ Certain activities were specified to be undertaken by labour based methods;
- ◆ A minimum of 100,000 USD of work was to be awarded to local SMMEs.

The wages earned through the employment opportunities created have made a small contribution to the economic development of rural areas, and a larger contribution to the lives of individual families involved.

As per PRISE indicators the percentage of maintenance contracts with more than 30% of its value spent on wages in 2006 were 40% and the share of the roads budget paid to local firms 24%.

## **7 INCENTIVES**

There are incentives for the use of Labour Based Technology. Those incentives are clearly stated on the bidding documents and form part of the procedures for the evaluation and identification of the successful contractor. Therefore, in 2006 the Government approved the decree 54/2005 “Regulamento de Contratacao de Empreitada de Obras Publicas, Fornecimento de Bens e Prestacao de Servicos ao Estado” which gives a domestic preference (10%) for Mozambican contractors. In the bidding documents updated and implemented from 2005, there are incentives for proposals that present a certain percentage of works to be done through labour based methods although on these contracts, certain activities are specified to be undertaken by labour based methods.

Delays in the payment of invoices are a major constraint on the operation of small contractors, as they do not have the financial capacity to operate efficiently and survive without a regular income. Delays also act as a particular discouragement / disincentive to contractors to use labour-based methods, because workers’ salaries have to be paid on time if the technique is to be used effectively.

As a measure to encourage the use of LBT, the time taken to pay invoices in compliance with contractual requirements is being monitored, taking corrective measures if and when necessary.

## **8 CAPACITY BUILDING**

Promotion of local contractors through training (including in labour-based methods) and a business environment that includes the award of appropriately sized contracts and the punctual payment of invoices form part of the activities carried out during 2005-2007 in order upscale LBT works.

It is important that contractors are aware of the benefits both to themselves and to the community as a whole in the use of labour-based techniques. The successful use of labour-based methods requires skills in the organisation and management of the workforce that are not always possessed by contractors.

For routine maintenance, which is in any case relatively labour-intensive activity, the difference between normal and labour-based techniques is not great. However for periodic maintenance and rehabilitation there needs to be a major difference in the approach to the works, and it is here that training is important and will produce benefits in terms of efficiency for the contractor. Training will also lead to improvements in the quality of works.

Contractors have been required to contribute to costs for additional training, but even these relatively modest values have been beyond the means of the smaller contractors. Recent attendance by small contractors on the courses held by CFE in Chimoio has not been good.

It is important that training forms a part of the capacity building initiative for contractors. Attendance on recognised courses should be a requirement for staff that is to be assigned to road maintenance and rehabilitation contracts.

During the reporting period, training also formed part of various support programs in order to develop local contractors, such as the spot improvement program in the provinces of Manica, Tete and Cabo Delgado and the Cabo Delgado Tertiary Roads Project.

## **9 RESEARCH AND DEVELOPMENT**

As part of decentralization of management of regional roads the following studies have been undertaken:

- ◆ The Engineering Standards and Life-Cycle Costs for Low-Volume Unpaved Roads Study.
- ◆ Studies into specific institutional and procedural issues related to regional roads: -
  - Provincial Level Organizational Study, finished in 2006.
  - Development of Planning Framework, finished in 2006.
  - Contract Management Procedures, finished in 2006.

- Private Sector Development, on going.
- Spot Improvement Guidelines, finished in 2006.
- Systems for planning road maintenance and rehabilitation in the provinces, finished in 2006.
- Standard contract documents and specifications, finished in 2006.

These studies have been disseminated to the practitioners through workshops and on job training.

The Life Cycle Costs and Engineering Standards Study is an example of an initiative where Mozambican engineers are carrying out research and contributing to an international research programme.

Funding is provided for continued involvement in these programmes to give national engineer's exposure to a wide range of ideas that can be put into practice in Mozambique, and increases their technical confidence.

## **10 AWARENESS RAISING AND ADVOCACY**

The awareness and advocacy at high levels of government is being done through the Inter – ministerial commission of roads at national level and through the provincial commission of roads at provincial level.

ANE, through its Directorate of Maintenance and the Gender, HIV, and Environmental Unit has the role of develop, disseminate and monitor different and appropriate forms of advocacy to be implemented on the use of local resources and labour-based methods, by contractors and consultants.

During the reporting period, efforts have been made to full establish and make operational the provincial commissions of roads in all provinces.

## 11 FINANCIAL

The financial allocation for the road sector is done through the Road Fund (FE).

The Road Fund is an autonomous, fully operational body, overseen by its Board. The objectives of the Road Fund (FE) are to guarantee financing for the implementation of the government's policies on maintenance and development of public roads, and promote increasing participation of road users in the provision of funds. The FE is responsible for collecting funds (from government and external sources), approving spending plans and disbursing funds for work completed according to pre-approved budgets and programmes.

Principal task of the FE is to receive fuel levies from the Ministry of Finance, and then allocate, disburse and monitor the use of these funds by ANE, the DPOPHs and Municipalities to cover road maintenance activities. The FE is responsible for carrying out financial and technical audits of its expenditure, including works done in the provinces. There is a close liaison between staff of the FE and the Directorate of Maintenance. They collaborate in the preparation of annual plans and budgets, the establishment of procedures and in the inspection of works in the provinces.

The majority of road sector expenditure passes through the Road Fund, which reports to the Treasury on the expenditure of national and foreign-sourced funds. The 'ring-fenced' nature of the Road Fund means that although its expenditure plans (for both nationally and internationally sourced funds) are included within the national budget, its income does not all pass through the Treasury.

In order to improve the sustainability of the road programme, the government is taking steps to guarantee the regular and timely flow of the funds necessary for the expansion and maintenance of the network, investigating new forms of finance.

The provision of adequate funding for maintenance activities is fundamental for sustainability. Although the Road Fund is at present able to finance planned maintenance activities, the situation is delicately balanced and requires regular monitoring.

A major innovation adopted in the preparation of the PRISE has been the establishment of a pooled fund into which the Road Fund, World Bank, European Union and DFID contribute non-earmarked financing. This fund will be used by the Road Fund to finance activities in accordance with the priorities of the sector using standardised Government procedures. At present pooled funding from Road Fund and development partners' accounts for 308.5 mUSD of the total PRISE programme value of 1,043.2 mUSD. The move to pooled funding, effectively sector budget support, has been made by development partners based on the undertakings they made in the Paris Declaration to channel an increasing proportion of development support through beneficiary governments.

Above is presented the level of financial allocation for regional roads.

Table 1: Budget allocation for regional roads 1999-2006

<b>Year</b>	<b>Budget (USD)</b>
1999	7,708,892
2000	7,563,524
2001	9,290,333
2002	19,078,808
2003	22,047,470
2004	25,211,788
2005	33,519,180
2006	36,387,192

## **12 EQUIPMENT**

There are three broad mechanisms for small contractors to gain access to equipment in Mozambique:

- (i) By hiring privately or from the government-owned plant hire companies
- (ii) Through central procurement of equipment by the government and allocation to contractors engaged on specific projects
- (iii) By direct procurement from equipment suppliers (contractor self-help).

Constraints faced by small local contractors in procuring and maintaining adequate equipment to enable them to compete for work in the road sector include:

- ◆ Lack of continuity of work to enable contractors to repay loans
- ◆ Late payment of invoices for work done
- ◆ Subsidised equipment provided to the provincial ECMEPs which enables them to operate at sub-economic rates
- ◆ Lack of access to credit
- ◆ The high cost of spare parts
- ◆ In some areas lack of availability of spare parts
- ◆ Lack of qualified and experienced equipment operators and mechanics.

Commercialisation of road sector activities is seen as an important factor in the development of the sector. This implies that the rates charged for the use of equipment should include for the full economic cost of that equipment, including the capital cost.

There is now an opportunity to use the potential of the Road Fund to stimulate market conditions, which provide easier access to equipment for small emerging contractors. This process will not happen automatically. It will require careful planning, good management, and the creation of increased confidence in the sector.

Commercialisation of road sector activities and the payment of adequate rates for work executed are key components in creating confidence among equipment suppliers and financial institutions. This confidence is the basis for providing increased access to equipment for small contractors.

The contractor self help approach was the option used for equipping small local contractors in Cabo Delgado tertiary roads project. Contractors were required to negotiate deals with equipment suppliers as part of their training and development and, six contractors' successful finished negotiations with dealers in 2007.

But in order for this process to work, ANE had to provide significant support in the following areas:

- ◆ create awareness in the local business community of the objectives of the project and planned spending on road maintenance.

- ◆ provide appropriate management systems and adequate management capacity in the provincial department of roads to ensure that planned work programmes are achieved.
- ◆ ensure that adequate funds are available in the province to enable the provincial department of roads to pay contractors promptly for work done.
- ◆ train contractors in basic accounting and business management to enable them to present clear financial proposals to equipment suppliers.

### **13 LINKAGES**

The Labour Based infrastructure initiatives are integrated into wider development plan through the inter-ministerial commission of roads. The inter-ministerial roads commission is the government's body for the road sector, which its role is:

- ◆ to propose the objectives of the policy of roads in the social, economic and environmental sectors;
- ◆ to identify the economic, financial and institutional factors that affect the execution of the objectives of the policies of roads and to consider their solutions;
- ◆ to appreciate and harmonize the programs of development and conservation of the national road network and to decide on necessary measure to achieve this;
- ◆ to make known the overall aspects of the national programs for roads and to recommend measures / actions to be taken by the central and local agencies of the state as well as other organisations operating in the roads sector;
- ◆ to provide integrated strategies for implementation of national programs of roads;
- ◆ to consider areas of study and research for the development of innovative techniques in respect to contracting, employment, conservation, recovery, and the method of management of roads to be carried out by ministries and other public organisations;
- ◆ to establish pertinent linkages with all sectors dealing with the roads sector;

This integrated approach contributes to a rapid economic growth, which is seen as essential component in the reduction of poverty and ensures that growth is inclusive, so that the poor will benefit. This will occur through improved access to assets and the more efficient use of them by individuals, families and other institutions, especially in rural areas.

The best practices, experiences and information from LB infrastructures initiatives is shared amongst practitioners and other stakeholders through seminars which are conducted during the main phases of all relevant projects.

## **14 CROSS CUTTING ISSUES**

### **14.1 SOCIAL DEVELOPMENT**

Poverty reduction will be targeted by improving access to allow the export of produce from rural areas, creating employment opportunities, developing the private sector and increasing access to public infrastructure services and facilities.

ANE has been active in promoting the introduction of social objectives in the road programme. The Social and Environmental Issues Unit (UASMA) in ANE evolved from the gender initiatives first introduced to promote increased employment opportunities for women in the labour-based brigades of the Feeder Road Programme in the mid 1990ies. The Unit now has responsibilities that include the monitoring of socio-economic impact of road sector investments, the inclusion of activities to combat the spread of HIV/AIDS in the road sector, the promotion of employment and training and compliance with environmental legislation.

UASMA supports the Directorate of Maintenance, as well as the provincial authorities. At provincial level, training and monitoring of the topics within UASMA's area of remit is carried out. Contract provisions include incentives for the use of labour-based techniques, and recruitment is carried out in such a way as to maximise the participation of members of local communities.

Monitoring of the impact of social development is carried out as a part of the overall monitoring of the impact of the road programme that is performed out by UASMA using socio-economic surveys.

### **14.2 GENDER**

Policy on gender issues in Mozambique is determined by inter-ministerial consultation led by the Ministry for Women and Social Affairs. Individual ministries were attributed tasks based on the

Declaration of Beijing. For MOPH, tasks included increasing the involvement of women in work in the road and rural water supply sectors, as well as training for female members of the workforce. The ongoing programme in ANE is linked to government policy and supports the achievement of the tasks assigned to MOPH. The Ministry has established gender focal points at national and provincial levels, but they are aimed at Ministry staff and have insufficient capacity to outreach to road contractors' workforces. UASMA therefore assumes the role of advising DPOPHs on these issues.

Provisions for the employment of women continue to be made in the contract documents used by the Provincial Directorates of Public Works and Housing for road maintenance and rehabilitation works. Statistics are monitored by the inclusion of data on the employment of labour, broken down by gender, in the report formats from the provinces.

A benchmark of 25% of the workforce being female continues to be adopted, but provinces are encouraged to increase this if found to be appropriate when taking into account the social and cultural circumstances of an individual province.

Experience during the FRP demonstrated that women could work successfully on all labour-based road rehabilitation and maintenance activities. However the conditions on the worksite were important for women to feel comfortable about undertaking activities in what is still very much a male dominated sector: -

- ◆ Labour should be recruited from local communities within a short walking distance of the works to avoid the need to construct camp sites for the casual labour force;
- ◆ Male foremen and supervisors must be given clear instructions to avoid harassment and exploitation of female workers by themselves or others;
- ◆ Site councils should be established where workers have an opportunity to raise grievances whether related to harassment or not.

UASMA are involved in the monitoring of contracts to ensure that these conditions are being provided, and the level of employment opportunities are being created for women.

### 14.3 ENVIRONMENT

The Ministry for Environment main function was defined as the promotion of sustainable development in the country; its objectives and main areas of activity include:

- ◆ Inter-sectoral co-ordination;
- ◆ Research, planning and management of natural resource;
- ◆ Research and studies of environmental sustainability;
- ◆ Environmental education and training, and information disclosure;
- ◆ Formulation of policies, laws, regulation and standards regarding the sound usage of natural resources, and following up on their implementation;
- ◆ Promotion of environmental assessment of development projects and activities;
- ◆ Monitoring and quality control of environmental components (air, water, soil and other environmental components).

ANE has been conducting, an Environmental Training Program to increase awareness amongst road sector staff. However, at provincial level there is still a low level of awareness of environmental issues, specifically in the area of Environmental Impact Assessment.

The rehabilitation or maintenance of regional roads rarely requires that such studies be carried out, due to the limited nature of the work involved. In cases where studies are necessary, they must be submitted to Ministry of Environment for approval and the granting of an environmental licence.

ANE is currently investing in the training of DPOPH staff, contractors and their own staff to increase their awareness of environmental issues and the protection measures that are necessary. Guidelines and Directives have been produced to help the technicians, consultants and the contractors in the consideration of environmental issues from the beginning of a road project.

Environmental Clauses were inserted in the Roadwork Contracts in order to assure that proper attention is given to environmental issues and there is compliance with the requirements regarding protection and improvement of the road environment.

Key to the avoidance of the environmental problems that might arise on rural roads is the application of sound engineering in the design of the work, such as the careful design, construction and erosion protection of ditches and drainage structures and the placement of

traffic signs and speed humps at danger spots. The use of technical solutions that are sensitive to the environment is the most effective way to avoid problems.

#### **14.4 HIV/ AIDS**

As with other countries in Sub-Saharan Africa, HIV/Aids is arguably the greatest challenge to future development in Mozambique. ANE has been in the forefront of the development of methods for the dissemination of information and protective measures to help fight its spread. Workers in the road construction and transport sectors who spend long periods away from their homes are particular risk groups.

ANE's HIV/AIDS programme is coordinated with and forms part of the Ministry of Health's national programme for the combat of HIV/AIDS. It is based on the strategy defined by the National Council for the Combat of HIV/AIDS (CNCS). Individual organisations are responsible for implementation of activities within their own areas of operation, in the case of ANE this is the road sector and includes the role of advising the provincial road departments. The programmes of individual organisations are designed in accordance with the strategy of the CNCS.

Under this strategy each organisation manages interventions in the areas that it best understands. Resources are channelled accordingly. MOPH does have a focal point for HIV/AIDS at national and provincial levels. However their capacity, training, experience and operational resources are aimed at the relatively limited number of Ministry staff rather than workers in the road sector in general, contractors' and consultants' employees.

The Road Fund allocates a proportion of its expenditure on HIV/Aids prevention measures at national and provincial level. All road sector contracts at both national and provincial levels include requirements for contractors to provide condoms and educate their workforce in safe-sex behaviour.

Contractors are required to sub-contract suitably experienced NGOs or other partners to carry out this work. Staffs from UASMA monitor the implementation of these measures at national and provincial levels.

Activities include:-

- ◆ Reduction in levels of stigmatisation and discrimination against those suffering from HIV/AIDS through publicity, peer-educator groups and discussion;
- ◆ The distribution of condoms;
- ◆ Signboards, distribution of printed publicity and promotional material, and events such as football matches;
- ◆ Theatre, video and promotional events;
- ◆ Peer education groups;
- ◆ HIV/AIDS activities during meetings;
- ◆ Diagnosis and treatment of STIs;
- ◆ Access to counselling and voluntary testing;
- ◆ Psychological support and health care (including prevention and treatment of opportunistic infections) for workers infected and affected, as well as their families;
- ◆ Referral of HIV positive workers for treatment.

Contractors are responsible for the employment of specialist organisations to carry out these programmes. At least two hours per month are made available for these activities during working hours.

## **15.5 GOVERNANCE**

Although there is considerable risk of poor governance and corruption in the sector, such risk is not disproportionate compared to those for other sectors or similar countries. Various measures have been taken to mitigate against such risk: (i) the sector investment program has been defined through a participatory and lengthy planning process with a large number of civil society representatives and stakeholders; through this process a detailed investment program has been defined, (ii) a monitoring system for the implementation has been defined and clear responsibilities for the monitoring function have been assigned;

(iii) the governance structure of the sector is elaborate, with clear distinction of the roles and responsibilities of the various bodies, including the separation of oversight functions (the Ministry), financing (the Road Fund), and execution (ANE); both RF and ANE have Boards of Directors with private sector representation.

## 16 CONCLUSIONS

1 The use of contracts and procurement procedures that are appropriate for the value of the works involved is essential if small contractors are to participate. Performance bonds, minimum limits for previous experience, limits on the size and duration of contracts and complexity of the documentation are all factors that reduce the chance of the small contractor being able to tender, let alone win a particular contract.

The standard contract formats developed must be reviewed in the light of the investigations into the constraints facing the private sector, and adjustment made that will improve the situation without unduly increasing the risk to the client.

2 The successful growth of local contractors (using LBT) is dependent on a variety of factors, some of which require support from government in the form of statements of policy such as the commitment to put works out to competitive tender. Other areas where similar commitments may be found to be necessary are in: -

- ◆ Provisions for local contractors to work as associates or sub-contractors to larger contractors;
- ◆ Differences in the tax regime related to the temporary and permanent importation of construction equipment;
- ◆ Perspectives of longer-term workloads in the sector;
- ◆ Provision of guarantees for finance for the purchase of equipment;
- ◆ Simplification of procedures for contractor registration;
- ◆ Relaxation of registration requirements for micro-contractors.

3 Consultants' experience of labour-based works is limited. Training need to be provided in three key areas:-

- ◆ The reasons for using labour-based methods;
- ◆ Appropriate designs for construction by labour-based methods;

- ◆ Supervision of labour-based activities.
- 4 The use of labour-based methods by contractors brings some advantages - simple techniques and equipment, low levels of investment, but also various disadvantages that include the need for good management skills. There is often a preference amongst contractors to use heavy equipment, which can be overcome by training and making examples of successful labour-based contractors.
  - 5 Labour-based methods are most readily adopted by small and emerging contractors because of the relatively low investments involved in comparison with machine-based works. This needs to be discussed in the private sector training courses, and the adoption of incentives in contracts for the use of labour-based methods must also be considered.
  - 6 The development of local contractor operations in remote areas in the country is constrained by the lack of educated and skilled personnel available for recruitment and training. The development of the local construction industry provides opportunities for the development of small service industries. This can provide additional benefits, and contribute to the long-term sustainability of L-B project achievements.
  - 7 The road sector reforms that have been implemented during the last years have set in place a system that can provide sustainability for the management of the sector. They will enable activities to be increasingly decentralised in the future with greater local involvement in road planning and operations.
  - 8 Road Projects contributed to reducing poverty through generating employment opportunities, lowering transportation cost and reducing travel time though no specific study was carried out to measure its impact on poverty.
  - 9 Road Projects contributed to promoting employment opportunities for women both at the project sites and in ANE offices at headquarters and in provinces, though no specific data is available. The social and environmental unit, USAMA, has carried out base line studies and it is too early to measure the real impact on gender aspects.

- 10 Road Projects contributed to social aspects like preventing the spread of HIV/AIDS through conducting awareness campaigns, distributing condoms at work sites, introducing HIV/AIDS prevention clauses in the contract documents, and compiling base line studies for some project

## **17 RECOMMENDATIONS**

- 1 Decentralised project management can be an advantage if combined with ongoing accountability. The supervision requirements of site works in remote areas should not be underestimated. Alternative contract strategies can be adopted to mitigate weakness in the supervision, as long as contractors are sufficiently experienced to carry the additional risk that this might involve. The GoM is able to contribute significantly to district-based projects in the road sector, but these contributions should be consistent with existing capacity.
- 2 Technical assistance teams tasked with supporting private sector development should themselves have first-hand experience of working in the private sector.
- 3 Engineering graduates in Mozambique often lack opportunities to gain experience in the field under close supervision, and with well-defined objectives. This experience can be provided through involvement in district-based road development projects.
- 4 Community monitoring groups can contribute significantly to increased compliance by contractors with social requirements of contracts. But the success of these activities is dependent on the commitment of the contractor and perseverance and support on the part of the client.
- 5 Contractor commitment to complying with social aspects of contracts should be considered in tender evaluations and the award of further works contracts.
- 6 Acceptance of the lowest tender price can lead to unsuccessful implementation of contracts. The contractors' financial risks are invariably passed on to the local workforce, which is supposed to be primary beneficiary of the project. There is a need to disregard tender price that are more than 10% lower than the engineer's estimate for the works.

- 7 Emerging local contractors need confidence in the commitment of the government and road authorities to the long-term development of private sector contracting. Competitive tendering is the only viable in circumstances where the supply of work is closely related to the demand.
- 8 Although the contract documents are being updated in regular basis, they should be appropriate to the level of sophistication of contractors and supervisors alike and should be tailored to suit local conditions.
- 9 Considering that in Mozambique the policy is in place and the Government is committed with the policy, there is a need to upscale the labour-based technology to the district level, through the provincial road commission.
- 10 For the more established contractor who may not need the full complement of equipment, financial assistance could be in the form of providing funds to pay deposit for equipment purchase, through granting of higher and secured advanced payments from on-going contracts, rather payment of full amount. Repayments will be made through deductions of a prescribed percentage of every valuation in the normal way.
- 11 The Ministry is responsible for the operation of a system for the registration and granting of licenses (*alvarás*) to construction contractors, which is now largely decentralised to the provinces. The minimum required *alvara* should be reviewed in order to allow the participation of small contractors on bidding process.

## 18 DOCUMENTS CONSULTED DURING THIS ASSIGNMENT

Document
Road Sector Strategy (Road Sector Strategy 2007 –2011, Final Report, August 2006)
Road Sector Integrated Program 2007–2009 (PRISE – Programa Integrado do Sector de Estradas, Implementation Plan 2007 – 2009, Final Summary Plan, February 2007)
Performance Assessment Framework (PAF) for PRISE (Road Sector Program, PRISE 2007 – 2009: Performance Assessment Framework, February 2007)
Decrees 20 through 23/2003 of May 20 – Statutes creating the institutional and financial framework of the Roads Administration System, creating the Road Fund, and approving ANE’s existing organizational structure.
Decree 54/2005 of December 13 – Government Procurement Regulation, <i>Regulamento de Contratação de Empreitada de Obras Públicas, Fornecimento de Bens e Prestação de Serviço ao Estado</i> .
New decree establishing ANE [Draft version submitted to the Cabinet for approval, to be replaced by final version when published in the GoM Official Gazette.]
Decree 103/2006 of June 1 2005, Approval of the reclassification of the road network, <i>Aprova a classificação de estradas do país, e revoga a anterior classificação</i> .
Institutional and Budget Support for decentralized Management of Regional Roads (2006-2010).

## **19 PERSONS CONTACTED DURING THIS ASSIGNMENT**

1	Antonio Mambo	Interim Director of Maintenance
2	Joao Mutombene	Head of Operations Department – RF
3	James Markland	Technical Assistance - ANE
4	Jorge Muonima	Regional Roads
5	Cesar Macuacua	Regional Roads
6	Isac Ibrahim	Planning
7	Deolinda Nunes	Environment
8	Emilia Tembe	Gender/Social
9	Vera Zuca	HIVE/AIDS
10	Angelina Balate	Gender
11	Per Christiansen	Technical Adviser – Danida
12	Natalia Chongo	Procurement
13	Celso Nicols	Local Consultant
14	Silvestre Elias	Provincial Delegate
15	Luis Abílio	Contractors’s Representative

## Mozambique

Enabling Environment		
Policy Framework – Key Question (in bold) and Issues	Policy - status/progress as reported in Mombasa 2005	Policy - update on status/progress in 2007
<p><b>Is policy supportive of LBT and what work has been done to strengthen policy on LBT and make it operational over the last two years?</b></p> <p>(i) Is use of local resources and LBT in infrastructure investment mentioned in key policy documents, eg Vision Statement, NDP, PRSP, Macro Economic -Sector and Cross Cutting policies? If so, please give example.</p> <p>(ii) Is Privatization policy encouraging the involvement of local actors? How?</p> <p>(iii) Is Procurement policy favouring the use of local resources and LBT? How?</p> <p>(iv) What policies are ‘missing’ or need changing to increase the uptake of LBT?</p> <p>(v) What signs are there to indicate that policy promoting the use of local resources and LBT have become operational?</p> <p>(vi) If relevant policies are in place, but there is no or little activity on the ground, what could be the problem?</p>	<p>Strategy and Policy for the Road Sector-2001 established and are under implementation.</p> <p>Mainstreamed by the Roads III Program (2002-2012)</p>	<p>The Program “ Institutional and Budget Support for the Decentralised Management of Regional Roads 2006 - 2010” is aimed at supporting this decentralisation process. Its design is based on the activities outlined in the Government’s Poverty Reduction Strategy and the Road Policy. It is a key component of the Roads III Programme. Overall Goal of the Project is: <i>‘To improve the quality of the Regional Road network and the road maintenance carried out on National Roads’</i>, The Program “ Institutional and Budget Support for the Decentralised Management of Regional Roads 2006 - 2010” is aimed at supporting this decentralisation process. Its design is based on the activities outlined in the Government’s Poverty Reduction Strategy and the Road Policy. It is a key component of the Roads III Programme. Overall Goal of the Project is: <i>‘To improve the quality of the Regional Road network and the road maintenance carried out on National Roads’</i></p>
Institutional Framework- Key Question (in bold) and Issues	Institutional Framework - progress as reported in Mombasa 2005	Institutional Framework - update 2007
<p><b>Are there institutions specifically charged with operationalising/promoting LBT works, eg a specific unit or department? If so, are they effective, if not, what institutional framework is being considered to support LBT?</b></p>	<p>Directorate of Regional (rural) Roads is in place since 1999 Management of roads in terms of:</p> <ul style="list-style-type: none"> <li>▪ Routine maintenance of primary roads</li> <li>▪ Rehabilitation, periodic maintenance, spot</li> </ul>	<p>In April 2007 a new structure was approved by the council of ministries:</p> <p>ANE's ten provincial Delegations are</p>

<p>(i) What is the role of this(ese) institution? Eg planning, capacity building, resource mobilisation, legislation, standards, implementation, M&amp;E, promotion of LBT etc?</p> <p>(ii) Are these institutions influencing across sectors, or specifically for one line ministry/sector?</p> <p>(iii) Are they supported by policy, and/or what role do they play in policy formulation</p>	<p>improvement and routine maintenance of regional roads was decentralised to Provincial Levels in 2000. Still decentralising to district levels</p>	<p>responsible for the implementation of the maintenance programme (on classified roads) and for works on tertiary and vicinal roads. The provinces will be responsible for the implementation of projects up to the limit of the equivalent of 1 mUSD.</p> <p>The Directorate of Maintenance will have a crucial role in ensuring that the Delegations in the provinces are fully aware of the technical and operational guidelines to be followed in implementing the annual maintenance plan; and that roads of all types (Primary, Secondary, Tertiary, vicinal, paved, unpaved) are being maintained in accordance with the guidelines set down and providing value for money. The directorate's role also includes providing technical advice to the provinces. .</p> <p>The Directorate also has a key role of providing guidelines, advice and technical assistance to staff at a provincial level. 1</p>
<p><b>Legislation - Key Question (in bold) and Issues</b></p>	<p><b>Legislation - progress reported as in Mombasa 2005</b></p>	<p><b>Legislation - update 2007</b></p>
<p><b>Are there any certain pieces of legislation that make the use of LBT difficult or unfavourable? If so, what has been done to correct this?</b></p> <p>(iii) Is existing (relevant) legislation in general appropriate for the promotion of LBT. eg labour laws, procurement legislation etc?</p> <p>(ii) How is relevant legislation enforced on LB projects; are there enforcement mechanisms in place?</p>	<p>There is action plan (revised and ammended annually) which instructs and guides the provincial directorate of Public Works and Housing on the implementation of road activities on:</p> <ul style="list-style-type: none"> <li>▪ Planning and prioritization</li> <li>▪ Procurement procedures</li> <li>▪ Funding allocation</li> <li>▪ Type of contracts</li> <li>▪ Reporting forms</li> </ul>	<p>The legislation which, is in place is appropriate for the promotion of LBT.</p> <p>In all, the ten-year Investment Plan calls for almost doubling the maintained tertiary network most of it accomplished via labour-based rehabilitation and maintenance techniques that have proved very effective under the Feeder Roads Program.</p>
<p><b>Contracts - Key Question (in bold) and Issues</b></p>	<p><b>Contracts - progress as reported in Mombasa</b></p>	<p><b>Contracts - update 2007</b></p>

<p><b>Are contract documents suitable for LB contracting, ie for contracting smaller domestic firms? Have there been any improvements or amendments over the last two years</b></p> <p>(i) Are there Special Considerations in LB contracts, eg targeting, labour management, labour standards etc?</p> <p>(ii) Are contracting procedures appropriate? Eg packaging of works, tendering procedures, relaxed collateral requirements etc</p> <p>(iii) Are domestic contractors accessing works through competitive bidding? If not what is the main difficulty</p>	<p><b>2005</b></p> <p>The existing contracts are currently being updated under the Contract Management Procedures Consultancy Services (2004-2005) Implementation to start in 2006</p>	<p>The current contract documents are suitable to Labour Based Technology. The last update of these contracts, in 2005 form part of the measures that the Government put in place to allow the private sector to increase the benefits they gain from the development of the construction industry and to increase their ability to manage Labour Based contracts.</p> <p>Although the applicability, there is a need to revise the packing of works.</p> <p>As per PRISE, the percentage of maintenance contracts with more than 30% of its value spent on wages in 2006 were 40% and the share of the roads budget paid to local firms 24%.</p>
<p><b>Incentives - Key Question (in bold) and Issues</b></p>	<p><b>Incentives - progress as reported in Mombasa 2005</b></p>	<p><b>Incentives - update 2007</b></p>
<p><b>Are there any incentives or disincentives for the use of LBT, and what has been done over the last two years to encourage the domestic construction industry and the use of LBT?</b></p> <p>(iii) eg regulation on import duty, taxation, joint ventures, domestic preference, etc</p> <p>(ii) Increased budgetary allocation for those councils who promote LBT</p>	<p>No report was presented</p>	<p>There are incentives for the use of Labour Based Technology. Those incentives are clearly stated on the bidding documents and form part of the procedures for the evaluation and identification of the successful contractor. Therefore, in 2006 the Government approved the decree 54/2005 “Regulamento de Contratacao de Empreitada de Obras Publicas, Fornecimento de Bens e Prestacao de Servicos ao Estado” which gives a domestic preference (10%) for Mozambican contractors. In the bidding documents</p>

		updated and implemented from 2005, there are incentives for proposals that present a certain percentage of works to be done through labour based methods although on these contracts, certain activities are specified to be undertaken by labour based methods.
<b>Capacity Building</b>		
<b>Training - Key Question (in bold) and Issues</b>	<b>Training - progress as reported in Mombasa 2005</b>	<b>Training - update 2007</b>
<p><b>Is there sufficient capacity to upscale/current planned LBT works at all levels?</b></p> <p>(iv) Is there training capacity for LBT in the country? Institutionalised? Sustainable?</p> <p>(v) What type of training is available for various cadres and role players i.e. for both the private sector and public sector ?</p> <p>(vi) Is training capacity sufficient to meet the demand?</p> <p>(vii) Is training accessible, ie can customers afford training costs?</p> <p>(v) Has LBT been introduced in under and post graduate curricula?</p>	<p>The Institution of Higher Learning (Maputo Industrial Institute) financed by ANE to include in its curriculum LBT topics. Short courses on LBT administered by the Roads Training Center in Chimoio (CFE) since the early 90's. Mainstreaming is being done by National Road Administration (ANE) and other relevant institutions. Eduardo Mondlane University University students encouraged to develop thesis degree on LBT</p>	<p>Promotion of local contractors through training (including in labour-based methods) and a business environment that includes the award of appropriately sized contracts and the punctual payment of invoices form part of the activities carried out during 2005-2007 in order upscale LBT works.</p> <p>During the reporting period, training also formed part of various support programs in order to develop local contractors, such as the spot improvement program in the provinces of Manica, Tete and Cabo Delgado and the Cabo Delgado Tertiary Roads Project.</p>
<b>Research &amp; Development - Key Question (in Bold) and Issues</b>	<b>Research &amp; Development- progress as reported in Mombasa 2005</b>	<b>Research &amp; Development - update 2007</b>
<p><b>Is there any other research or development with regards to LBT taking place in the country?</b></p> <p>(i) Have any research or development needs been identified</p> <p>(ii) Is there a system in place to collate and disseminate best practices and research findings</p>	<p>Research studies related to engineering standards and life cycle cost for labourbased and low volume unpaved roads are on course Guideline on spot improvement have been developed Dissemination being done to the practitioners in seminars and on site</p>	<p>As part of decentralization of management of regional roads the following studies have been undertaken:</p> <ul style="list-style-type: none"> <li>▪ The Engineering Standards and Life-Cycle Costs</li> <li>▪ for Low-Volume Unpaved Roads Study.</li> </ul>

		<ul style="list-style-type: none"> <li>▪ Studies into specific institutional and procedural issues related to regional roads: -</li> <li>▪ Provincial Level Organizational Study, finished in 2006.</li> <li>▪ Development of Planning Framework, finished in 2006.</li> <li>▪ Contract Management Procedures, finished in 2006.</li> <li>▪ Private Sector Development, on going.</li> <li>▪ Spot Improvement Guidelines, finished in 2006.</li> <li>▪ Systems for planning road maintenance and rehabilitation in the provinces, finished in 2006.</li> <li>▪ Standard contract documents and specifications, finished in 2006.</li> </ul> <p>These studies have been disseminated to the practitioners through workshops and on job training.</p> <p>The Life Cycle Costs and Engineering Standards Study is an example of an initiative where Mozambican engineers carried out research and contributing to an international research programme.</p>
<b>Awareness Raising &amp; Advocacy - Key Question (in bold) and Issues</b>	<b>Awareness raising/advocacy -progress as reported in Mombasa 2005</b>	<b>Awareness raising/advocacy - update 2007</b>
<p><b>What is being done in terms of promoting or lobbying for LBT in the country, and who is doing this?</b></p> <p>(i) Is there a national champion for LBT?</p> <p>(ii) What can be said about LBT awareness level at various levels?</p>	<p>Being done by ANE and the Provincial Road Commission (DPOPH, ANE, Consultants, Contractors, District Administrators, Ministry of Finance, Ministry of Planning and Rural Development, Ministry of Agriculture)</p>	<p>The awareness and advocacy at high levels of government is being done through the Inter – ministerial commission of roads at national level and through the provincial commission of roads at provincial level.</p> <p>ANE, through its Directorate of Maintenance and the Gender, HIV, and Environmental Unit has the role of develop, disseminate and monitor different and appropriate forms of advocacy to be implemented on the use of local resources and labour-based methods,</p>

		by contractors and consultants.																		
<b>Allocation of resources</b>																				
<b>Financial - Key Question (in bold) and Issues</b>	<b>Financial - progress as reported in Mombasa 2005</b>	<b>Financial - update 2007</b>																		
<p><b>Is the level of financial allocation for LBT work satisfactory and what is the trend over the last two years?</b></p> <p>(viii) What share of infrastructure investment budget is annually allocated to LBT</p> <p>(ix) Are resources ring fenced for LBT</p> <p>(x) Which institutions are financing LBT? Government, Donors, Private financiers etc</p> <p>(iv) Are credit facilities available for LBT contractors?</p>	No report was presented.	<p>A major innovation adopted in the preparation of the PRISE has been the establishment of a pooled fund into which the Road Fund, World Bank, European Union and DFID contribute non-earmarked financing. This fund will be used by the Road Fund to finance activities in accordance with the priorities of the sector using standardised Government procedures. At present pooled funding from Road Fund and development partners' accounts for 308.5 mUSD of the total PRISE programme value of 1,043.2 mUSD. The move to pooled funding, effectively sector budget support, has been made by development partners based on the undertakings they made in the Paris Declaration to channel an increasing proportion of development support through beneficiary governments.</p> <p>Table 1: Budget allocation for regional roads 1999-2006</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Budget (USD)</th> </tr> </thead> <tbody> <tr> <td>1999</td> <td>7,708,892</td> </tr> <tr> <td>2000</td> <td>7,563,524</td> </tr> <tr> <td>2001</td> <td>9,290,333</td> </tr> <tr> <td>2002</td> <td>19,078,808</td> </tr> <tr> <td>2003</td> <td>22,047,470</td> </tr> <tr> <td>2004</td> <td>25,211,788</td> </tr> <tr> <td>2005</td> <td>33,519,180</td> </tr> <tr> <td>2006</td> <td>36,387,192</td> </tr> </tbody> </table>	Year	Budget (USD)	1999	7,708,892	2000	7,563,524	2001	9,290,333	2002	19,078,808	2003	22,047,470	2004	25,211,788	2005	33,519,180	2006	36,387,192
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<b>Equipment – Key Question (in bold) and Issues</b>	<b>Equipment – progress as reported in Mombasa 2005</b>	<b>Equipment – update 2007</b>
<p><b>How are private contractors accessing the necessary appropriate equipment?</b></p> <p>(xi) If not, what is the main difficulty? Eg equipment finance, equipment availability etc</p> <p>(ii) What type of support is provided by Government and/or local financial institutions?</p>	<p>Equipment hiring companies are in place, although not working efficiently.</p>	<p>There are three broad mechanisms for small contractors to gain access to equipment in Mozambique:</p> <p>By hiring privately or from the government-owned plant hire companies</p> <p>Through central procurement of equipment by the government and allocation to contractors engaged on specific projects</p> <p>By direct procurement from equipment suppliers (contractor self-help).</p> <p>The contractor self help approach was the option used for equipping small local contractors in Cabo Delgado tertiary roads project.</p>
<b>Linkages - Key Question (in bold) and Issues</b>	<b>Linkages - progress as reported in Mombasa 2005</b>	<b>Linkages - update 2007</b>
<p><b>How are LB infrastructure initiatives integrated into wider development plans and if so, what were the benefits, eg financial, resource utilisation, impact, sustainability etc?</b></p> <p>(i) How is information, experiences and best practices from LB infrastructure initiatives shared amongst practitioners and other stakeholders</p>	<p>Inter-Ministerial Committees is in place at high level Road Commission is in place at provincial level</p>	<p>The Labour Based infrastructure initiatives are integrated into wider development plan through the inter-ministerial commission of roads.</p> <p>The best practices, experiences and information from LB infrastructures initiatives are shared amongst practitioners and other stakeholders through seminars, which are conducted during the main phases of all relevant projects.</p>
<b>Mainstreaming cross cutting issues</b>		
<b>Gender HIV/AIDS, environment, governance – Key Question (in</b>	<b>Gender, HIV/Aids, environment,</b>	<b>Gender, HIV/Aids, environment, governance -</b>

<b>bold) and Issues</b>	<b>governance - progress as reported in Mombasa 2005</b>	<b>update 2007</b>
<p><b>How are cross cutting issues such as gender, HIV/Aids, environment and accountability considered at various levels of planning and implementation? What type of training is provided in this regard and how are policies and strategies enforced?</b></p> <p>(i) Are these components included in the project budgeting process as “accompanying measures”</p> <p>(ii) Do the execution contracts include specific conditions of contract for addressing these issues ?, If So, specify/elaborate</p>	<p>On gender, awareness campaign on all LBT projects has been mounted in order to achieve the implementation of the targeted 25% of women employment through the gender unit established at ANE On environment, environmental guideline on Road Sector is in place Clauses related with environmental issues are included in all contracts Monitoring and evaluation of all LBT projects in terms of implementation of the environmental management plan</p>	<p><b><u>Environment</u></b> Environmental consideration follows a road project through all it phases, starting from the feasibility study to the operation phase. The feasibility study generally results in an Environmental Impact Assessment (EIA) that can be continued or updated during the design stage. The environmental Assessment reports propose mitigation plans to avoid, minimize or compensate Environmental Impacts. The plans are always included in the supervisors and contractors contracts to guaranty that the environmental specifications are properly followed during the project implementation.</p> <p><b><u>Environmental Training, Policies and Strategies Enforced</u></b> ANE environmental sector which is inside GAJUTRA (Legal and Cross Cutting Issues Office) that responds to the General Director has the responsibility of performing environmental training to ANE staff, consultants, contractors and other related institutions. Subjects such as Environmental Awareness, Contract Management for the Environment, Site Supervision and Monitoring, Environmental Impact Assessment, Bio-engineering techniques, Road Design, Road Construction and Environment and Train of Trainers are the themes provided in the training program. The training program is generally supported by external funding agencies such as World Bank and SIDA. ANE also enforces, through the contracts that consultants and contractors perform environmental training to road workers at campsite during the project implementation. The BOQ should provide the</p>

		<p>budget for small and large contractors training. The Road Sector Environmental Assessment is performed under the National Environmental Regulation through the Sector Environmental Directive. Additionally, ANE is preparing the Environmental Guidelines for Road Works in Mozambique (New Edition) that started on January 2007 and will be finalized on September/October of the same year, the Resettlement Policy Framework. Policies related to agencies such as World Bank, SIDA, AfDB, JICA, etc. are also followed. ANE Guidelines includes procedures for all interventions (Construction, rehabilitation and maintenance. The preparation of ANE Environmental Management System it's all budgeted during the projects preparation (i.e. the preparation of Roads 3). The Environmental Sector Action Plan gives provisional sums for the environmental mitigation, monitoring, training, capacity building, manuals preparation, conferences, etc for entire phase. Terms of reference for environmental mitigation are inserted in all bid documents.</p> <p>Environmental Clauses are to be implemented from national to provincial level.</p> <p>On <b>Gender</b>, campaign s on all roads and bridges projects are still in place, to promote the employment of women in roads construction activities. Monitoring and supervision on sites to evaluate de accomplishment of the social clauses related to the recruitment of women and type of activities developed by women;</p> <p>Workshop on Gender and social issues were carried out, involving ANE staff, ANE provincial</p>
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		<p>delegates, Ministry of Environment, Public Works, Ministry of Women Affairs and some NGO's to discuss the social specifications which are included in contracts and give inputs.</p> <p>On <b>HIV/AIDS</b> issues, different activities were carried out to prevent and mitigate the impacts of the STIs and HIV and AIDS among ANE staff and for the road workers. Monitoring and supervision to evaluate the accomplishment of the Social Specifications (HIV/AIDS activities) on the road projects. Implementation of the Public Sector Activities Plan including different areas such as Prevention, Mitigation, Stigma and Discrimination, Advocacy and Coordination, according with the National Strategic Plan of Fighting against AIDS.</p> <p>Coordination with other institutions such as Ministry of Public Works and Housing and Ministry of Transport and Communication</p>
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