



MCA MOZAMBIQUE NEWSLETTER

MILLENNIUM CHALLENGE ACCOUNT MOZAMBIQUE

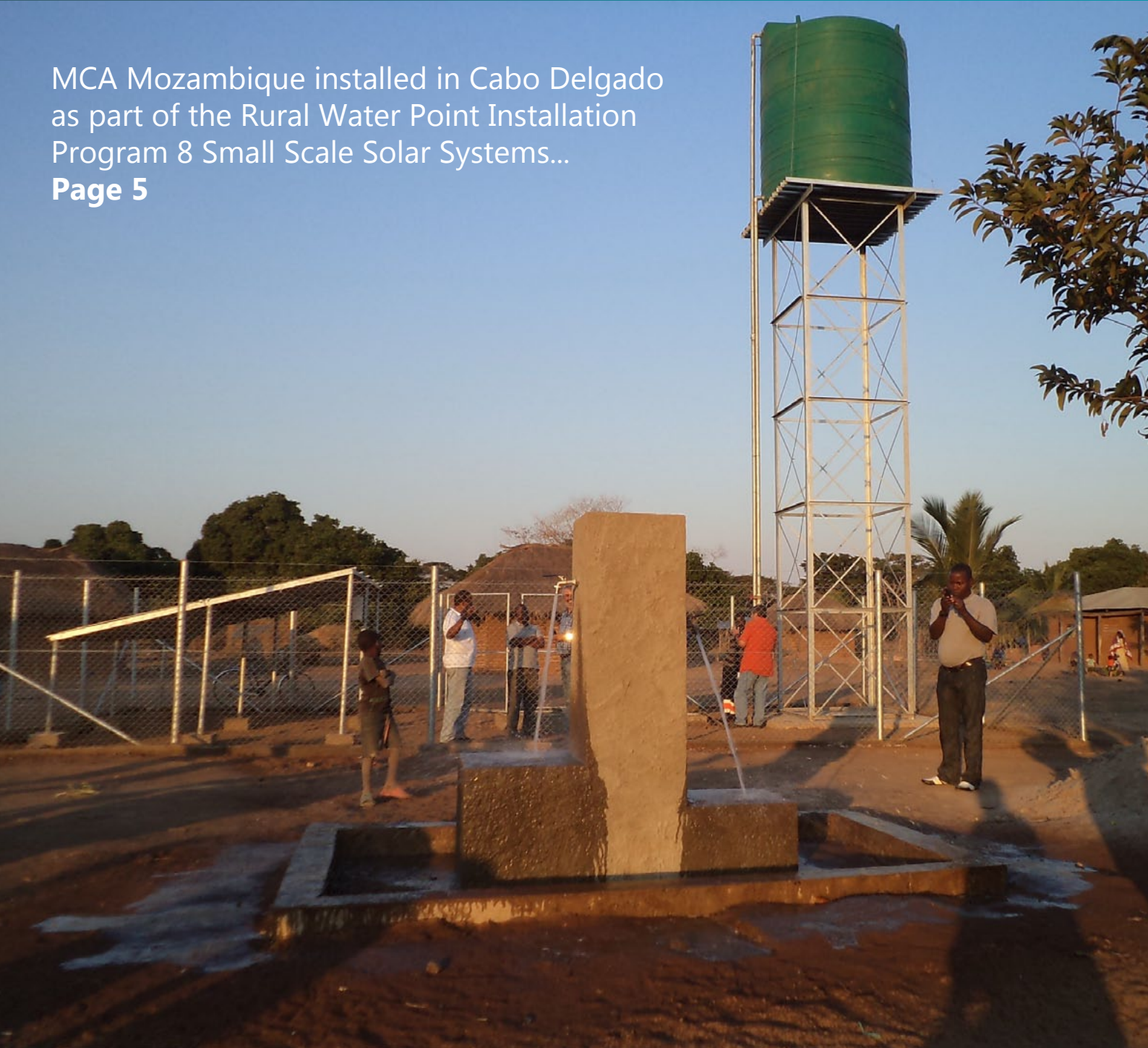
8th Edition August 2012



MILLENNIUM
CHALLENGE CORPORATION
UNITED STATES OF AMERICA

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Dear Readers,

It is with great pleasure that we inform you in our Land Tenure and Security Project we have reached a milestone of 105,185 land parcels registered as of mid-August and a total of 31,148 land titles (DUATs) handed out to landholders in Quelimane, Mocuba, Nampula, Monapo, Nampula, Monapo, Pemba, Mocímboa da Praia, Lichinga, Cuamba and Metangula (nine municipalities) and in Nicoadala, Monapo and Mecúfi (three Districts) where the Land Project is working. As we have reported in our past newsletter, various contracts have signed during this year are in the implementation process. Just to mention a few of these programs: Rehabilitation of the Nacala Dam, rehabilitation of Water Supply systems in Nampula and Nacala, carrying out of emergency works in the Mocuba water supply system. Storm Water drainage systems in Quelimane and Nampula are being rehabilitated or completely replaced. Roads from Namialo to Rio Lúrio and from Rio Ligonha to Nampula are in full progress of rehabilitation.

We were further able to launch several successful tenders, which resulted in the of drilling new water boreholes for additional underground water for sources Pemba, Nacala, Montepuez and Quelimane.

In our infrastructure projects, the Project Affected Persons (PAP's) were properly relocated and compensated with a total of 4.7 million American Dollars, paid out for this program during 2012.

The assistance given by MCA-Mozambique to the affected coconut farmers is also showing positive progress. The cutting and burning of diseased palm trees accomplished the planned target for the quarter. The planting of new palm trees and alternative cashcrops was above the planned targets for 2012.

In September 2013, this Compact program will be coming to a closure and we look forward to celebrating the successful conclusion of all our projects and that the population we are serving can derive increased benefits from this Compact endeavour.



Paulo Fumane
MCA - Mozambique Executive Director



FARMER'S INCOME SUPPORT PROJECT (FISP) REFLECTS POSITIVE RESULTS

The Farmer Income Support Project (FISP) objectives are to control the spread of coconut yellowing disease (CLYD) through felling, cutting and burning of disease infected trees; and generation of income through promotion of alternative cash crops and business activities. Generally speaking, the goals of the FISP have been met as planned, both in the epidemic as in the endemic area.

From January 2009 to July this year the project has made remarkable achievements towards mitigation of CLYD in the epidemic zone as well as the clearing of areas in endemic zone to be replanted with coconut seedling. Alongside, the project has distributed certified seeds of alternative crops and promoted business activities through Business Development Fund (BDF) in all FISP targeted districts. These activities aim to ensure farmer's income during the growth of new coconut trees;

- In endemic areas (where virtually all the trees died due to CLYD) 6,750 hectares have already been cleaned (removal of dead trees and shrubs). This area was used for planting 453,709 new coconut trees and 5,694 hectares was used to farm alternative crops.
- In epidemic areas (coconut trees subject to the emergence of new outbreaks of CLYD and subsequent increase of its levels of infestation) the main activity of the FISP consists of cutting and burning of diseased trees with the aim of reducing the levels of infestation and delay the expansion of the disease. As a result of the cutting of 531.253 coconut trees it was possible to reduce the level of infestation of CLYD, from the 2.6% registered in September 2010 to 1.04%, according to the inventory carried out in March 2012.

Regarding the number of farmers who are being trained in the planting and post-planting management, the goals are being met and as a result, the number of beneficiaries who receive seedlings is much larger than initially estimated. The survival rate of seedlings planted during the first years of implementation was approximately 65%; this is below target (80%). The main causes of the low survival are lack of care by farmers (such as weeding, control of Rhinoceros beetle (*Oryctes* sp.), watering in the first year, and fires), drought, floods in some areas and theft of seedlings planted.

The seedlings planted in 2012 show a better survival rate due to favorable rainfall and also to the intensified training and sensitization of targeted communities to involve themselves in proper management of new plantings. The fact that beneficiaries are now more optimistic with regard to project objectives than they were at the beginning is also contributing for the improvement of the results.

The survival rate of seedlings planted in 2012 will be evaluated, as always, a year after planting (in this case, in April 2013).

Another important activity taking place in the areas affected by CLYD is the implementation of the Business Development Fund (BDF) activities. So far projects worth a total of 581.759,00 dollars have been approved. The main activities promoted within the BDF are the following: promotion of the use of coconut wood (carpentry, beams, plates, vases, furniture); Community nurseries for production of coconut seedlings; Machines for processing food crops (rice, cassava, maize, peanuts) and creation of supply shops to encourage local sale.



At research level, the maintenance activities and evaluation of existing trials in Inhangulue and Machimbui, district of Nicoadala, continue, these include the use of fertilizers, weeding and application of pesticides to control *Oryctes*. Some of the early varieties aged 5 to 6 years already entered the production phase.

The collection of coconut trees samples and permanent observation of infected fields for analysis in the laboratory of Molecular Biology is still ongoing, as well as consequent production of recommendations to increase efficiency of the process of felling and cutting of coconut trees infected by CLYD.

Source: MCA Mozambique, based on information from ACIDI VOCA

Activity	Achievement	Compact Goal	Current Level of Achievement (%)	Global Level of Achievement (%)
Cutting and burning of coconut trees infected by the disease (endemic area)	6, 750 ha	8,000 ha	90%	84%
Cutting and burning of coconut trees infected by the disease (epidemic zone)	531,253 unit	600,000 unit	97%	89%
Planting of coconut seedlings	625,709 unit	650,000 unit	125%	96%
Production of alternative crops	5,694 ha	8,000 ha	104%	71%
Business Development Fund	581,759 US\$	1,000,000 US\$	58%	58%

Note that the "Current Level of Achievement (%)" measures the activity level of achievement against the target set to date and the 'Global Level of Achievement (%)' the level of performance against the overall goal of the Compact.

main objectives the containment of the CLYD disease and formulate a new large-scale replanting.

The strategy for Management and Control of CLYD and *Oryctes* beetle which has already been validated by the Ministry of Agriculture (MINAG) is still waiting for approval from the Council of Ministers before it enters implementation.

For this, at least 7 million new coconut seedlings should be replanted in the next 10-15 years, with tolerant/ resistant varieties according to the research results from IIAM.

The interventions of FISP can be regarded only as a "Pilot". To reconstitute the coconut plantings, the source of wealth to the coastal populations, require a joint of efforts from all stakeholders as well as the development of long-term projects which will have as

If we consider an economic life of a coconut tree to be about 60 years and the need to maintain approximately 14 million coconut trees in an area of 120,000 ha in a good state and a continuous production, at least 240,000 Palm trees should be replanted annually in the long term. For this end, there must be a program that covers all sectors in the recovery of this important culture.



MCA Mozambique installed in Cabo Delgado as part of the Rural Water Point Installation Program 8 Small Scale Solar Systems

The goal of the RWPIP is to increase access to reliable and quality water and sanitation facilities in rural areas of Nampula and Cabo Delgado. Approximately 600 water points will be constructed or rehabilitated over the duration of the Program (June 2009 - August 2013), including 350 in Nampula and 250 in Cabo Delgado. The districts targeted by the Program are Moçimboa da Praia, Mocimboa da Praia, Mecufi, Pemba Metuge and Nangade in Cabo Delgado. Implementation of the RWPIP follows a demand-responsive approach (DRA) and is being carried out at the lowest appropriate level by involving the district government and local leaders. Local knowledge is fully integrated into planning and implementation. Gender equality, environmental issues, social issues and vulnerable groups are essential to sustainable water points and are constant foci of the Program.



SSSS were proposed and approved based on the advantages to the community and the program of installing this type of system in these communities such as Communities would be provided with a higher level of service than a borehole equipped with a hand pump, resulting in greater demand therefore enabling a greater improvement in health and hygiene benefits and SSSS have lower O&M requirements and costs than hand pumps for communities. Furthermore Boreholes already drilled are of sufficient diameter for the installation of a solar-powered pump; and Each SSSS would account for more than one 'water point',

as each standpipe (two to three per system) would be designed to serve approximately 500 people, allowing the RWPIP targets to be met and possibly exceeded. The boreholes where the SSSS are constructed are in the following communities.

District of Nangade: Raimundo Pachinuapa (Bairro dos Mutilados), Muiha 1, Ntanga 1 and Chitunda 2, District of Palma: Manguna, District of Mocimboa da Praia: Diaca Sede, Malindi and Naitope-Anga.



In most of the targeted communities there is no source of electricity or the cost of connecting to mains electricity can be prohibitive to the local communities. The capital costs of solar power systems tend to be high, however the operational costs are low owing to the lack of any fuel costs and low regular maintenance requirements. In this regard, solar systems are generally more appropriate than systems using the electrical grid.

The design was prepared to supply drinking water to the communities using solar systems and was made taking into account high standards of safety and quality and is in line with legislation of Mozambique ("Regulamento Geral para os Sistemas Públicos de Distribuição de Agua e Drenagem de Aguas Residuais" of July 30, 2003).



Community Mobilization, Management and Sustainability

Community Mobilization: The eight communities have been part of the RWPIP mobilization, application and selection process which was implemented following the DRA and the MIPAR. Communities were mobilized, submitted applications to the district government, and forms were verified by the Consultant to check that communities met the qualification requirements. The Communities elected water committees and collected their contributions to the initial cost of the infrastructure.

Hydrogeological investigations showed good potential for drilling in these communities and the communities were approved for inclusion in the drilling campaign.

RWPIP animators worked in each community, providing management training for the water committee and promoting health, hygiene and sanitation within the communities. In each community a successful borehole was constructed, which is now equipped with an SSSS. Similarly to the selection of sites for the water points, the community was involved in the selection of the standpipe locations.

To ensure sustainability of the systems: A water committee currently exists which was elected by the families to be served by the hand pump. One Water Committee per system will be organized, composed by four delegates from each of the three sectors supplied by the SSSS (one standpipe per sector). Equal representation will be promoted from each sector and of each gender, as required by the gender integration strategy for the program. Fifty-percent of the members of the Water Committee will be elected/re-elected every two years, to avoid exhaustion in volunteer work. For the first Water Committee, 50% of their members will be elected for a term of four years, and the other 50% for two years.

There are two management models used in these communities, both of which are similar. The first use the services of a local private operator to manage the system, while the second the Water Committee manage the system themselves. In the Water Committee model, the committee acts as the operator.

The operator will be responsible for operation of the system who will be hired by the Water Committee. From three to five candidates for SSSS operators (from the community) will be trained by the RWPIP and the Contractor in basic operation, maintenance and control of the systems, and one of them will be hired by the Water Committee as the system operator. The operator will be responsible for basic maintenance of the systems (e.g. replace taps, valves, and water meters) and for the general operation and management of the system.

The operator will be assisted by two controllers, who will control the use of the standpipes which will be located at some distance from the water point. The controller will charge a fee per bucket to families that are not affiliated with the Water Committee. Families affiliated with the committee will pay per month. From three to five candidates for SSSS controllers (from the community) will be trained by the RWPIP in control and measuring activities, and two of them will be hired by the Water Committee as controllers of the standpipe activities. The operator will also be the controller of the standpipe near the borehole.

The Water Committee will perform the collection of the monthly family contribution, will organize the O&M of the system, supervise the work of the operators and controllers, and schedule routine maintenance of the SSSS components (to be performed by specialized workers). The Committee will be trained to perform the above duties by the RWPIP as well as being trained in basic planning, administration, management and health/hygiene and sanitation promotion, and basic O&M. It will also be the responsibility of the committee, as is the case in all communities, to perform health/hygiene promotion.

The Water Committee and Operator will be trained to detect and repair problems within the supply system and to exercise the Contractor's or Manufacturer's guarantee. They will not be trained in repairing the solar array as this requires specialized knowledge. The solar array will not need more than occasional cleaning to allow it to function for its lifespan as there are no moving parts which require replacement or which can break. The RWPIP also prepared a training program for the operators which covers basic system balance, routine tap valve maintenance.





nance and replacement, water meter reading and control, other basic maintenance required (e.g. cleaning of panels, tank, etc.), fee collection procedures and control for selling water per bucket. All the technical data of the components of the solar systems that come with the equipment will be given to the provincial and district governments as reference material.

Spare Parts Strategy

The Water Committees are provided with the basic tools and one set of spare parts required to conduct the maintenance and small repairs to the system. The systems require less maintenance and will require fewer repairs than a hand pump. The Committees and Operators are trained in these areas. Additionally, the Local Mechanics will be provided with this training (e.g. tap repair and replacement, valve repair and replacement, leak detection and repair, pump troubleshooting). This approach will enable the mechanics to be contracted to conduct the repairs and sell the spare parts similarly to the hand pump repair and supply chain, enabling greater sustainability in the long term. Spare parts for the SSSS are available locally in regular hardware stores as they are of common use. Therefore, the committees could procure parts themselves, or pay the mechanics to do so.

Financial Structure: The resources to cover the operation, basic maintenance and scheduled annual maintenance of the system will come from two sources: (i) the family fees collected by the Water Committee and (ii) the selling of buckets of water to people not affiliated with the committee, collected by the controllers and operator.

For sustainability of the system, the monthly revenue required by the Water Committee to cover operational costs, create a reserve for maintenance, spare parts and repairs, and conduct hygiene and sanitation activities is 2,500 Meticaís/month. To obtain the revenue required, the animators will work with the Water Committees to develop a fee structure that will work for their communities. A model similar to that used by FIPAG in some communities of Cabo Delgado served by that system will be suggested: a family fee of 20 meticaís/month and a price per 20L bucket of 1 meticaís/bucket. In some communities in Nangade there exist private water points that have motor pumps that sell water at a rate of 2 to 5 meticaís per 20L bucket, which gives an indication of payment capacity

and willingness to pay. At these rates, assuming 300 families are served by a system (100 per standpipe) an income of 6,000 meticaís per month is expected, plus any additional revenue from bucket sales.

Experience from Round 1 in Cabo Delgado and Nampula shows that this is a gradual process and that families will join the Water Committee over time. To reach initial financial equilibrium, the Water Committee will need to include a minimum of 50 families per sector, to have a guaranteed income of 3,000 meticaís/month. This will allow for a margin to cover delays in the payment of the family fees. Selling buckets of water may give an additional income of 10 meticaís/family, thus providing an additional income of 1,500 meticaís.

The current capital contribution to construction of the water point in the RWPIP is of 2,500 meticaís/water point. This amount should be maintained for the SSSS per standpipe. In this manner, the Water Committee would pay 7,500 meticaís/SSSS considering that the number of water points would be tripled as well as the number of beneficiaries.





HIV/AIDS INTERVENTION ON ITS WAY TO ACHIEVE CHANGE

The implementation of the HIV/AIDS intervention for MCA Mozambique by *N'weti Comunicação para Saúde* across camping sites in Nampula and Zambezia has been a continuously rewarding one. Using methods as diverse as dissemination of mass materials and interpersonal communication, the intervention aims to inform workers at camping sites and communities around the about HIV&AIDS, prevention and risks, and influence them into adopting healthy behaviours.

In the past months of June and July a series of activities were taken as a step towards achieving those objectives, namely:

- 14 workshops with senior staff and 14 workshops with local staff were held;
- Along with health personnel, a total of 39 visits took place, with 498 women being tested for HIV (156 women and 342 men). Of those tested, 44 men and 16 women tested positive and were referenced to nearby health units in order to receive the necessary support and treatment;
- 7 road shows held on 7 camping sites, with more than four thousand men and more than five thousand women participating in the activities;
- Significantly, more than 32 thousand condoms were distributed on camping site and areas around them.

Radio entertainment and information programs are also used as a way of reaching the intervention audience by using popular formats such as drama series, radio debates and street interviews to address serious issues such as multiple concurrent partnerships and HIV&AIDS, prevention methods, communication strategies, HIV testing, and many others.

July also marked another important step for the intervention's success – the distribution amongst workers and communities of entertaining booklets addressing HIV&AIDS related issues. The booklets use elements such as photo stories and questions for reflexion as a means to increase interest in the topic and influence behaviours by raising awareness and touching the audience's hearts.

THE REHABILITATION OF N1 NAMIALO ROAD TO MECUTUCHI BRIDGE CONTINUES WITH GOOD PROGRESS AS PART OF MCA-MOZAMBIQUE ROADS PROJECT



Crusher plant at Namialo Quarry
(10th July of 2012)



Crusher plant at Namialo Quarry
(10th July of 2012)



1st layer of crushed stone base already done 'left hand side'
(10th July of 2012)



Shuttering of culverts wing walls
(10th July of 2012)



Culvert portals already assembled
(10th July of 2012)



MCA Executive Director and MCC Country
Director site visit (10th July of 2012)

NAMIALO ROAD TO MECUTUCHI BRIDGE CONT...



Backfilling of culverts using soil-cement mixture
(10th July of 2012)



MCC Country Director inspecting part of the Contractor's equipment
(10th July of 2012)



1st layer of crushed stone base completed with material for 2nd layer already on site
(13th July of 2012)



Culvert portals with joints already sealed
(13th July of 2012)



Shuttering of culverts wing walls completed
(13th July of 2012)



Demolishing of a culvert
(16th July of 2012)

NAMIALO ROAD TO MECUTUCHI BRIDGE CONT...



Assembling of a pipe culverts
(20th July of 2012)



Cement stabilization of subbase
(31th July of 2012)



Compacting cement stabilized subbase
(31th July of 2012)



Demolition of a culvert
(31th July of 2012)



Preparation for subbase stabilization
(31th July of 2012)



Pipe culverts
(31th July of 2012)



GENERAL PROCUREMENT NOTICE NO. 10

The Millennium Challenge Corporation (MCC), on behalf of the United States Government, and the Ministry of Planning and Development, on behalf of the Government of the Republic of Mozambique, have entered into a Millennium Challenge Compact for Millennium Challenge Account assistance to help facilitate poverty reduction through economic growth in Mozambique (the Compact) in the amount of USD 506.9 million (MCC Funding). Millennium Challenge Account Mozambique (MCAMozambique), on behalf of the Government of the Republic of Mozambique, intends to apply a portion of the proceeds of MCC funding, to eligible payments under this contract. Payments by MCA-Mozambique will be subject, in all respects, to the terms and conditions, including restrictions on the use of MCC Funding of the Compact. No party other than the United States Government and MCA-Mozambique shall derive any rights from the Compact or have any claim to the proceeds of MCC Funding. The objective of this five-year Mozambique Compact is to reduce poverty through economic growth in Cabo Delgado, Nampula, Niassa and Zambézia Provinces by focusing in physical assets investments, policy reform, capacity building and institutional strengthening.

The program contains the following four projects:

1. The Water Supply and Sanitation Project – This involves water supply and sanitation services in five Municipalities in the Provinces of Zambézia and Nampula; Water Supply in the cities of Nampula, Nacala and Mocuba, rural water supply services covering 600 water points in the Nampula and Cabo Delgado Provinces; and capacity building of local institutions and policy development.
2. The Roads Project – MCC Funding will rehabilitate 253 km of key segments of the National Route 1, in Nampula Province which forms the backbone of country's transportation network.
3. The Land Tenure Services Project – The objective of this project is to establish more efficient and secure access to land by improving policy framework, upgrading land information systems and services, and helping beneficiaries meet immediate needs for registered land rights and better access to land for investment.
4. Farmer Income Support Project – This project will focus on reducing the spread of Coconut Lethal Yellowing Disease (CLYD), improving productivity of coconut products, and encouraging diversification into other cash-crop production.

The procurement program from July to December 2012 will include the following:

Total estimated value - USD 3,899,300
Procurement of Goods - (USD 227,300)
 Archiving Furniture, Air Conditioners, IT Equipment, Stationers, Supply of Power Generator, Laboratories Materials, Production and Printing of Outreach Materials for the Land Component, GIS Software.

Procurement of Civil Works
Program Administration: Office Space Rehabilitation
Non Consulting Services (USD 982,000)
 Surveying of Municipalities, Short term Professional Courses, Project Management Training Course, Training of Leadership, FIDIC Training.

Procurement of Services: (USD 2,350,000)
Program Administration: Service Provider for Record Management (cataloguing, filing, pdf, etc), Audit Services, Data Quality Review II, Short Term Monitoring and Evaluation Advisory Services
Water and Sanitation Project:
 SP for Marketing and Communications – AIAS, Specialized IT Software for Operators, SP to Assist AIAS on the Preparation of the Investment Plan.

Procurement of Individual Consultants: (USD 140,000)
 Agriculture Specialist, Technician Mocimboa da Praia, Technician Mecufi, LIMS Assistant.

Contracts for Goods, Works and Services financed under the program will be implemented according to the principles, rules and procedures set out in the Millennium Challenge Program Procurement Guidelines, as found at <http://www.mcc.gov/documents/guidance/mcc-guidelines-programprocurement.pdf>. Procurements are open to all bidders from eligible source countries as defined in the guidelines (cited above).

Specific procurement notices for contracts to be tendered under the competitive bidding procedures and for consultant contracts will be announced, as they become available, in local newspapers, on the MCA-Mozambique website at <http://www.mca.gov.mz>, and on other media outlets as appropriate. Specific procurement notices will also be announced on the Development Gateway Market (dgMarket) website at <http://mcc.dgmarket.com/> and the UN Development Business Online (UNDB) website at <http://www.devbusiness.com> for contracts above USD 100,000 for Consulting Services, above USD 200,000 for Goods and Non Consulting Services, and above USD 1,000,000 for Works. Interested eligible contractors and consultants requiring additional

Information should contact:

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