

United Nations Development Programme in Mozambique

Evaluation of the Rapid Results Fund project

Final Report

November 2011



Contents

1	Introduction.....	1
1.1	Background of RRF.....	1
1.1.1	Financial management of National AIDS Council	2
1.1.2	Creation of Rapid Results Fund	4
1.2	Context and scope of the evaluation.....	5
1.3	Limitations of the study.....	8
2	Management of the Rapid Results Fund	8
2.1	Steering Committee.....	8
2.2	Call-for-proposals	10
2.3	Evaluation committee	11
2.4	Civil Society Panel.....	13
2.5	Governors consultation	14
2.6	Rapid Results Fund Management Unit.....	15
2.7	Lessons learned	17
3	Rapid Results Fund as a financial mechanism	18
3.1	Requested funds.....	18
3.2	Approved Projects and Disbursed Funds.....	19
3.3	Financial execution of the RRF	21
3.4	Financial statements and audits.....	23
3.5	Some Lessons Learnt	24
4	Projects funded through the Rapid Results Fund.....	25
4.1	Civil society projects	25
4.1.1	Application process	25
4.1.2	Contracting process.....	27
4.1.3	Implementation of the projects	29
4.2	Special projects.....	33
4.2.1	WFP Project	34
4.2.2	MFP Project	36
4.3	Lessons learnt	39
5	Appropriateness of RRF	40
6	Conclusions and recommendations	44

1 Introduction

The Rapid Results Fund (RRF) project became effective in December 2009 through an agreement between the World Bank and the Ministry of Health in Mozambique. In line with the agreement, the World Bank allocated USD 4.7 million of the Multi-Country AIDS Program (MAP) funds to finance HIV-related preventive interventions implemented by non-governmental organization and selected other institutions. UNDP was to administer the fund on behalf of the Ministry of Health, and UNAIDS was to support it with technical assistance.

The MAP funding period came to the end on June 30th, 2011. Although the RRF continues still operational until March 2012 through other funds - from DFID and DANIDA – it was agreed to carry out an external evaluation of the RRF project in mid 2011 focusing exclusively on the execution of the MAP funds. The evaluation was carried out by AustralCOWI through a team of three consultants.

This draft report presents the principal findings of the evaluation team. In this introductory section, we go through the background of the Rapid Results Fund. Here we also present the evaluation methodology. Chapter 2, i.e. the first analytical section, assesses the different management mechanisms employed by the Rapid Results Fund. Chapter 3 specifies the financial management mechanisms of the RRF, and the chapter 4 presents the different types of sub-projects funded through the RRF and goes through the experiences of the implementing organizations with the RRF. In the end of each analytical section, we present the principal lessons learnt. Chapter 5 draws together the assessment of the evaluation team on the appropriateness of the RRF. Here, appropriateness is understood as a sum of relevance, effectiveness, efficiency, impact and sustainability. The final chapter of the report presents the major conclusions and recommendations of the evaluation team.

1.1 Background of RRF

The MAP Mozambique was approved on March 23, 2003 and became effective on August 15, 2003 in an agreement between the Government of Mozambique and the World Bank.¹ Its development objective was to contribute to slow the spread of HIV/AIDS in Mozambique and mitigate the effects of the epidemic, through prevention, care, treatment and mitigation. The project summed 55 million dollars as a grant, and it covered five components as follows:

- (i) *Community and Civil Society Initiatives* (USD 25 million – 45%). This component provided financing to communities to respond to the HIV/AIDS epidemic. The planned activities included mobilizing communities, promoting local initiatives and strengthening the capacity of local actors, including the private sector.
- (ii) *Capacity Building for the Civil Society HIV/AIDS Response* (USD 4.7 million – 9%): This component sought to improve implementation capacity of subproject sponsors under component 1.
- (iii) *Government Multisector Response* (USD 5.6 million – 10%). This component helped ministries and other government institutions develop and implement HIV/AIDS programs directed toward their personnel and families, as well as their clients.
- (iv) *Strengthening and Scaling-up Health Sector Services for HIV/AIDS* (USD 14.6 million – 27%). This component sought to strengthen the Ministry of Health's (MOH) technical leadership on treatment and care. It included the financing of voluntary counseling and testing; increasing the supply of drugs to treat opportunistic infections, anti-retrovirals, and

¹ Aide Memoire, World Bank, Mozambique – HIV/AIDS Response Project missions Dec 2008, May- June 2009 and Dec 2009.

materials (including condoms); strengthening laboratory capacity to enable diagnosis and monitoring of HIV therapy and opportunistic infections; enhancement of bio-security and blood safety; training; and monitoring and evaluation of the progress of the epidemic.

- (v) *Institutional Development for Program Management* (USD 5.1 million – 9%). This component supported the Executive Secretariat of the National AIDS Council, and strengthens its capacity to lead the national response to HIV/AIDS.

The National AIDS Council (CNCS) was to manage most of the MAP funds; only the component of Strengthening and scaling up of the health sector services was managed by the Ministry of Health. Throughout most of its life, the MAP project was rated either “unsatisfactory” or “moderately unsatisfactory” due to relatively low financial execution rate. Although, CNCS developed a rather sophisticated mechanism for channeling funds to civil society organizations, the volume of subprojects and disbursements remained lower than expected. The first restructuring of the project was attempted in 2006; the project was then extended until December 2009, and CNCS contracted a private company (Cimpogest) as the Grant Management Agency. However, the lack of trust between CNCS and Cimpogest did not allow for it to materialize. By December 2008, one year from closing, there were still USD 20 million undisbursed (36%). Meanwhile the country continued to face a serious HIV epidemic.

1.1.1 Financial management of National AIDS Council

Although the focus of the present evaluation is not on CNCS, it is deemed useful to go briefly through the main mechanisms that were employed by CNCS while managing the MAP funds, as this was the basis on which the Rapid Results Fund was created.

The MAP project component with the largest financial allocation focused on strengthening the community and civil society initiatives (45%). Organizations eligible to receive funds through this component included non-governmental organizations, faith-based organizations, professional associations, trade unions, and community-based organizations, as well as private sector entities. In order to respond to diverse needs of the different civil society organizations, CNCS established four categories to classify the eligible organizations, namely:

- Category A: organizations managing at least USD 20,000 under a reputable fiduciary system;
- Category B: organizations managing at least USD 5,000;
- Category C: organizations or associations managing at least USD 1,000; and
- Category D: groups and associations with very limited capacity to manage funds.

Although the appraisal criteria for subproject proposals differed for each category of NGO, CBO, and for the Private Sector, key criteria included (i) maximum duration of 24 months within the life span of the MAP project (2003-2008); (ii) maximum funding limit of USD100,000 per project with preference given to smaller projects; (iii) funding should not exceed 75% of the organization's previous year's annual budget; (iv) only “eligible activities” (as defined by the CNCS Initiatives and Activities) would be considered for financing; (v) no counterpart funds were required of implementing partners; and (vi) up to a maximum of 20% of the total proposed project budget would be allowed for NGO or CBO "organizational" costs including administrative costs, overheads, general equipment which would not directly benefit the community.

The approval of subprojects with a budget below USD 20,000 was carried out by provincial review committees, but any greater budget requirements needed to be approved by the national review committee at the central level.

Volumes of funds received and managed by CNCS

The external funding to the CNCS was channeled through the MAP and Common Fund arrangements. The Common Fund became operational during the second half of 2002, but as per the World Bank requirement for MAP funding, CNCS had to open a special account for this specific purpose. The external resources (MAP and Common Fund) increased by 400 percent from USD 1 million in 2002 to USD 5 million in 2003.² In subsequent years, the commitments from external sources maintained the upward trend, increasing from USD 13.7 million in 2005 to reach the peak of USD 21.5 million in 2008. In terms of actual expenditures³, the flow of funds went from USD 9.2 million to USD 18.2 million. However, beginning in 2009, sharp decreases occurred both in terms of donor commitments and actual expenditures disbursement (USD 11.0 million and USD 10.0 million, respectively).

During the period of full operation, total expenditure (internal plus external) improved continuously, from 67% in 2005 to averages of 72% in 2006 and 2007, and 88% in 2008 and 2009. The execution was higher for State budget funds (93% on average) than for the external resources (77% on average) for the period 2005 – 2010.

Flow of Funds

MAP funds were channeled by the World Bank through project accounts to facilitate and sustain fast disbursement and accountability of resources under CNCS management. One of such accounts was earmarked for the Civil Society Component. Under this account, funds were advanced to each province for disbursement for approved sub-projects. For multi-provincial activities or large and private enterprises applicants, approval was carried out at the central level, and the funds were released periodically and directly to the applicants without going through the provincial HIV Nucleus (i.e. CNCS provincial level representation). Experienced and well established NGOs and CBOs (categories A and B) had to open bank accounts for their sub-projects, while smaller applicants with limited experience and capacity were assisted by intermediaries who managed the funds on their behalf and account for funds to CNCS.

Volumes of funds disbursed

Looking into the composition of expenditures (see table below), it can be noted that in 2005 the spending level at CNCS headquarters and in its provincial Nucleus was somewhat higher (51%) compared to the resources that were channeled to sub-projects (civil society, public sector and private sector). In the next few years, the disbursements towards sub-projects increased gradually until 2007, but then stagnated. Despite the increasing trend, the volume of funds channeled to implementing organizations – in absolute terms – never fulfilled the expectations of the donors and the implementing agencies.

Table 1: Composition of CNCS expenditure (percentage)

Description	2005	2006	2007	2008
Civil Society	45.81	44.50	47.33	50.59
Public Sector	0.23	7.49	15.31	12.52
Private Sector	2.90	2.23	1.39	0.53
Total-Subprojects	48.94	54.23	64.03	63.65
Headquarters & NPCS	51.06	45.77	35.97	36.35

² Government of Mozambique (PEN II)

³ The financial statements of CNCS considered the disbursements made by CNCS to the implementing organizations as “actual expenditure” disregarding the time and the volume of money that the implementing organizations actually spent.

Overall, of the three sectors receiving funds from CNCS (i.e. Civil Society, Public Sector, and Private Sector), Civil Society Organizations benefited the most (76%) followed by the Public Sector (22%) on average.

Number of sub-projects funded by CNCS

The overall volume of sub-projects funded by CNCS increased from a total of 595 in 2004 to a peak of 1,659 in 2005, followed by a declining trend: 780, 466 and 643 respectively in 2006, 2007 and 2008. Data for sub-projects by categories is only available for 2004-6, and it shows that the overwhelming majority of the activities were carried out by lower category (B, C and D) rated organizations but, as expected, with relatively small amount of funds.

Relative to geographic distribution, the majority of the sub-projects were implemented in the Center (46%), and the South (37%). Only 18% of 3,548 sub-projects implemented over the five-year period (2004-08) took place in the northern region. At provincial level, the largest beneficiaries in terms of volume of sub-projects were Zambézia (16.6 percent), Inhambane (11.3 percent), Tete (11 percent), and Sofala (10%).

Main challenges

One of the main obstacles, which constrained significantly CNCS' management capabilities, was linked to the relatively high turnover of its staff throughout the years. Several trained staff members left CNCS and that affected its institutional capacity of procurement and financial management. Furthermore, the level of disbursements to public agencies was critically low, and there was a significant reduction, or a near halt of funding private sector sub-projects after the contract with the private management agent (Austral Consultoria e Projectos, Lda), was ended. Other problems included difficulties in using Sistafe.⁴

1.1.2 Creation of Rapid Results Fund

In December 2008, there was a joint review of the MAP Program in Mozambique carried out by the World Bank and the Government of Mozambique. As a result of the review, the MAP program performance was rated as poor overall due to weak financial management. The review mission Aid Memoire stated that the HIV/AIDS Response project had reverted to problem status one year after it had graduated from unsatisfactory to satisfactory performance. Consequently, and because of the cancellation of the contract with the private grant manager (Cimpogest), the mission suggested a series of reprogramming measures, including the following:

- Reallocation of USD 12.1million to MoH for scaling specific HIV preventive interventions;
- Establishment of **Rapid Results Fund** (RRF) to support prevention activities to be carried out by non-state actors (NSA) (USD 2 million). RRF was also to manage USD 1 million towards supporting other ministries with HIV prevention strategies and USD 1 million to support nutrition package for patients on ARV treatment. In addition, there were USD 0.7 million allocated to the RRF to finance evaluations of “innovative initiatives for HIV and AIDS prevention”.⁵
- Continue funding to CNCS to help strengthen its coordinating role (USD 4.2 million).

⁴ SISTAFE is the Financial Management System of the Government, involving the entire budget cycle from its preparation to the final execution, including all the subsystems that compose it, namely the budget, the treasury, public accounting and internal control. Public sector institutions receiving funds from the State budget (such as CNCS) are supposed to use this new system. However, because the system is new, users require intensive training, and difficulties have arisen in many instances. For example, SISTAFE does not allow further disbursements being made before the financial statements of the previous disbursements have been accounted for.

⁵ The present evaluation of the RRF is funded through these funds. However, due to the limited timeframe, the RRF was not able to undertake any other evaluations.

A follow up mission was conducted by the World Bank and HIV partners in June 2009. At that time it was defined that the RRF should have the following structures:⁶

- Steering Committee (SC⁷) composed of selected members of the Prevention Reference Group and led by the Ministry of Health. The role of the SC is to provide policy guidance and decide on the types of calls for proposals (CfP) to be issued. The SC should also decide about the average size of each CfP, the budget, and number of CfP to be issued. Proposals to be evaluated by a group of experts to be hired for that purpose (short-term).
- Rapid Results Fund Unit (RRF-MU⁸) under UNDP, with UNAIDS providing technical support to the unit. The RRF-MU should be in charge of the administration of the fund including publishing the CfP, receiving proposals, allocating them for review by a panel of consultants to be contracted, drafting contracts, making payments, and writing reports.

In setting up the Fund with this structure WB and the Government of Mozambique expected to provide a short and medium term solution for funding needs of especially non-state-agencies involved in HIV/AIDS prevention activities until a long-term solution was found by the government. It was also expected that the RRF would attract other donors. Finally, while financing preventions interventions it would also be supporting capacity building.

After December 2008, it took 14 months for the World Bank to negotiate and reach an agreement with the Ministry of Health on the RRF modalities. The contract between MoH and UNDP, for an amount of \$4.7 million dollars, was approved and signed by the WB in December 2009. The Rapid Results Fund Unit in UNDP was staffed and work started even before this date. The first call for proposals was launched in January 2010, but it was only in February 2010 that UNDP received the RRF funds. By that time, there was only 16 months left to implement the RRF project.

In early 2010, DANIDA and DFID joined the RRF with a total of USD 1.5 million. Their support aimed at identifying intermediary organizations that could provide capacity building to community based organizations working on AIDS. A second call for proposals was launched in April 2010 with this objective. However, the present evaluation exercise focuses its analysis on the first financing round financed by the World Bank MAP project.

1.2 Context and scope of the evaluation

As stated in the terms of reference, the objective of the present evaluation was to assess the appropriateness, relevance, efficiency, effectiveness, impact and sustainability of the Rapid Results Fund. More specifically, the evaluation sought to:

- assess the management structures of RRF
- assess the RRF as a financial mechanism
- assess the results achieved by the implementing organizations

Methodologically, the evaluation was conducted through:

⁶ World Bank: Aide Memoire. Mozambique – HIV/AIDS Response Project (P078053). May 25 – June 4, 2009, page 4.

⁷ WB Aide Memoire refer to Steering and Oversight Committee – SOC, however as the Fund was made operational it was referred to as Steering Committee - SC,

⁸ WB Aide Memoire refer to the Unit as Rapid Results Unit, however as the Fund was made operational it was referred to as Rapid Results Fund Management Unit – RRF-MU.

- (a) a literature review covering all the relevant documentation, such as the RRF project documentation, minutes of Steering Committee meetings, reports of the Evaluation Committee, contracts signed with implementing partners, and their project documents;
- (b) an analysis of financial data related to the funds channeled through the RRF and those disbursed by the RRF.
- (c) key informant interviews with representatives of different stakeholder groups, covering members of the Steering Committee, the Evaluation Committee, the management unit of the RRF at UNDP, and representatives of the World Bank, DFID and the implementing organizations (see the list of people interviewed in the annex).

The evaluation team used a combination of these methods in order to respond to the evaluation questions raised in the terms of reference. The Picture 1 below illustrates this combination of the approaches. However, due to the limitations of the study (see the next section), the key informant interviews became a central method to gather information.

In line with the terms of reference, most of the relevant literature material was provided by UNDP. Literature review was the very first step in the assignment, but it lasted throughout the evaluation. The financial data was equally obtained from UNDP; the financial results were analyzed against the initial objectives set for RRF. As stated above, the evaluation focused on the MAP funds, and therefore excluded the results achieved by DANIDA/DFID funds, in the second financial round.

The key informant interviews became critical in filling up gaps in information and providing insights into the implementation process of RRF, particularly into the challenges and lessons learnt during the process. Therefore, the consultant team met with representatives of all different stakeholder groups, and with all the implementing organizations. The below table presents the geographic and thematic distribution of the implementing partners.

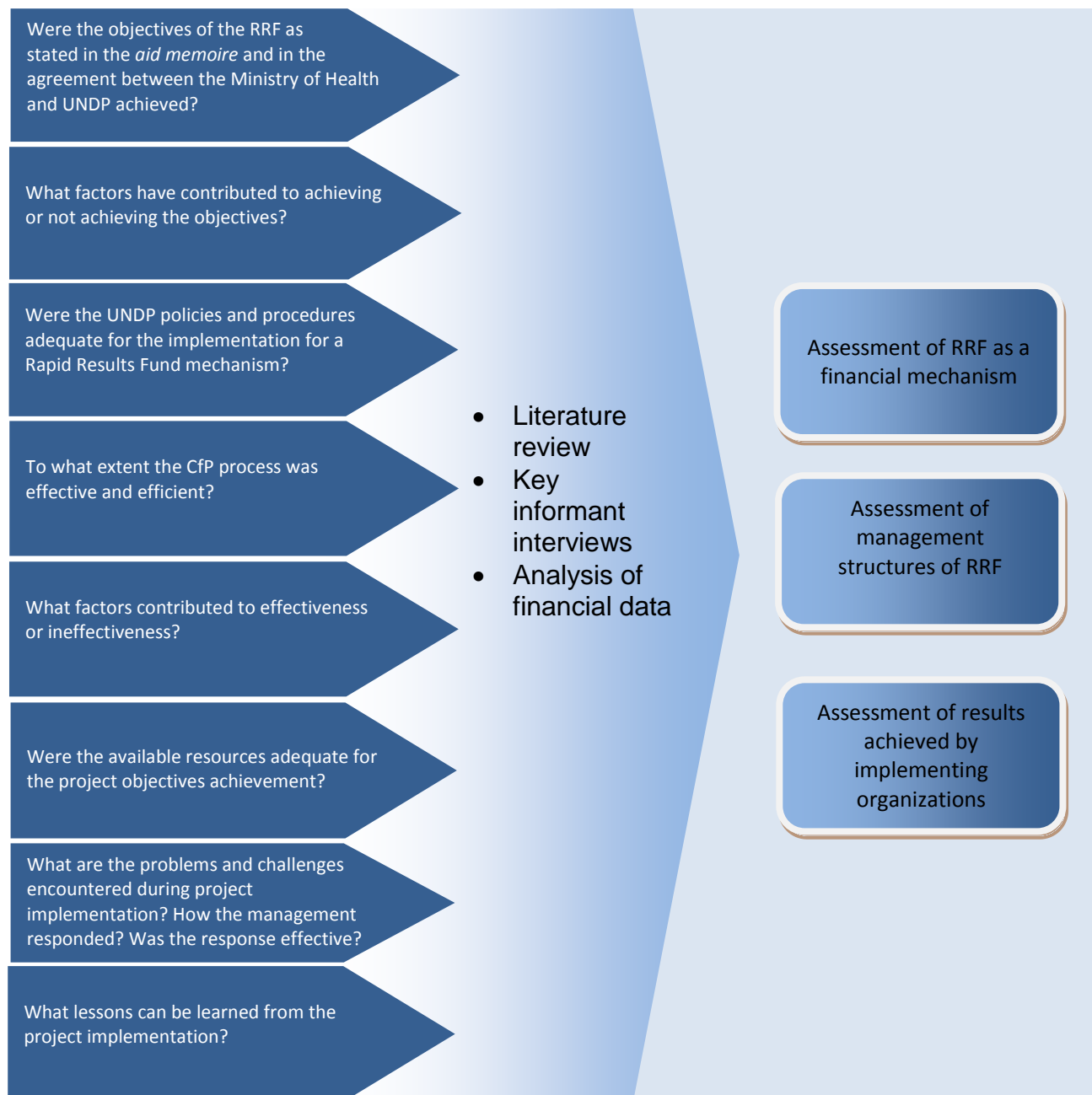
Table 2: Thematic and geographic focus of the funded projects

	Organization	Thematic area	Geographic area
1.	ADPP	PMC, HIV prevention	Maputo
2.	Associação Coalição da Juventude Moçambicana	HIV and reproductive health, PMC	Maputo
3.	CISLAMO	HIV prevention & male circumcision	Maputo, Nampula
4.	Conselho Cristão	PMC, HIV prevention	Inhambane
5.	ECOSIDA	HIV & TB, PMC	Maputo, Gaza, Sofala, Manica, Tete e Nampula
6.	Handicap International	PMC, HIV prevention	Maputo
7.	MATRAM	HIV & TB, HIV treatment literacy	Maputo, Gaza
8.	Pathfinder	HIV and reproductive health	Maputo, Gaza
9.	Right to Play	HIV prevention among young people	Maputo, Gaza, Zambézia
10.	MFP	HIV prevention and integration	National
11.	WFP	HIV/TB care and treatment (nutritional support)	National

Due to the high concentration of implementing partners in Maputo City and Province, the main focus of the evaluation mission was on these areas. In addition, the team visited 2 other provinces: Inhambane

and Nampula. Inhambane was selected because the only project that did not have the basis in Maputo (i.e. Conselho Cristão de Moçambique) was implemented there. The team also visited Nampula, which was the province with second largest number of interventions after Maputo. UNDP/RRF ensured all the financial and logistical arrangements related to the provincial travels.

Picture 1: Evaluation questions, methods and main areas of analysis



During the interviews, the consultants took notes, which were later cleaned and systematized for the purpose of analysis. The analytical approach followed qualitative content analysis. The analysis was built around the three main topics: RRF as a financial mechanism, management structures of RRF and results achieved by implementing organizations.

1.3 Limitations of the study

The evaluation was carried out during the second half of 2011, after the MAP-funded projects were closed down. While the evaluation team was able to interview most of the staff members of the implementing organizations, there were no more major activities taking place that the evaluation team could have accompanied.

Another limiting aspect of the evaluation is the fact that several key stakeholders who participated actively in setting up and in running of the RRF were no longer in the country at the time of the evaluation. This is the case of the UNAIDS Country Coordinator and of the representatives of DANIDA and DFID. Also, there has been a change in the leadership of the Ministry of Health; the current Minister has accompanied RRF for less than a year. Although, there are other central persons still available, as well as written records that can help in reconstructing the story of RRF, it is likely that pieces of institutional memory have been lost.

The most serious limitation was the absence of systematic monitoring records related to the implementation of the RRF Project and the projects funded through it. The RRF did not have a proper monitoring and evaluation plan, and there were no indicators – quantitative or qualitative – that would have been systematically measured. In contrast, the implementing partners defined key indicators for monitoring their sub-projects, and they were said to have submitted quarterly progress reports to RRF-MU on their achievements. However, such reports were not made available to the consultant team. The implementing partners were also supposed to present final reports on their sub-projects, but by the time the present report was finalized, these reports were not yet available.

Hence, there was very little documentation available on the implementation process itself, or on the final results. Consequently, the evaluation exercise mainly depended on the information provided by the implementing organizations themselves during the interviews.

2 Management of the Rapid Results Fund

In this chapter we look at the management structures of the RRF, including the Steering Committee, the call for proposals mechanism, the Evaluation Committee and the Rapid Response Management Unit at UNDP. In addition, we will discuss the two structures that were set up in the middle of the selection process: the civil society panel and the Governors' consultation.

2.1 Steering Committee

As per the World Bank Aide Memoire, the governing structure of the Fund would be a Steering and Oversight Committee (SC)⁹ with members from the Prevention Reference Group¹⁰ and the Common Fund Donors. "The [Ministry of Health] was to lead the SC. The role of the SC was to provide policy guidance and decide on the types of calls for proposals (CfP) to be issued. The SC should also decide about the average size of each CfP, the budget, and number of CfP to be issued".¹¹

⁹ World Bank, Aide Memoire, Mozambique – HIV / AIDS Response Project, Restructuring Mission, December 1-12, 2008.

¹⁰ Group created by CNCS Board to revise the prevention strategy

¹¹ World Bank, Aide Memoire, Mozambique – HIV / AIDS Response Project (P078053), May 25-June 4, 2009.

As per contract with the World Bank, the Mozambican Government, in this case the Ministry of Health (MoH), was to negotiate with UNDP/UNAIDS a Standard Form of Agreement for Consultant's Services necessary when UN Agencies are hired by borrowers. This contract required a no-objection from the World Bank-Washington before being signed by both parties. The contract between MoH and UNDP, for the amount of \$4,7 million dollars, was approved and authorized by the World Bank in December 2009. RRF became effective in February 2010 when the resources were transferred to UNDP. This process took approximately 14 months.

The SC met for the first time in December 2009. At least six meetings have been held so far.¹² During the key informant interviews, it was understood that two other meetings took place later on, however the minutes from those meetings were not made available. The SC met for the last time on 3rd June 2011. According to the terms of references of the SC, meetings are to be held once every trimester. The need to resolve important project implementation issues required more regular meetings in the first months of operationalization of RRF. However, with the changes in the leadership of the MoH, there was a long period where the SC meetings were not held

As per ToR SC members are:

- Ministry of Health (MISAU) representing the primary recipient of World Bank funds;
- CNCS Executive Secretariat as the coordinator of the national response to HIV/AIDS;
- UNDP as fund administrator;
- UNAIDS as the technical advisor to the RRF; and
- Common fund partners, in representation of reference mechanisms in funding HIV/AIDS interventions. So far DFID has been the representative of common fund partners

It is important to note that the SC composition did not include any community based organization.

As designed, the MoH lead the SC. The Minister himself (Dr. Paulo Ivo Garrido at the time) carried out the task and chaired the first 6 meetings for which the minutes are available. His presence, as the single highest authority in the committee comes across in the minutes and in the key informants as very influential in directing the discussions and driving the committee.

As described in the terms of reference elaborated by UNDP and approved in the first meeting, the SCs competencies were to:¹³

1. Approve the terms of references of the Rapid Results Fund Management Unit (RRF-MU);
2. Approve the selection of the RRF Coordinator and Assistant;
3. Guide and supervise the work of RRF Management Unit;
4. Approve the composition of the Technical Panel (selection committee) and its terms of references;
5. Approve proposals selection criteria, including budget limits;
6. Establish dates to receive proposals;
7. Approve proposals submitted to the RRF for funding;
8. Monitor the RRF's progress and follow up of external evaluation;
9. Approve progress and financial reports to be submitted to donors.

It is noted that many of the responsibilities listed above refer to tasks carried out while creating the RRF.

¹² The SC has met on the 2nd and 21st of December 2009; 15th of February 2010; 28th April 2010; 21st June 2010 and 22nd July 2010.

¹³ Free translation from the original Portuguese terms of reference.

In general, it can be said that the SC fulfilled its responsibilities. However it is important to mention that at the time of finalizing the present evaluation report, only one of the original members of the SC was available to be interviewed. The majority of the members have been changed, including the Minister, and many details are lost with them. For example, it is not clear why the SC never took any decision on the use of the USD 700,000 allocated for evaluation of “innovative initiatives for HIV and AIDS prevention”.

2.2 Call-for-proposals

The Aide Memoire of the World Bank supervision mission from December 2008 identified key interventions to be implemented through a system of call-for-proposals. The mission prepared sample calls-for-proposals for 4 areas of interventions in support to the National AIDS Strategic Plan, as presented in the table below.

Table 3: Thematic focus areas of the RRF as indicated by the World Bank supervision mission (December 2008)

Areas	Main activities	Results
(i) reduction of multiple concurrent partnerships	<ul style="list-style-type: none"> • Behaviour change communication programs 	<ul style="list-style-type: none"> • Increased knowledge and understanding of the practice of multiple concurrent partnerships • Increased availability of options on how to address the issue of multiple concurrent sexual partnerships
(ii) reproductive health-HIV collaboration;	<ul style="list-style-type: none"> • (aid memoire did not indicate) 	<ul style="list-style-type: none"> • An increases utilization of combined reproductive health and HIV/AIDS services
(iii) TB-HIV collaboration	<ul style="list-style-type: none"> • Joint planning, testing, training of health personnel • provision of comprehensive TB and HIV prevention, care and support services • monitoring and evaluation 	<ul style="list-style-type: none"> • increased percentage of TB patients tested for HIV; • increased percentage of HIV+ people screened for TB; • increased percentage of HIV+TB patients receiving cotrimoxazole; • Increased percentage of HIV+ people receiving isoniazide preventive therapy.
(v) male circumcision	<ul style="list-style-type: none"> • Encourage small scale program in a limited geographic area • Educative campaigns for community leaders • Provision of circumcision by professional providers, creating of mechanisms to ensure biosafety • Training in HIV prevention and biosafety of community leaders. 	<ul style="list-style-type: none"> • Increased practice of male circumcision.

The system of CfP would give structure to the selection process at the same time as it would orient the proposals towards desired results. Through the CfP, non-state-agents would be invited to contribute to targeted results. The proposals would be evaluated by a group of experts to be hired for that purpose.

The SC discussed the content of the call-for-proposals in its first two meeting. The areas identified by the World Bank restructuring mission were approved. Hence, the first CfP was launched in the

beginning of January 2010 and civil society organizations had until February 10th to submit proposals. The call-for-proposal particularly encouraged youth organizations to present proposals.

The organizations that showed interest could contact UNDP for more information. The additional information specified the selection criteria used by the RRF and oriented the organizations to develop projects in the thematic areas mentioned above. They were also guided on the format in which they should present the proposals. There was no budget limit set for the proposals.

Several implementing organizations commented that the mechanism of a call-for-proposal functioned well. However, one limiting aspect was the dissemination channel: the call-for-proposal was launched on the daily newspaper “Noticias” which is broadly circulated in the area of capital city, but is less accessible in other provinces.

The interviewed members of the evaluation committee criticized the call-for-proposal for not being clear enough. According to them, the CfP committed a mistake when presenting the four thematic areas for the whole country. Considering the geographical characteristics of the epidemic, the CfP should have been more strategic and solicited different types of projects from different areas of the country. Besides, while the CfP appealed youth organizations, the selection criteria was so rigid, that only well established large organizations could pass it. Furthermore, the members of the evaluation panel thought that the CfP should have limited the language of the proposals to Portuguese (while the CfP left the language option totally open), and specified the financial sealing of the proposals. Thus, the proposals would have been better targeted and more appropriate.

2.3 Evaluation committee

In order to identify the members of the Evaluation Panel, UNDP launched an open tender in September 2009. However, due to the unsatisfactory responses, it re-launched the tender in December 2009. In the end, due to inadequate profile of the candidates, only one of the Evaluation Committee members was selected through the tender process. The rest of the members were selected through references provided by trusted and competent HIV professionals. By the beginning of January 2010, three experts were selected to form the evaluation committee: two in the field of HIV/AIDS and one in the field of financial management.

The Committee began working in mid-February and delivered its final report some four weeks later, on March 28th.¹⁴ The first call-for-proposals generated 87 proposals of sub-projects. In order to appraise the proposals, the evaluation committee organized the work the following way:¹⁵

- The proposals were divided into three groups based on the requested budget: (i) above USD 300,000 - 23 proposals; (ii) between USD 100,000USD and 300,000 - 22 proposals: and (iii) below USD 100,000 - 42 proposals.
- The two HIV/AIDS specialists divided the proposals by half, each of them assessing 50% of the proposals. First, they verified whether the proposals met the selection criteria, and if so they carried out the technical analysis of the proposals.
- 32 proposals were considered eligible and technically satisfactory. These were passed on to the third expert for financial analysis.

The technical evaluation criteria consisted of the following:

¹⁴ The Evaluation Committee members started working without UNDP having issued contracts with them. It was only in April 2010 that the contracts were finally signed with the Evaluators.

¹⁵ Fundo de Resultados Rápidos, Relatório de Avaliação das Propostas Resultantes do CFP/01/12/09, elaborado aos 28 de Março de 2010.

1. Proposal is aligned with the second/third National AIDS Strategic Plan and with the Prevention Acceleration Strategy (max. 10 points)
2. Presents thorough understanding of the situation of HIV/AIDS in Mozambique (max. 10 points)
3.
 - a. Focuses on activities that are cost-effective (max. 10 points)
 - b. Presents high probability of creating a short or medium term impact (max. 10 points)
4. Presents measurable indicators for outputs and outcomes (max. 15 points)
5. Shows how to involve members of target communities in planning, implementation and evaluation of the project objectives (max. 15 points)
6. Shows how the project impact will foster the elaboration of future policies in the country (max. 5 points)
7. Proposal is innovative (max. 10 points)
8. Proposal integrates gender into the activities (max. 10 points)
9. Proposal follows the required format (well organized with smooth argumentation and fits into 4 quarters as required) (max. 5 points)

The financial evaluation criteria comprised of the following:

1. Financial proposal should not include non-eligible items (e.g. constructions, activities abroad, arms or ammunitions, vehicles) (max. 10 points)
2. Presents reasonable unit costs for each result (max. 40 points)
3. Shows reasonable costs, in general (max. 50 points)

The proposals were attributed with a total score according to both the technical and financial classification where the maximum score was 200.

As per appreciation of the Evaluation Committee only one proposal fulfilled both technical and financial requirements and could be considered for direct approval, while 55 proposals were rejected, as they did not satisfied technical and/or financial requirements. A total of 31 proposals scored high enough to be considered as potentially satisfactory, but required revisions in order to be approved. The total value of the requested budgets of the 32 proposals (1 directly approvable and 31 in need of revision) reached USD 8.8 million. Due to the limited available resources (USD 2 million), the Evaluation Committee elaborated a short list of 15 proposals taken into account:

- The technical score;
- The required budget, dividing the potential proposals by half: 50% with budgets at or above USD 300,000 and 50% bellow USD 300,000;
- Positive discrimination of proposals developed in the central and northern regions of the country as a mean to ensure a balanced distribution of the resources.

The Evaluation Committee made a significant effort to make the evaluation project as objective and transparent as possible. Indeed, the evaluation appears having been thorough and impartial. According to their own recount, two of the three Evaluation Committee members had been approached by some bidding organizations who appealed for positive scores. Allegedly, both of the Committee members had refused such appeals and had passed the proposals in question to the other technical evaluator for an unbiased evaluation.

In the end of the assignment, the Evaluation Committee submitted the final evaluation report to the SC and never heard back from them. None of the Evaluation Committee members were informed of the decision of the SC in relation to their recommendations. They all were left with a sense of unfinished

assignment as long as they had not got any feedback on their work. Nevertheless, one of the evaluators pointed out that the distance or lack of communication between the evaluators and the SC was a precondition for an independent evaluation. Indeed, the evaluation committee never met with SC and their interaction with the RRF-MU was also rather limited. Clearly, it is important that the Evaluation Committee can operate without any influence from the SC, but it is also found important that the Evaluation Committee is provided with some feedback on their work.

2.4 Civil Society Panel

In the SC meeting in February 2010, when the Evaluation Committee was occupied by the appraisal of the proposals, the Minister of Health suggested to establish a parallel evaluation forum that would have experience of community-level work.¹⁶ This would make up the absence of the civil society representatives in the SC itself and level out the highly technical evaluation done by the Evaluation Committee.

Consequently, a Civil Society Panel was established in April 2010. With UNAIDS assistance, the member organizations were identified: Fórum Mulher, Rede Cristã and ECoSIDA. The representatives of the three organizations met on April 15 to review the 32 proposals identified by the Evaluation Committee as being potentially viable. Hence, a second classification of proposals was made. This time, the evaluation criteria consisted of the following:

1. Make an appreciation of the capacity of the organizations to implement proposals;
2. Check the relevance of the proposed activities to the national efforts against HIV-AIDS and to the communities;
3. Check the level of engagement of the organizations with the communities and provinces in which they propose to work;
4. Verify the suitability of the organizations;
5. Write an evaluation report of the proposals.

To avoid conflict of interests ECoSIDA's representative abstained from the analysis of ECoSIDA's and GASD's proposals given his direct involvement with these organizations.

With both evaluation results in hand, the RRF-MU produced a third ranking list of the proposals. That was done by taking the scores from the Evaluation Committee and the Civil Society Panel and producing an average of the two (see the below table). This list was submitted to and approved by the SC on the 28th of April 2010.

Table 4: Proposals recommended for approval by the different evaluation forums

Bidding organization	Recommended for Approval by the Evaluation Committee	Recommended for Approval by the Civil Society Panel	Approved by the SC
Right to Play Mocambique	X		X
Pathfinder	X	X	X
Associacao Positivo Mocambique	X		
CISLAMO	X		X
Juventurde Mocambicana e Associacao Kutenga	X		

¹⁶ Acta III, Comité Directivo dos Fundos de Resultados Rápidos, ponto VI, h.

UTOMI	X	
Conselho Cristão de Moçambique	X	X
Kulima – Ihambane	X	
AIDEC	X	
ANAVIL	X	
Naturais e Amigos de Vilanculo	X	
ADPP	X	X
ECOSIDA		X X
PSI- Mocambique		X X
ARES		X
Associação Juvenil Uxene		X
MATRAM		X
SAFAIDS		X
Associação Coalisão da Juv. Moçamb.		X X
Handicap International		X

It is not clear what were the criteria used for the final selection of the approved proposals. However, it is clear that the abrupt establishment of the Civil Society Panel and the definition of new evaluation criteria created confusion and lowered the transparency of the process.

2.5 Governors consultation

In April 2010, once the proposals were finally approved, the SC raised a question about the acceptance of the projects by the local authorities.¹⁷ The RRF-MU suggested to make a consultation to the Provincial HIV/AIDS Nucleus with the objective of confirming that the selected organization operates in the province/is known and to certify that the proposed activities are aligned with the province priorities. However, the Minister of Health considered that the Provincial Governors should be consulted for the purpose. The RRF-MU was instructed to prepare letters to the Governors requesting a response within seven days. By the end of June, the SC received three kinds of reactions from the Governors:

- a) Positive acceptance of the proposed projects
- b) Rejection of the proposed projects
- c) No answer

By July 22nd, 2010, two out of the eight pre-approved proposals received a negative note from the provincial Governors. The SC decided to request explicatory notes from the Governors about their disagreement. Finally, three months after having been pre-approved by the SC, a letter was sent to the eight organizations informing that their projects had been approved for funding from the RRF. After all, the Governors' consultation did not change anything – it only created an additional delay in the process.

¹⁷ Acta IV, Comité Directivo do Fundo de Resultados Rápidos, ponto 5.5

2.6 Rapid Results Fund Management Unit

As part of the reprogramming of the MAP project in December 2008, a Rapid Results Fund Management Unit (RRF-MU) under UNDP was forethought with 3 well-qualified staff members.¹⁸ The RRF-MU would be in charge of the administration of the fund including publishing the CfP, receiving proposals, allocating them for review by a panel of consultants to be contracted, drafting contracts, making payments, and writing reports.¹⁹ UNAIDS was to provide the technical support to the RRF-MU.

In December 2009, the SC approved a composition of two professionals for the RRF-MU: one coordinator and one assistant. UNDP started right away the search for suitable professionals. The assistant joined the RRF in January 2010 and the coordinator's position was filled in March 2010. Until then, the UNDP Poverty Reduction Unit in collaboration with UNAIDS carried out the preparatory work of the RRF.

Composition of the unit

The chosen RRF-MU Coordinator had extensive experience in projects oversight and is knowledgeable of gender issues. However he was new to UNDP and needed time to familiarize with its internal roles and procedures. In contrast, the Assistant has many years of experience with UNDP in supporting role. According to several interviewed implementing partners, the roles and responsibilities between the Coordinator and the Assistance were not very clear to the counterparts.

Both the Coordinator and the Assistant had limited experience in grant management, HIV/AIDS and monitoring and evaluation. Both members participated in a two-day training on UNDP procedures offered to the partners at the beginning of the implementation phase.

Terms of reference

The responsibilities of the RRF-MU were multiple. The two members of the RRF-MU together had to perform different tasks in relation to:²⁰

- *Call for proposals:* prepare calls, define evaluation criterias, define indicators, propose timetables, propose budget, develop the agreement format, present documentation to SC, inform selected organizations
- *Funding the proposals:* develop and submit for the approval of the SC the contract, the manual for the management of the fund, and reporting formats, also follow up on the signature of the agreements.
- *Financial management:* perform evaluation visits, ensure resources flow, ensure organizations are accountable, maintain financial operations registered in ATLAS, perform onsite reviews, write quarterly reports, etc
- *Management and Administration:* create RRF project in ATLAS, regularly update it, ensure regular and proper file, offer secretarial support to SC and evaluators panel, etc
- *Monitoring and Evaluation:* ensure proposals state clearly indicators and targets, perform monitoring visits, write quarterly reports, write ToRs for evaluators etc.

¹⁸ World Bank, Aide Memoire, Mozambique – HIV / AIDS Response Project, Restructuring Mission, December 1-12, 2008

¹⁹ Acta IV, Comité Directivo do Fundo de Resultados Rápidos, ponto 3.

²⁰ Free translation from original terms of reference in Portuguese.

In the context of the present evaluation, the consultant team asked the two RRF-MU team members to indicate what responsibilities had been carried out and to what extent. In response, the RRF-MU team reported that most of the responsibilities had been carried out, except one: monitoring and evaluation of the sub-projects had hardly been started.

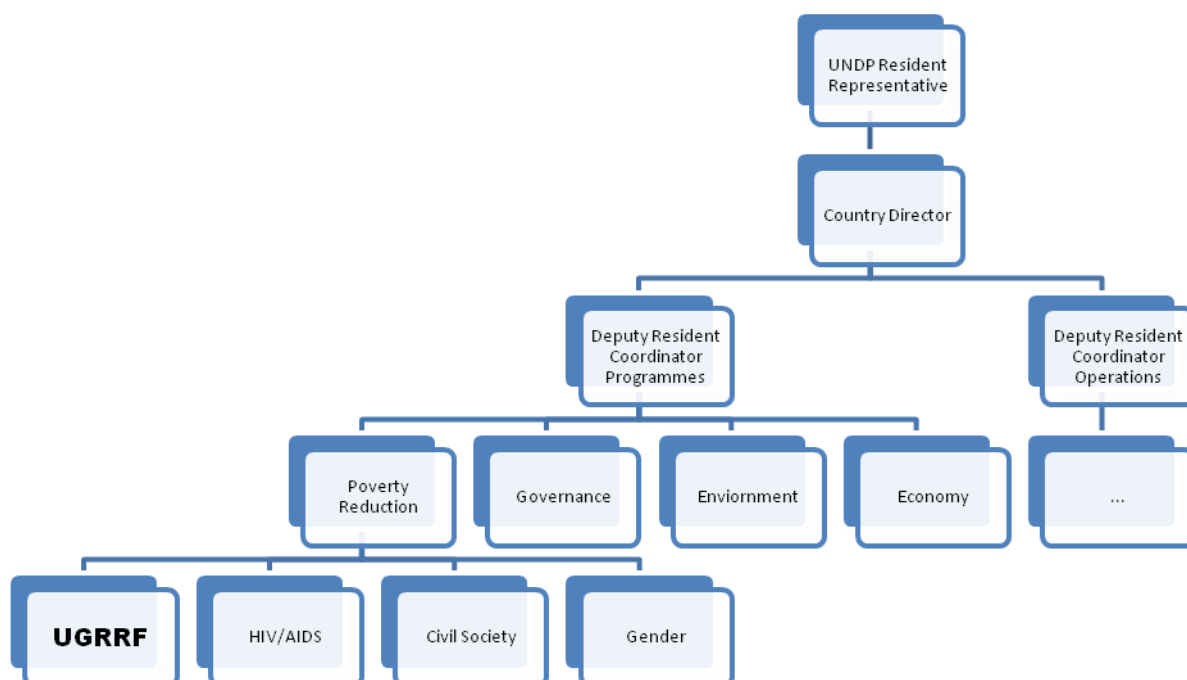
Monitoring and evaluation

RRF-MU member reported that monitoring was performed quarterly. It was reported that partners provided financial and programmatic reports every three months but none of these reports were available for the present evaluation. Every quarter then, the financial information was analyzed and checked against the reported indicators. Coordination meetings were carried out individually with some implementing partners. The RRF-MU went as far as developing a schedule of visits to the implementing organizations, but ultimately it cancelled the visits. According to the RRF-MU, there were no funds available to cover the monitoring visits. As per UNDP standard policy a specific budget line of approximately 5% is usually included in projects to ensure M&E is performed. However, the budget of the RRF project did not include such a line. Instead, the RRF budget included 7% for general management services and another 2.85% for administration costs, but UNDP affirmed that none of these items covered M&E. Consequently, UNDP did not monitor the technical implementation of the sub-projects. While there is a Monitoring and Evaluation Unit at the UNDP office in Mozambique it is not clear what was the involvement of this unit with the RRF project.

Functioning of the unit

The members of RRF-MU considered the unit well-positioned within the UNDP-Mozambique internal structure. They also indicated that there is interaction with senior management and the work environment allowed for issues to be raised as often as it was required. In their words “Country Director followed the RRF closely despite looking far in terms of the structure”. The graph below presents the organogram of UNDP and the RRF-MU in it.

Picture 2: UNDP Mozambique Organogram²¹



²¹ Source: key informant interview with the members of the RRF-MU.

On the basis of this scheme, it appears that the RRF-MU is institutionally placed rather low, and far away from the Country Director, who has to sign all the contracts and other binding documents. This may explain in part why the internal bureaucracy within UNDP sometimes got so protracted.

Engagement of UNAIDS

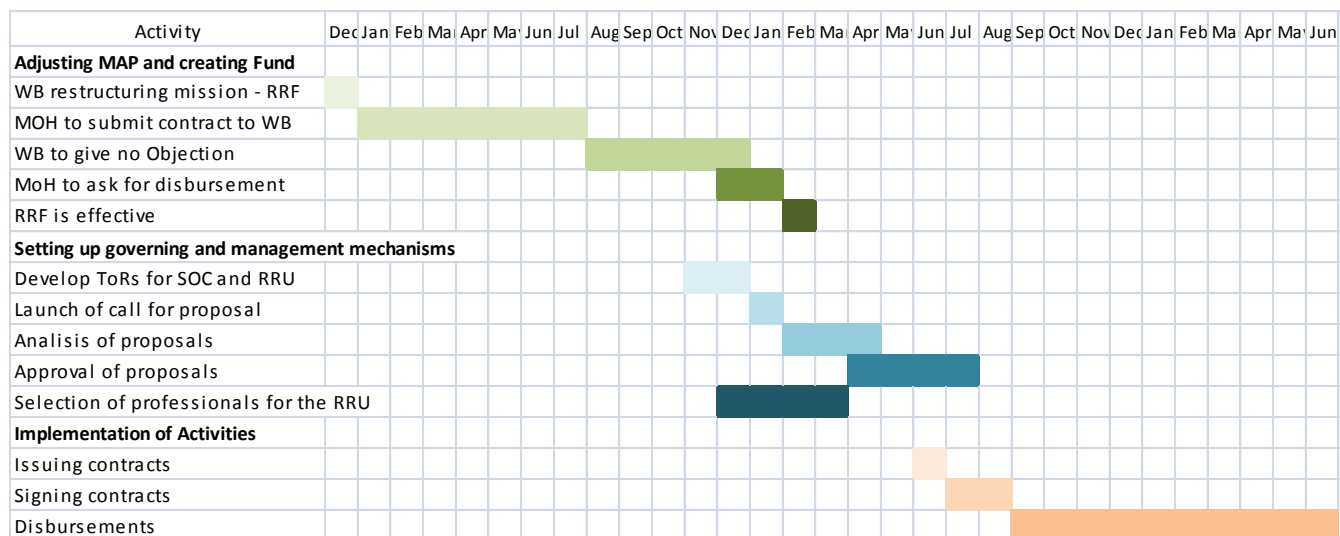
While UNAIDS seem to have been very active during the preparation of RRF this was no longer the case in the implementation phase. It is worth noting that the start up of the implementation coincides with a change in UNAIDS representative for Mozambique which might have changed the internal circumstance for the organization. UNAIDS could have nevertheless contributed considerably with the technical HIV competence and monitoring skills if it had been integrated into the RRF-MU team. It appears that in the current setting, the roles and responsibilities of UNAIDS were not very clearly defined, and hence, the opportunity of truly benefitting from UNAIDS technical assistance was missed.

2.7 Lessons learned

The 30 months of existence of RRF have already offered many lessons that can be useful for future:

- The expectation that a funding mechanism could be created and offer results within a period of 30 months has proven to be highly optimistic. On one hand, the period that was needed to design and set up the RRF and to contract UNDP and disburse the funds ate up nearly 50% of the available time period. There are several examples from abroad (Ghana) and from Mozambique (CNCS, MASC, Avante), that show that grant management is a skill that needs to be developed and acquired - it takes time.
- The choice of the management agent is key to achieving results. It was possible to have the RRF created and operational within the short period of time because of the choice of UNDP as the management agent. This was because:
 - UNDP had already established procedures and existing manuals for financial management (model agreements, reporting standards, etc);
 - UNDP could use its own funds for the preparation work while waiting for the disbursement from the World Bank. Thus, many activities were initiated (incl. the launching of the call-for-proposals and the hiring of the members of the RRF-MU and of the Evaluation Committee) even before the funds were available. The below figure displays how the 30 months of creation and set up of RRF were spent. The blue coloring indicates the activities of UNDP before and after the receipt of the MAP funds.

Picture 3: Timetable and activities of the RRF between December 2008 and June 2009



- Transparency on the selection and approval process of the proposals was unintentionally compromise. The establishment of an ad-hoc Civil Society Panel as a second team of evaluators diminished the weight of the recommendation of the original Evaluation Committee and lessened the objectivity and transparency of the process.
- The Governors’ consultation rendered the selection of the sub-projects political and added no value to the process.

3 Rapid Results Fund as a financial mechanism

The Rapid Result Fund was created in an effort to improve on the implementation rate of the World Bank MAP project. Out of a balance of about USD 20 million, 4.7 million was made available for UNDP for the Fund. DFID and DANIDA also submitted additional funding under the Rapid Result Funds, providing a total of USD 1.5 million (USD 1.0 million from DFID and USD 0.5 million from DANIDA). As stated above, the present evaluation only takes into consideration the MAP funding to the RRF.

3.1 Requested funds

There were two directed calls for proposals, one for World Food Program (for the Food Voucher Program) and the other for the Ministry of Public Services, each with a budget of USD 903,000. In addition, there was a third call for proposals that was made publically to non-state actors (i.e. Civil Society Organizations). Following this latter call for proposals, a total of 87 proposals were received and handed over to the Evaluation Committee. The amounts of the individual budgets varied significantly from as low as USD 9,000 to about USD 475,000.

The total budget of all the proposals presented by the CSOs to the RRFU was about USD 17.7 million, a demand that was about 85% higher than available resources. In terms of the composition of the proposals, three main categories emerged. The first category of proposals comprised of 44 CSOs, which presented proposals with budgets below USD 99,000. In this group, only 10 proposals (or, 23%) were

from outside Maputo Province.²² The total budget presented by the organizations in this category was USD 2.55 million, already surpassing the resources of the RRF available for the non-state actors.

The second category of proposals comprised of 24 CSOs whose requested budgets ranged between USD 100,000 and USD 299,000. The combined budget in this category was USD 2.3 million, nearly equal to the available resources. The third and last category of proposals comprised of 21 CSOs, with individual proposals above USD 300,000, of which the combined total requirement surpassed greatly the financial capacity of the RRF.

3.2 Approved Projects and Disbursed Funds

Out of the 87 proposals, 32 were selected as potentially viable. However, because of the limited resources, the Evaluation Committee created a short list of 15 proposals on the condition that they underwent a review process, with the exception of one proposal (from Right to Play) which was approved right away. After the evaluation of the Civil Society Panel and the Governors' consultation, 8 proposals were approved by the Steering Committee. Later on, one of the approved implementing partners – PSI – rejected the opportunity, and two other NGOs were accepted in its place: MATRAM and Handicap International. Considering also the proposals of the World Food Program and the Ministry of Public Services, the total number of approved projects thus came up to 11.

Following the approval of the proposals, winning organizations were informed on their status and contracts were drafted for each. As per contract, each recipient organization was requested to open a special account, dedicated solely for the accounting of the RRF resources. The contracts also specified other conditional ties such as quarterly disbursements, followed by quarterly accounting of received funds through quarterly financial reports, certified annual financial statements of the funds advanced (i.e. financial audits), maintenance of records, among others.

As indicated in Table 5, effective disbursements to the 9 CSOs amounted to Mt 53.8 million. In addition, the United Nations' World Food Program (WFP) and the Ministry of Public Services (MFP) each received the amount of USD 903,000. Hence, the grand total of RRF funds disbursed stood at USD 3,473,929.18.

Table 5: Disbursements made by the RRF

ORGANIZATION	Disbursements (date)	Disbursements (Mt)	Disbursements (USD)	EXECUTION (%)
PATHFINDER INTERNATIONAL	23-Sep-10	681.573,75	18.297,28	99,44
	22-Nov-10	1,854.997,20	51.888,03	98,47
	28-Feb-11	5,693.002,26	174.097,93	89,34
	15-Jun-11	6,108.286,14	208.118,78	na
Sub-total		14,337,859.35	452,402.02	
HANDICAP INTERNATIONAL	17-Feb-11	4,192,254.00	128,203.49	99.96
Sub-total		4,192,254.00	128,203.49	
MATRAM	14-Mar-11	1,485,025.00	47,750.00	99.67
	27-May-11	2,651,463.16	87,219.18	na
Sub-total		4,136,488.16	134,969.18	

²² In fact, out of the 89 proposals by CSOs, only 20 (or, 23%) originated from outside Maputo Province; further, 10 of these proposals came from Gaza Province alone and 4 were from Inhambane. The remaining proposals originated from Nampula (1) Manica (2), Sofala (2), and Niassa (1).

ECOSIDA	25-Oct-10	489,758.41	13,604.40	100
	18-Nov-10	1,246,539.97	34,868.25	100
	1-Feb-11	8,555,316.22	261,630.47	92
	27-Jun-11	2,875,071.71	97,958.15	21
Sub-total		13,166,686.31	408,061.27	
CONSELHO CRISTÃO DE MOÇAMBIQUE - INHAMBANE	25-Oct-10	2,469,505.73	68,597.38	99.2
	27-Oct-10	1,911,641.82	53,101.16	99.6
	10-Feb-11	1,737,361.95	53,130.33	100
	17-May-11	845,572.27	27,814.88	na
Sub-total		6,964,081.77	202,643.75	
ASSOCIAÇÃO COALIZÃO DE JUVENTUDE MOÇAMBICAN	20-Sep-10	517,150.00	13,883.22	100
	1-Feb-11	568,730.00	17,392.35	99.9
	27-May-11	551,800.00	18,151.32	na
Sub-total		1,637,680.00	49,426.89	
RIGHT TO PLAY	16-Sep-10	667,439.00	17,917.83	78.1
	7-Dec-10	1,195,458.50	33,894.49	98.7
	6-Jun-11	1,982,261.35	67,538.72	na
Sub-total		3,845,158.85	119,351.04	
CONSELHO ISLAMICO DE MOÇAMBIQUE	12-Oct-10	477,354.00	13,259.83	100
	24-May-11	1,753,218.00	57,671.64	na
Sub-total		2,230,572.00	70,931.47	
ADPP	3-Nov-10	914,607.00	25,583.41	100
	1-Apr-11	2,351,785.00	76,356.66	na
Sub-total		3,266,392.00	101,940.07	
WFP	12-Nov-10		903,000.00	30
Sub-total			903,000.00	
MFP			903,000.00	77.5
Sub-total			903,000.00	
GRAND TOTAL		53,777,172.44	3,473,929.18	

Source: UNDP Financial Statement (from ATLAS), as of 16 September 2011

Briefly, disbursements to partners function as follows:

- Partners indicate amount to be disbursed and the RRF transfers the funds;
- Once 80% of money is executed, partners account for it and request subsequent disbursement;
- Partners have a maximum period of 3 months to execute each disbursement and account for it. If they fail to report, no further advance is made by the RRF.

As per the sub-project contracts, disbursements were to be made on quarterly basis. On this basis, and as per contract, the installments should be in the amount of a quarter of the total approved budget, provided that each previous disbursement was accounted for in full. Otherwise, the balance from the previous disbursement would be subtracted from the next installment. Hence, although the implementing organization gets the equivalent amount of the total installment, its aggregate expenditure at the end of each quarter period will reflect the unspent balance from the previous quarter. Further, under this rule, recipients are only eligible to receive the next disbursement if they account for both actual expenditures and the balance.

Returning the financial balance

The financial system of the RRF was supposed to operate through quarterly disbursements. By the end of each quarter, or as soon as they would spend 80% of the disbursed funds, the organizations should present their financial statements and request for the next disbursement. At the same time, UNDP required the organizations to return any unspent balance in the end of each quarter, before receiving more funds. While this may have been an efficient measure from the point of view of financial control, technically speaking it increased the vulnerability of the organization as it left them without any financial resources for an unknown period.

There were also other practical difficulties related to the returning of the balance. Pathfinder, for example, ended up losing money due to this practice. When preparing the financial statements related to the 3rd disbursement and the request for the 4th disbursement, Pathfinder still had a balance of Mt 600,000 on its account. When RRF-MU received the request, they asked Pathfinder to return the remaining balance. However, at that time Pathfinder was already spending the balance. As a consequence, UNDP deducted Mt 600,000 from Pathfinder's last disbursement – a deduction that was never replenished.

As the evidence shows (Table 5), none of the recipients received funds before or within the month June 2010, although the project implementation period had been established for June 2010 up to June 2011. Delays in transferring funds from UNDP to the implementing organizations, and in the accounting for received funds by the implementing organizations created a lot of frustration in the process. While the delays on the RRF side were mainly caused by internal UNDP administrative reasons, the implementing organizations had difficulties in dealing with the UNDP financial procedures. Specifically, recipients reported difficulties in filling the Financial Report Format, also known as the Financing Authorization and Certificate of Expenditure (FACE).

The FACE allowed the financial managers of the implementing organizations to tie planned activities (i.e. a detailed description of each planned activity, by budget line) with a unique UNDP budget code, followed by the authorized values for each individual activity (see Annex II). One implementing partner described FACE as “not a user-friendly tool”. This is clear from the fact that several implementing organizations which participated in the initial training on the use of the FACE still faced difficulties in using it even after the training.

3.3 Financial execution of the RRF

The evidence provided by the UNDP financial statement of 16 September 2011 indicates a quite significant rate of financial execution. According to accounted funds, recipient organizations have had a high rate of expenditures vis-à-vis received funds. Despite the reported delays by UNDP in providing the disbursements and the delays of the implementing organizations in accurate financial accounting reports, the implementing organizations managed to execute 93% of the allocated funds.

It should be noted that approved accounted funds are scrutinized to the detail by both RRF-MU and UNDP Financial and Accounting Department. Whereas the RRF-MU looks into detail at the programmatic side of the report, checking whether both funding ceilings and exact planned activities were fulfilled, a financial assistant at the Accounting and Financial Departments browses through the accounts to recheck whether accounted funds match with advanced funds and, for the remaining balance and new requested funds are in line with the guidelines. For instance, if the remaining balances are not properly reported, the financial report cannot be approved. The same applies if there are discrepancies in the FACE reports in regards with the financial ceilings and/or between planned and reported activities.

Thereof, although the last disbursements made to the implementing organizations have not yet been accounted for, the previous record (93%) can be taken as an indication of a successful implementation of planned activities. Hence, it is likely that the certified annual financial audits show a rate of implementation close to 100%. Having said this, it does not preclude the fact that the accounted funds (i.e. financial reports) conditioned delays in the process, since in many instances reports had to be resubmitted after corrections were introduced. As mentioned elsewhere, the subsequent disbursements were only made after both the RRF-MU and the Financial and Accounting Department had approved the respective report of the implementing organization.

Looking at the individual implementing organizations, it is noted that all of them can be considered belonging to the “Category A”, if the classification used by CNCS would be applied. And, as mentioned above, almost all can be considered successful, judging from the last reported financial statement status. Although we do not intend to delve deep into the management process of each organization, we will bring up some salient features that have contributed positively or negatively to the performance of the selected organization, reporting some features that are not displayed in the Table 5. Following are the selected organizations and their respective recounts of the events.

Pathfinder International: It submitted its final report in August 2011. Overall, Pathfinder has performed well (96%, on average) and, the fact that it received a huge advance late in June is an indication of UNDP’s recognition of its trustfulness.

Handicap International: This organization came late in the process, in replacement of PSI. Judging from the point of view of accounted funds, it can also be considered a case of success (99.96%). However, considering the information gathered from Handicap management, there is a pending issue related to a second advance due that was never transferred by UNDP. The Handicap project team reports that, like many other organizations, they had been allowed to make advances from their own funds. However, UNDP is alleging that the financial reports submitted for reimbursement are marred with problems and, unless each activity is reported separately and is well accounted for, there will be no reimbursement. In short, there are pending issues that the two parties need to resolve.

PSI allegedly dropped out from the RRF because of two main reasons: (i) their accounting system is developed and sophisticated enough to manage and report on specific fund from the funding basket. However, UNDP requirements would forcefully lead them into having not only one central account at headquarters in Maputo, but a myriad of accounts in each of the Provinces they operate; (ii) the UNDP procedures did not allow PSI to include indirect costs, such as overheads and staff related expenditures. Thus, PSI preferred to operate without the RRF funding. However, according to RRF, PSI was required to open one central account which it would operate its program and through which they would make payments to their activities in the provinces. RRF also clarified that with regard to indirect costs, it only requested all applicants (PSI included) to reduce their administrative and indirect costs as they were too high.

ECOSIDA: Deemed by the RRF as one of the most successful projects, ECOSIDA has had an outstanding performance (100% for the first two advances, and 92% for the third). Like all the other implementing organizations, they too faced delays with UNDP disbursements. And like others, they too were allowed to make advances from their own internal financial resources. Their success, however, came from the fact that their proposal was well developed and objectively innovative. ECOSIDA benefited from its internal links to International Labor Organization (ILO), which provided it with an expert consultant to prepare the proposal. In spite of having picked up the informal sector and the long haul transport sector, all of which were new to them, they were able to show outstanding results. Because the M&E component was not established by contract, ECOSIDA took the initiative to invite the RRF-MU to visit some project sites around Maputo and Matola. As a result, the RRF-MU expressed

considerable satisfaction. The late transfer done on 27 June 2011 can be seen as evidence of trust from the RRF-MU's side towards the performance of ECOSIDA. Although the UNDP financial report shows only 21% execution rate for the latest disbursement, it is expected that 100% of the resources will be accounted for.

All the other CSOs (MATRAM, Conselho Cristão de Moçambique-Inhambane, Associação Coalizão de Juventude Moçambicana, Right to Play, Conselho Islâmico and ADPP) received their last disbursements in late May or early June, and they have not yet presented the financial statements. In the case of Conselho Islâmico, the second and last disbursement was delayed for almost 3 months because the transfer had been done to a wrong recipient. Otherwise, as mentioned above, the performance on the first advances received are close to 100%. And taking into account that the disbursements are made by the RRF considering reported balances as part of the next advance, approved financial reports can be considered to be 100% justified.

World Food Program (WFP): This international organization received funds to continue on a program that was initiated by the Government, the Food Voucher Program. However, because of innumerable problems such as delays caused by changes in approach, for instance, the change from targeting districts to going back to provincial capitals, as well as difficulties in finding suitable shops, training staff, among others, rendered the management of the RRF very ineffective, to the point that it only spent 30% of the allocated resources. On the closing of the RRF project cycle, WFP was forced to look up for alternative funds, which they did successfully.

Ministério da Função Pública (MFP): In contrast to the funds transferred for the total control of WFP, the MFP did not receive any direct disbursements. The agreement made between UNDP and MFP is based on a direct payment modality. Accordingly, MFP is in charge of the procurement, and upon the submission of approved invoices, the RRF pays the service provider. Although the closing statement of this account cannot be visualized from the financial statement provided by UNDP, the Financial and Accounting Department at UNDP reports a significant execution rate (77.5%). As in most cases related to the disbursement of RRF funds, there were problems also reported for the management of this account, mostly related violation of procurement procedures.

3.4 Financial statements and audits

According to UNDP procedures, both the direct payment modality (MFP) and the periodic disbursement modality (all other organizations) are possible only where the UNDP has carried out an assessment of the internal controls of the implementing organization and determined that they are adequate. In principle, UNDP is also responsible for monitoring project activities to ensure that any deviations from the project work plan and budget are promptly detected. However, as state above, the RRF has practically not carried out any monitoring activities. The RRF is also responsible for arranging for annual audits of the implementing organizations so as to ensure that internal controls are adequate and that the RRF resources are used for the intended purposes.

The implementing organizations are responsible for maintaining all supporting documentation for the expenditures. In order to ensure that the records are complete, the RRF should inform the implementing organization when direct payments are made on its behalf. The Project Director of the implementing organization sends the direct payment / disbursement request to the RRF. The RRF makes the payment as long as the request is properly authorized. The RRF-MU creates and approves the payment voucher. The only responsibility of the approving entity is to ensure that the request is authorized.

The RRF-MU requires the implementing organization to submit FACE on quarterly basis for advanced funds in order for it to monitor project activities on a transactional basis. Submission of original

documentation for payments was not mandatory in this case. The implementing organization should keep the original documents so that they are available, in the office of the implementing organization, for the audit.

3.5 Some Lessons Learnt

On the basis of the above presented findings, the RRF is deemed an appropriate mechanism for channeling funds to CSOs. The quarterly reporting system yields the necessary feedback on the progress of the RRF. Stakeholders, however, have a higher rate of success following new procedures when training is involved; and they succeed in implementing new activities when enough time is given for them to adapt financial issues to programmatic needs and realities. Further, delays in delivering financial resources can seriously compromise the project cycle and lead to unwarranted negative outcome. Finally, a successful management of the RRF requires that M&E as well as technical assistance and not just financial follow-up be put in place.

Some issues of concern raised by stakeholders can be summarized as it follows:

- The partners received one-day training on UNDP internal rules and procedures at the beginning to the implementation phase. The training was recognized by all partners as important and helpful. However there is a general consensus that more needs to be done. Even after the training, several implementing partners experienced difficulties to deal with the FACE. Apart from preparing the partners to follow UNDP’s procedures, the training event is also an opportunity for UNDP to understand partner’s challenges, identify bottle necks and address recurrent problems.
- At the end of the project, both UNDP and partners identified financial management issues as the main challenges in implementing the projects. The first disbursements of funds took in average 5 weeks, eating up 1/3 of the implementation time for each disbursement. For the sake of effective and timely implementation of the projects, the financial processes need to be speedy, which did not happen in this case.
- Late transfers have limited the partners’ capacity to implement activities. According to one of the implementing partners, it has forced them “to execute in a hurry which gives room for mistakes and facilitates misuse of funds”. The time line between presenting the proposal and receiving the last disbursement is constructed on Table 6 below. Note that only partners for whom all the dates were available are listed and according to WB requirement all projects had 30th of June as end date.

Table 6: Important milestones related to the civil society sub-projects

Partner	Approved budget	Proposal received on (date) by RRF	Date of approval of proposal	Date of signature of contract	1st disbursmt.	2nd disbursmt.	3rd disbursmt.	4th disbursmt.
PATHFINDER	427,832	09.02.10	26.07.10	31.08.10	23.09.10	22.11.10	28.02.11	15.06.11
ACJM	42,385	09.02.10	26.07.10	19.08.10	20.09.10	01.02.11	27.05.11	
CISLAMO	73,842	09.02.10	26.07.10	28.09.10	25.10.10	27.10.10	10.02.11	17.05.11
ADPP	90,137	09.02.10	26.07.10	20.08.10	03.11.10	01.04.11		
MATRAM	128,615	09.02.10	10.11.10	13.01.11	14.03.11	27.05.11		
HANDICAP INTERN.	283,250	09.02.10	14.10.10	14.01.11	17.02.11			

* Wrong transfer made by finance, finally disbursed 30 May 11.

- The financial management presents other important issues. Three organizations reported to have received funds in different bank accounts than the ones indicated. In two cases it turned out to be an easy fix because the disbursement was made to old accounts of the same organization. However in one of the cases (CISLAMO) the disbursement was made into a different recipient altogether. It took about 3 months for the situation to be resolved and the organization finally had 5 weeks to implement the original 12-months project. The available data and observations expressed by partners lead us to conclude that the financial management issues have impacted negatively on the results of the projects.
- The monitoring and evaluation component did not receive much attention through this funding cycle. At the beginning of the Fund, there were several things to set up, elements to “fine tune” so M&E was relegated to a secondary role. Besides, the RRF Unit did not have personal enough to be involved in M&E. In conclusion, CSOs/CBOs need both technical and managerial support/follow up and RRF Unit needs to provide for this.

4 Projects funded through the Rapid Results Fund

The Rapid Results Fund was primarily designed to finance civil society projects. Financially, 43% of the RRF funds, i.e. USD 2 million were allocated for civil society projects. In addition, there were two special projects funded through the RRF – one of the Ministry of Public Services and another of the World Food Program – each worth some USD 900,000 (38%). Finally, the RRF was also supposed to finance the evaluation of some “innovative initiatives for HIV and AIDS” (USD 0.7 million allocated) but such evaluations were not put in practice mainly due to time constraints.

In this chapter we will present the experiences of the different implementing organizations with the RRF. We will first discuss the projects and project proposals submitted by civil society organizations and thereafter we will look into the two special projects.

4.1 Civil society projects

4.1.1 Application process

The first call-for-proposals of the Rapid Results Fund was published in the newspaper in early January 2010. The newspaper add invited non-state agencies to submit proposals that would contribute to “increasing the proportion of youth who correctly identify ways of preventing sexual transmission of HIV, and who reject the most common misconceptions related to the transmission of HIV.” The newspaper add explicitly encouraged the participation of youth networks, and organizations who work with such networks.

The interested applicants obtained more detailed instructions for proposal elaboration through UNDP. The instructions oriented the structure of the proposal, and defined the eligibility criteria. According to the instructions, the proposals should be thematically geared to one of the following areas:

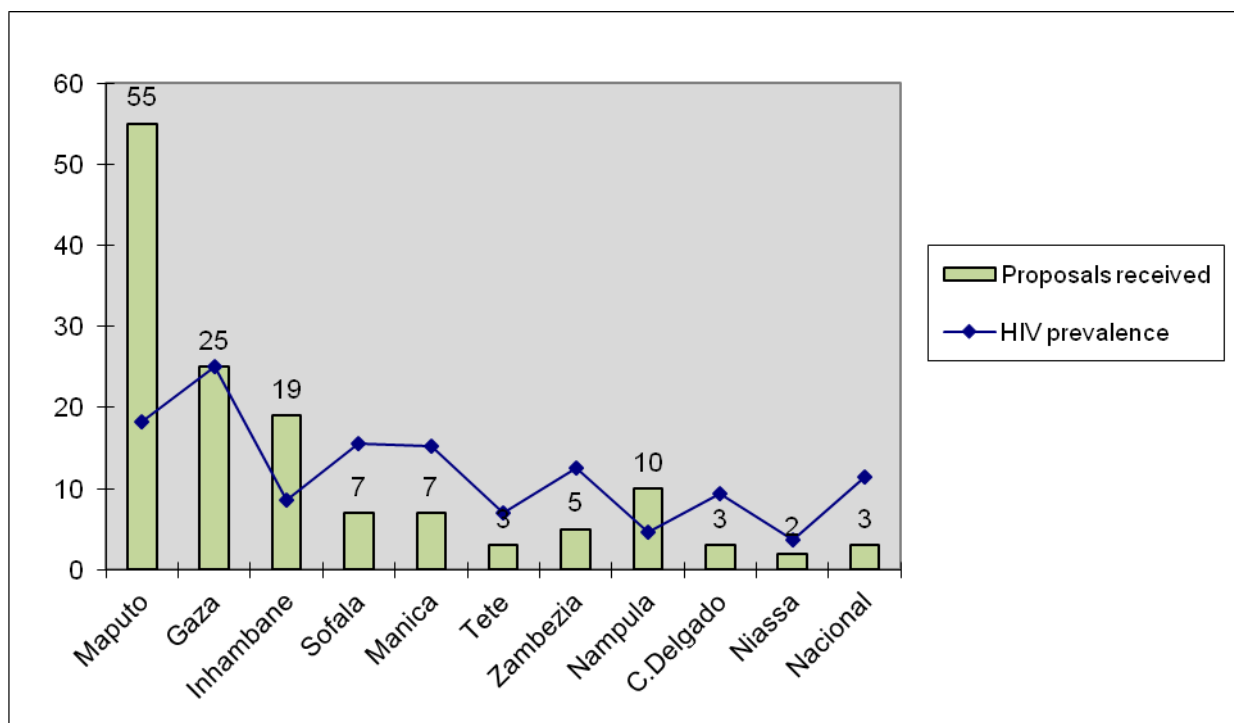
- Reduce multiple concurrent partnerships
- Association between reproductive health and HIV
- Association between TB and HIV

- Male Circumcision

According to most of the interviewed NGOs, the application process and the instructions were clear and easy to follow. By the deadline, one month later (10.02.2011), the RRF-MU had received a total of 87 proposals. Many of them targeted several provinces simultaneously. However, the vast majority focused exclusively on Maputo City and/or Province (63%), or more generally on the Southern Region, as presented in the below graph. In general, it can be noted that the further away one gets from the capital city, the smaller the number of proposed interventions; only Nampula and Zambezia – the most populated provinces – deviated slightly from this pattern.

Considering the geographic differences in HIV prevalence rates, the high concentration of the proposals in the South is justifiable, as Maputo and Gaza are also the provinces with the highest HIV prevalence rate in the country. However, unexpectedly low number of proposals focused on the other high prevalence provinces, i.e. Sofala, Manica, Zambézia and Cabo Delgado.

Picture 4: Geographic focus of the submitted proposals



The limited number of proposals coming from the provinces is likely to be in part due to equally limited access to information. Consultation with some 20 organizations from different provinces who submitted a proposal to RRF revealed that most of them learned about RRF through another NGO/NGO network based in Maputo, or through newspaper. Hence, small district based organizations would hardly have had access to such information.

Originally, 8 of the 87 proposals were approved. However, one of organizations with approved proposals withdrew from the Fund during the contract negotiations (PSI), and it was replaced by two other proposals. Hence, the final number of approved proposals was 9, corresponding to 10% of the submitted proposals. 4 of the 9 approved proposals were submitted by international organizations. Most of the approved national bidders were large and well-established organizations. Only 1 of the 9 approved proposals was presented by a youth association, as appealed in the newspaper add.

Geographically speaking, 3 of the approved proposals concentrated only on Maputo, while all the other proposals extended some interventions also into the provinces. Although, the provincial extension was

rather limited, the approved proposals nevertheless planned some interventions in all the other provinces except Niassa and Cabo Delgado. Only one of the approved proposals had a provincial basis with no connection at all with Maputo (Conselho Cristá de Moçambique in Inhambane). In sum, the RRF funds benefitted mostly well-established national and international organizations working in Maputo City and Province.

Table 7: Geographic focus of the approved proposals

Approved proponents	Thematic focus	Maputo	Gaza	Inhambane	Sofala	Manica	Tete	Zambezia	Nampula	C.Delgado	Niassa	Nacional
1 ADPP	HIV prevention, MCP	x										
2 Ass. Coalição da Juventude Moçambicana & KUTENGA	HIV & reproductive health, MCP	x										
3 CISLAMO	HIV prevention & male circumcision	x							x			
4 Conselho Crista de Moçambique	HIV prevention, MCP			x								
5 ECOSIDA	HIV & TB, PMC	x	x		x	x	x		x			
6 Handicap Internacional	HIV prevention, PMC	x										
7 MATRAM	HIV & TB, HIV treatment literacy	x	x	x								
8 Pathfinder	HIV & reproductive health	x	x									
9 Right to Play	HIV prevention	x	x					x				
TOTAL		8	4	2	1	1	1	1	2	0	0	0

Thematically, all except one proposal had a clear focus on HIV prevention. 5 of the 9 approved proposals focused on reduction of multiple concomitant partners (MCP), 2 on the association between HIV and reproductive health, 2 on the association between HIV and TB and 1 on male circumcision.

4.1.2 Contracting process

All the organizations with approved proposals were contacted and asked to revise some aspects of the proposals. Most of them had to downsize the project budget as the total requested amount exceeded the available funding. According to RRF-MU, the budget reductions were mainly motivated by the need to bring down the administrative costs that exceeded UNDP standards. Budget revisions were naturally accompanied with reviews of the work plans. Some organizations had to revise their plans more than once in order to fit within the expected scope.

In July 2010, UNDP started issuing the first contracts with the implementing organizations. The process however took nearly three months to be concluded, as it implied that the implementing partners had to open specific bank accounts and get all the paper work ready to get started. By the end of September 2010, the contracts had been signed with all the other organizations except for Handicap and MATRAM, who replaced PSI and therefore joined the Fund only later. Regardless the actual date of signing the contracts, the commencement date of all the projects was set either for 30 June or 30 July 2010. Hence, the implementing organizations were already behind the schedule at the time when they signed the contracts. Only Handicap and MATRAM, both of whom signed the contracts in January 2011, were more or less in time as their commencement dates were set for the beginning of the year 2011.

Reviewing the work plan

Handicap International was one of the implementing partners that came on board only after PSI had withdrawn its proposal. Therefore, it was contacted at a relatively late stage, specifically between September and October 2010. In the beginning, the RRF-MU asked the Handicap team to revise the submitted work plan, shortening it to 8 months instead of 12. The project team felt constrained by this request. “Our social impact projects never take less than one year. We only accepted to submit a 1-year plan because there were funds available for it. Yet, even within a year, one can only generate processes, not results,” explained Handicap’s Technical Coordinator. However, given that shortening the time frame was the only way to access the much needed funds, the team accepted to do so.

Some weeks later, the RRF-MU contacted Handicap and asked them to shorten the work plan again by one more month, thus fitting the project into a period of 7 months. As the days and weeks passed, Handicap was once more asked to curtail the work plan, this time reducing it to 6 months. Finally, on January 14th 2011, Handicap International signed the contract with the RRF. The contract set the closing date of the project for 30 June 2011, which left the team with a total of 5.5 months for the implementation of activities that were originally to be carried out over the course of 1 year.

The World Bank funding agreement with UNDP was valid until 30 July 2011. Consequently, the NGO projects had to be equally closed by this date. However, the procurement rules of the World Bank established that no more expenses could be made after June 30th, 2011, and therefore, most of the projects were actually set to close in the end of June. For some reason this was however not a uniform practice; two NGO contracts – with Pathfinder and MATRAM – were made to last until the end of July 2011. This meant that the contractual duration of the NGO projects varied, as showed in the below table.

Table 8: Contractual duration of the approved projects

	Organization	Date of signing the contract	Project duration as per the contracts	Project duration as per the contracts - in months
1.	ADPP	8/20/2010	30.07.2010-30.06.2011	11
2.	Ass.Coalção da Juventude	8/13/2010	30.07.2010-30.06.2011	11
3.	CISLAMO	9/28/2010	30.07.2010-30.06.2011	11
4.	Conselho Cristão		30.07.2010-30.06.2011	11
5.	ECOSIDA	7/14/2010	30.06.2010-30.06.2011	12
6.	Handicap International	1/17/2011	14.01.2011-30.06.2011	5.5
7.	MATRAM	1/13/2011	13.01.2011-30.07.2011	6.5

8.	Pathfinder	09.09.2010	30.07.2010-30.07.2011	12
9.	Right to Play	8/26/2010	30.07.2010-30.06.2011	11

In practical terms, the NGOs could only start implementing the projects once they received the first disbursements. If one considers this as the start-up, and 30 June 2011 as the financial closure of the projects, the actual implementation period was considerably shorter than foreseen in the contracts.

Table 9: Actual duration of the approved projects

	Organization	1st disbursement	Financial closure of the projects	Actual duration of the project - in months
1	ADPP	12.11.2010	30.06.2011	7.5
2	Ass.Coalção da Juventude Moçambicana	07.10.2010	30.06.2011	8.5
3	CISLAMO	25.10.2010	30.06.2011	8
4	Conselho Cristá de Moçambique		30.06.2011	
5	ECOSIDA	17.09.2010	30.06.2011	9.5
6	Handicap International	03.03.2011	30.06.2011	3.5
7	MATRAM	01.04.2011	30.06.2011	3
8	Pathfinder	23.09.2010	30.06.2011	9
9	Right to Play	23.09.2011	30.06.2011	9

In order not to cause further delays, some of the implementing organizations started borrowing money from other projects while waiting for the first instalment from RRF. However, UNDP did not provide consistent clarification whether such funds could be later reimbursed; hence, many organizations hesitated to use other funds. On the other hand, some organizations had only limited alternative resources to draw from, and they had no other option than wait.

4.1.3 Implementation of the projects

Since the beginning, the funds disbursements never followed the planned quarterly schedule, and the unpredictability of the funding affected extensively the work planning and the implementation of the sub-projects. According to UNDP, many delays were caused due to incomplete financial statements /payment requests submitted by the implementing partners. It took time to review and settle such documentation, and thus delays occurred.

The first and most direct consequence of the unpredictable disbursement schedule was delayed implementation of the planned activities and the difficulty in reprogramming them, as there was no confirmation on the next disbursement.

Implementation without funds

Due to the delayed funding, many organizations, including ADPP, MATRAM, CISLAMO and ACJM, could not pay salaries in time to the project staff and were faced with challenges while trying to retain the staff and keep up their work motivation. “The activists never received their monthly payments as planned. Sometimes, they only received one payment in a quarter,” lamented the ACJM project team. Promises were made to pay everything retroactively, and some organizations, such as ADPP distributed caps and t-shirts as incentives to keep up the mood. However, not everybody was assured with such

measures; some activists of CISLAMO and ACJM became hostile and threatened the project management teams, as if they were intentionally cheating them. “We passed an image that we were not serious” regretted the ACJM Coordinator.

Practically all the implementing organizations had to postpone activities, and delay payments to external service providers. In this way, important momentums were lost. CISLAMO’s project sought to train traditional leaders on the benefits of male circumcision in HIV prevention. The end of the year school holidays were considered strategically the most suitable period for the training. However, by that time CISLAMO had not yet received the second disbursement and could therefore not conduct the trainings before April, when the money was finally made available. Similarly, Right to Play had planned to conduct a series of sports activities with in-school youth in the last quarter of 2010, before the school holidays. However, the second disbursement, expected in October, only arrived on 17 December when the schools were already closed. The organizations thus had to wait with the planned activities until the new school year started in February 2011. “It was a small fund that gave us a lot of head ache”, concluded one implementing partner.

Treatment literacy on TV

As part of its treatment literacy training program, MATRAM had planned to start broadcasting a 1-hour TV show every week on channel Tim during a period of 20 weeks. The program was supposed to start during the first quarter of 2011 but given that MATRAM only received the first disbursement from RRF on April 1st, the start-up of the TV program had to be delayed. In the end of the first quarter, MATRAM borrowed money from another project and advanced the payment for the first two TV-shows. These funds were returned to the other project account as soon as MATRAM received funds from the RRF.

The 1-hour TV shows were recorded every week at Tim’s station. The cost of each 1-hour program was USD 1,200. With the first disbursement from RRF, MATRAM paid for 15 1-hour shows. When the money was used up, Tim wanted to cease the production. At this time MATRAM was already waiting to receive the second disbursement from RRF. When contacted the RRF team at UNDP, they affirmed that the money was on its way. With this information MATRAM was able to convince Tim to carry on with a two more recordings, until the TV station renewed its request to get paid. MATRAM turned to UNDP again and got the same answer as previous time: the money is just about to be transferred. In order not to interrupt the TV recordings, MATRAM asked UNDP to send a letter to the channel Tim explaining that the delay in payment was going to be taken care of. The RRF team at UNDP said that there was no need for a letter as the funds would be paid soon. MATRAM implored Tim to carry on with the recordings, and once more Tim accepted only because they had worked with MATRAM in the past and knew that the organization had never failed its payments before.

In the end, MATRAM managed to broadcast all the 20 TV shows on time. However, until MATRAM finally received the second disbursement in the end of June, the project team had to negotiate with Tim every week about the continuation of the recordings. As a consequence of all the delayed payments, the final bill to Tim was increased with a penalty fee of Mt 20,000.

Implementation with the funds

In many cases, when the disbursements were made, the implementing organizations had a very short time to carry out the activities. For example, ACJM requested for the second disbursement in January 2011 but received it only in mid March 2011. During the period of waiting, many activities had to be postponed. Then in March, the organization received Mt 400,000 that they had to spend by the end of the first quarter, i.e. in less than one month. All the implementing partners had similar experiences. However, as stated above, according to UNDP, most of the delays were caused by insufficient or incomplete payment requests that the NGOs submitted to UNDP. Considering the frequency of such

delays, one can only conclude that the applied procedures for requesting funds were too complex for civil society organizations – national or international – to follow.

Pathfinder received the 4th and last installment on 15 June 2011, while RRF wanted to close all the expenses by 26 June. “It was a nightmare for us. It was such a short time,” said the Pathfinder project team. These types of circumstances would be challenging for any organization, let alone for a relatively inexperienced youth organization. All the organizations felt that the short financial execution periods compromised the quality of the work. “When you rush with the implementation, you are not necessarily able to ensure high quality. [...] We could do better, if the administrative aspects were addressed” affirmed one of the MATRAM project team member. Furthermore, as pointed out by the representative of Pathfinder, “This kind of process may contribute facilitating corruption, as a large volume of recourses should be spent within a very short time” Hence, there is no time for proper supervision of the conditions in which the expenses are made.

Requesting extension

Although the contracts signed with the implementing organizations set the project closing date at June/July 2011, many organizations were confident that the execution period of the projects would be extended due to the late start-up of the projects and the repeated delays in the disbursements; they counted on implementing the projects in 11-12 months, as initially planned. For example, the ACJM team expected to get the project extended if only they could demonstrate good level of performance. Also the MATRAM project team said: “We were not clear that the project would end in June 2011. We assumed that we would have 1 year from the actual starting date.”

The World Bank had already extended twice the period of execution of the MAP funding (first until 2009, and then until 2011), and it could not allow any further extensions. Yet, not all the implementing organizations were fully aware of this background, and therefore false expectations were built amongst them. Counting on the extension, they did not prepare a gradual phase-out of the projects, and thus their activities ended up being closed down abruptly before they had really taken off. “It is important to know [in advance] whether there will be continuation or not. If there isn’t, one needs to phase-out,” explained one partner.

The complexity and the strictness of the UNDP/RRF rules made the RRF to appear a rigid mechanism that was not able to adapt to the real needs and circumstances. However the rigidity seemed to only apply to the implementing organizations; the RRF itself was beyond such an approach. One NGO Coordinator exclaimed: “It is very unfair. They [i.e. RRF] cause delays but all the consequences fall on the [implementing] partners.” The same frustration was expressed by many partners during the interviews.

Communications with RRF

Nearly all the implementing organizations found that the access to the RRF-MU team was easy and the relationship was rather open and positive. Contacts were maintained by both sides through telephone, e-mail, even skype. “They [i.e. RRF-MU] were always available to help”, said one implementing partner. “UNDP had always the doors open for us” affirmed another partner.

Having said that, at the same time quite a few organizations told about letters that had been sent to RRF-MU and that never received a written response. This was the case of CISLAMO who requested an audience with the UNDP Representative at the time when their project was nearly paralyzed waiting for their second instalment that was erroneously transferred to a wrong bank account. This was also the case of Pathfinder who sent a letter to RRF-MU asking for non-cost extension of the project due to the delays in the signing of the contract and in the disbursements. The letter never received a reply. Also Handicap International, whose project started late and went through several delays, sent a letter to RRF-MU

pointing out the aspects of the Fund that they were particularly unhappy about. All these letters went unanswered creating some frustration among the implementing organizations.

Several implementing organizations had also had experience of getting inconsistent instructions from RRF. For example, when Handicap International in May 2011 prepared the financial statement against the first disbursement, they were told to report on the period of January-April 2011, thus covering the first 4 months of the contract period. However, when Handicap then submitted the financial statement, the RRF told them to review the document so as to cover only a period of 3 months.

Monitoring of sub-projects

The UNDP procedures establish that a funded partner organization has to present a narrative and a financial report to UNDP on a quarterly basis. This norm also applied to the implementing organizations of the RRF funds. However, as indicated by some implementing organizations and the RRF-MU itself, in practice, all the implementing organizations defined a set of monitoring indicators for their sub-projects, but many of them failed to present a quarterly progress report in line with these indicators. As a matter in fact, the present evaluation team could not get access to a single progress report. One of the obvious reasons for this was the somewhat erratic implementation of the activities caused by the funding delays.

It should be also noted that the RRF-MU neither followed up the reporting process, nor went after for progress reports. Furthermore, the contracts signed with the implementing partners only required the NGOs to present one annual progress report. Hence, the implementing organizations may not have found the periodic reporting as a “contractual obligation”.

Although the implementing organizations were asked to prepare a monitoring plan for their projects, the RRF-MU itself did not have a proper plan. At one point, RRF-MU programmed supervision visits to all the implementing organizations, but at the last minute all the visits were cancelled. According to the RRF-MU, there were no funds to cover the costs related to the monitoring visits.

According to their recounts, the implementing organizations felt very disappointed for the fact that the monitoring visits were cancelled as they hence missed the opportunity to demonstrate their achievements and to discuss about the challenges and the ways forward. There was never a renewed initiative to visit the sub-projects. However, in May 2011, the RRF-MU organized a 1-day seminar with the implementing organizations where they could report on their respective achievements and share experiences. The event was well appreciated and provided some compensation for the cancelled supervision visit. However, it was not enough to make up for the missing element of monitoring during the implementation.

Furthermore, many of the implementing organizations never received any comments on the reports that they submitted to RRF. If comments were made, they were mostly related to administrative or financial dimensions of the projects. “Feedback on the reports would be important, it would show interest” explained one implementing partner. Many interpreted the absence of monitoring mechanisms as a sign of indifference from the part of RRF towards the technical content of the projects. It was seen as if only administrative and financial dimension of the projects mattered. “The only dialogue was motivated by administrative issues – but there was no monitoring of the technical issues” explained one implementing partner. Consequently, many organizations felt that the RRF was not making a committed effort to halt the spread of the epidemic; “Those funds were made available, because they needed to be spent” said one of the implementing partners. “To what extent were they [i.e. RRF] interested in the projects having an impact?” questioned another NGO partner.

Nearly all the implementing organizations concluded that the RRF-MU team should have included at least one HIV specialist who could have provided technical inputs towards the project implementation.

At the same time, many interviewees wondered why the RRF did not involve CNCS or UNAIDS to provide technical assistance and to carry out monitoring.

Achieved results

Given that many projects had only got started at the time when the funding period came to its end, there is no basis for discussing outcomes or impacts of the interventions. What comes to results, the balance is unexpectedly positive considering the challenges faced during the implementation. ACJM, CISLAMO and Handicap actually managed to carry out all the planned activities, and ADPP and Pathfinder to some extent even exceeded their targets. The latter two organizations also managed to execute practically all the funds that were pledged and provided through the RRF.

At the same time MATRAM and Right to Play had to downsize the scope of the work due to the short time period. MATRAM thus reduced the number of target provinces from 3 to 2 covering only Maputo and Gaza, and excluding Inhambane from the project. In the remaining two provinces, MATRAM estimates that they reached some 6,000 people through face-to-face treatment literacy training and communication. Right to Play maintained the geographic coverage and the structure of activities as initially planned, but they had to reduce the number of planned events in order to be able to implement them all.

Despite the rather positive balance, several organizations were doubtful about the sustainability of the achievements. “The project reached the objectives but with a low level of ownership [among the beneficiaries] because of the short period of time. The work rhythm was very high. The sustainability was compromised due to the short duration of the activities. It was not possible to generate any changes within this period of time,” pondered one of the Handicap team members. In general, most of the implementing organizations considered 1 year to be too short period of time to influence the sexual behavior and make any long lasting changes; one year is appropriate for activities of “one shot”, i.e. activities that can be implemented and concluded at one time and thus produce immediate results, told one of the implementing partners.

Despite the many challenges, several implementing partners ended up acknowledging that the RRF had nevertheless responded to the critical need of providing funding for HIV. It was furthermore recognized that the RRF was a new mechanism and its operations offered a learning process for UNDP as well as for the implementing partners. Thus, many lessons had been learnt, and several partners affirmed that if there was a new round of proposals, many challenges could be avoided this time. “Everybody learned from RRF. In the future everybody would know better. It is also a question of capacity,” concluded the project Coordinator of Right to Play.

4.2 Special projects

In addition to the civil society sub-projects, there were two special projects that were funded through the RRF, but that followed different contracting and financing processes than the NGOs. These two projects were implemented by the World Food Program (WFP) and the Ministry of Public Services (MFP). Both two organizations were engaged in the RRF through a direct invitation, but the contractual agreements differed considerably between the two. In this section, we will go through these experiences.

4.2.1 WFP Project

Background to the project

In 2009, the Ministry of Health started providing basic food baskets to undernourished people living with HIV who were starting ARV treatment. One food basket contained sufficient food items to feed properly one person over a period of one month. Anthropometric evaluation was used as the criteria in selecting the beneficiaries. Geographically, the project was operating in provincial capitals, where selected shops would be contracted to provide the food basket against a food voucher (in paper) that the patient presented. The food baskets were paid in advance for each shop. The program was implemented and financed by the Ministry of Health. While the system was operating rather smoothly, it was hard to be monitored and consequently, the risk of fraud was considerable. Another challenge was the expansion of the program at a broader scale. It was on this background that the Ministry invited the WFP to support the implementation of a second phase of the program improving and expanding it further.

Application and contracting process

Already in December 2008, the World Bank supervision mission, based on consultations with government entities and partner organizations, had suggested re-allocating USD 1 million of the remaining MAP funds for the area of nutrition.²³ This suggestion was one of the first ones to be materialized right in the beginning of the creation of RRF. Five days after the first RRF Steering Committee meeting held on 2 December 2009, the RRF submitted a letter to WFP inviting the UN agency to:

“submit a project on nutrition aiming at piloting the Food Voucher (Cesta Básica), to assist people living with HIV/AIDS under antiretroviral therapy (ART) and tuberculosis (TB) treatment. Accordingly, we request you to submit a proposal with a ceiling for funding from the RRF of up to USD903,000 (nine hundred and three thousand US Dollars) on the basis of the template attached to this letter.”

The deadline for the proposal submission was 31 January 2010. In collaboration with the Ministry of Health, the WFP prepared a proposal that foresaw providing basic food baskets for 3,500 malnourished ART patients in provincial capitals and in selected district capitals. The project proposal stated that “the exact location will be decided in consultation with [the Ministry of Health] based on a review of Cesta Básica’s current implementation status”. The model of the program was designed by the Ministry of Health.

The proposal was approved by the Evaluation Committee but halted by the Steering Committee, who wanted a greater focus of the planned activities on districts. WFP thus revised the implementation strategy and resubmitted the proposal on May 11, 2010. It was approved by the Steering Committee and the contract between RRF and WFP was signed on May 30th 2010.

WFP was the only implementing partner whose contract defined one single disbursement of the funds to be made in the beginning of the implementation period. According to the Head of the Poverty Unit at UNDP, this was made possible since WFP is part of the UN system. In July, i.e. one month after the contract was signed the RRF transferred USD 903,000 to the WFP.

Implementation of the WFP project

For the sake of ownership, WFP sought to involve the Ministry of Health in every stage of the implementation of the project. Before anything, WFP needed the Ministry to identify the target districts.

²³ World Bank, Aide Memoire, Mozambique – HIV / AIDS Response Project, Restructuring Mission, December 1-12, 2008

The Ministry in its turn took the issue back to the provinces and only two months later, in July 2010, WFP received the list of 51 target districts.²⁴

WFP also wished the Ministry to take part in the identification and selection of suitable shops to supply the food baskets. However, the process proved to be time-consuming. By October 2010, shops had been identified in 7 provinces and in 13 districts.²⁵ While the lengthy process was still ongoing, there were changes in the Ministry of Health leadership and in November 2010 the Ministry asked WFP to revise the implementation plan ensuring that the provincial capitals would not be excluded from the project.²⁶ Consequently, only a limited number of district capitals could be included and covered by the available budget of the project. Consequently WFP had to start from the beginning again the search and identification of suitable shops in the provincial capitals. It took until the beginning of the year 2011, before suitable shops were identified and contracts signed with them.

Already in 2010, WFP had contracted a Zambian company Mobile Transaction Zambia Ltd (MTZL) to design and establish a web-based system that would allow food vouchers to be registered and paid through a mobile cash transference system. The system enabled much greater control of the authenticity of the beneficiaries. The health unit administering the treatment would initially register into the system the voucher that it would hand over to a patient. The registration happens through a cell-phone that has a web connection. The patient would then take the voucher to a selected shop where the shop owner would register it into the system similarly through a telephone-based web connection. If the voucher code matches with the one registered by the health unit, the system accepts the registration. WFP office has access to the system and can monitor the flux of the vouchers at any time. Only the vouchers that have been successfully registered by the health unit and by the shop are approved for payment. Thus, the mobile transference system ensures greater accountability and transparency in the process.

Before the system could get started all the involved parties – WFP staff, health personnel and shop owners – had to be trained to use the mobile transference system. Thereafter the system had to be tested in each location. It was only in May 2011, when all the preparations were concluded and the first food baskets could be delivered.

Albeit sophisticated, the system was not totally “waterproof” and there have been some challenges related to the use of the system. One of these challenges is caused by the time that it takes to register each voucher. In a busy day, it happens sometimes that the health personnel prefer accumulating the distributed vouchers and only register them all at once in the end of the day. This becomes problematic since the patients usually prefer to pick up the food basket right away as they leave the health unit so as to minimize the transport costs. But the system rejects the vouchers until the health unit registers them. The most critical situation was created in Maputo in June 2011, when one staff member of a health post simply accumulated the vouchers for more than a month without registering them into the system. The patients, one after another, faced difficulties in the shop. The shop owner said that she felt pity to send the sick people home with empty hands, and decided to deliver food baskets even when she was not able to register the vouchers. In the end, the situation was clarified, but the shop came to face two months of delay in getting paid by WFP. Nevertheless, the shop owner affirmed that the system normally works well and presents no problems. However, in the provinces and districts, where the web-connection is more precarious, the registration of the vouchers is often challenging. Ultimately, the possibilities for expansion will depend on the web-access.

²⁴ Letter (ref. WFP/MOZ/216/2010) dated 02 November 2010, sent by the WFP Representative to UNDP Representative about the “current status of the Cesta Básica Project under Rapid Results Fund (RRF) and the Future Prospects”.

²⁵ Letter (ref. WFP/MOZ/216/2010) dated 02 November 2010, sent by the WFP Representative to UNDP Representative about the “current status of the Cesta Básica Project under Rapid Results Fund (RRF) and the Future Prospects”.

²⁶ All the other provinces participated in the food basket project except Sofala. The provincial health directorate there did not agree with the model of the project and therefore opted not to take part in it.

Requesting extension

Due to the protracted process, WFP requested for extension of the project. However, as explained above, the MAP funding period could not be extended any further. Nevertheless, the WFP was not willing to give up the system that was just established and functioning, and wanted to test the appropriateness of the system. Besides a significant number of beneficiaries had already been enrolled and expectancies were created both for beneficiaries and for health personnel. Hence, WFP decided to continue implementing the project and distributing food baskets with its own funds. Negotiations are ongoing between the Ministry of Health and the World Bank about the possibility of financing the food baskets through a different financial arrangement. Ultimately, WFP hopes to get the money that it currently spends on the project reimbursed in the future.

Monitoring

According to the current WFP team, RRF-MU did not systematically monitor the WFP implementation, but from time to time requested WFP to present a situation update. However, the only information update that the consultancy team had access to was dated 02 November 2010, which suggests that the situation updates made up a rather sporadic monitoring measure.

In May 2011, one month before the project closing, the RRF-MU had proposed a monitoring visit to the WFP project sites, but according to the recount of the RRF-MU, the WFP team had suggested to postpone the visit until the voucher system was operational. In May 2011 just the province of Gaza was implementing the Programme and there were only few beneficiaries registered. As a result, the visit was never carried out.

Communications

Most of the communication between WFP and UNDP on the Food Basket -project was done by the financial personnel; WFP and UNDP use different administrative systems and hence the WFP financial staff had to learn to elaborate financial statements that would satisfy both systems. This gave reason for a vivid interaction between the two agencies particularly in the beginning of the project. However, there was much less communications on the technical aspects of the Food Basket project between the two UN agencies.

Achieved results

By the time that the MAP funding was closed, WFP had managed to establish the web-based registration and monitoring system and to train health personnel and shop keepers in the use of the system in all the participating provinces. Although the actual provision of food baskets started in different moments in different provinces, by June 2011 all the involved health units in the provincial capitals had managed to provide at least the first food baskets. In total, the project benefits some 3,500 people living with HIV/AIDS.

Financially, WFP only managed to execute some 26% of the approved budget, corresponding mainly with the costs related to the set up of the system and training. The unspent balance was USD 670,000, which were supposed to cover the costs of the food items. Upon the closing of the project, WFP have to return the unspent monies to the RRF.

4.2.2 MFP Project

The idea of the MFP proposal derives from the 2009 approved Public Sector HIV/AIDS Strategy. The primary target group of the strategy consists of civil servants working for public institutions and line ministries. More specifically, the Strategy seeks to mitigate the impact of HIV/AIDS in the workplace creating a common platform for prevention related activities and facilitating the access of people living with HIV to care and treatment services. Despite the existence of the Public Sector HIV strategy and

although several ministries had also elaborated their sector specific HIV strategies, the funding for public sector HIV response had been very limited during the period when CNCS managed the MAP funds.

It was on this background that the World Bank supervision mission in June 2009 specifically encouraged those ministries who are directly involve in service delivery and who employ large numbers of staff to use MAP funds for implementing HIV programs in the work place. The Aide Memoire from that mission promised that the Bank would allocate USD 1 million specifically for the line ministries' HIV response.

Application and contracting process

Similarly as with the WFP, the RRF Steering Committee also sent a letter to the MFP in December 2010 inviting the MFP, in coordination with other ministries, to submit project proposals to RRF by the end of January, 2010. The letter specifically called for proposals that would “enhance the HIV and AIDS prevention activities” and defined the funding ceiling at USD 900,000.

In response, the MFP mobilized line ministries to submit project proposals, and afterwards compiled them into one single proposal that was submitted to the RRF in March 2010. The Evaluation Committee identified some critical shortcomings in the proposal, and requested a revision. Through the revision process the MFP ended up limiting the number of sectors involved in the proposal, and specified more clearly the expected results. The revised proposal was approved and on in July 2010 the RRF signed a contract worth USD 903,000 with the MFP.

Due to its limited financial management capacity, MFP asked the RRF to take on this responsibility and pay directly the service providers identified by the MFP and the implementing ministries. According to the agreement, all that was required from the implementing organizations' side was to submit a payment request with the name, NUIT and the banking details of the selected service providers, and the RRF would pay the bills within 8 days.²⁷ While this measure certainly facilitated the work load of the MFP, it came to create a considerable administrative burden on the implementing sectors and on UNDP financial staff who issued all the payment orders.

Implementation of the MFP project

The first activity of the MFP project was an HIV training course organized by the MFP for human resources managers of the public services. The course was supposed to be conducted in October 2010, and the MFP submitted the payment request in September 2010 with the requested details on the selected service providers. The course was held in October, and the RRF paid the trainers in the end of the same month. After the first training course, other activities followed. In November 2010, the MFP organized an HIV training for permanent secretaries. These activities were paid on time as requested by the MFP.

Training courses were also organized by different sectors at central and provincial levels. Regardless the geographic location where the activities were conducted, the payment method was always the same: the sectors identified the service providers and the RRF paid them directly. In practice, the process proved to be complex and time-consuming, as the implementing sectors had to submit a separate payment requests for each activity. Furthermore, according to the RRF-MU, MFP and its public sector partners often failed to follow the agreed procurement processes and submitted incomplete payment requests which created many delays in the process of issuing the payments.

²⁷ According to RRF-MU, MFP had been recommended to submit the payment requests 2 weeks before the planned activities in order not to create delays.

In February 2011²⁸ the RRF introduced more rigorous requirements for the identification of the service providers. Now, they should present the organization charter (*alvará*), name of the contact person, physical and electronic address, and other documents including the NIB print out from the bank. These requirements rendered the compilation of the payment requests even more protracted. “It is not in one or two days, that you can complete such a process”, explained the MFP representative. When the RRF passed the new instructions, the already submitted payment requests had to be completed and revised. In practice, it meant that the sectors had to start the whole process all over again. “The processes were so complicated that the [implementing] sectors sometimes get confused thinking that it was a deliberate act of the MFP, a fact that to some extent discouraged them to participate”, affirmed the same representative.

The complex process caused many delays. In November 2010, the Ministry of Finances submitted a payment request for producing leaflets about the law 12/2009. The RRF confirmed the payment to the indicated service provider only in May 2011, i.e. 6 months later. At the same time, it is recognized by all the parties that many times the implementing partners also presented their requests at a very late stage. In mid February 2011, the MFP wanted to organize a training event in Maputo, and submitted the payment request only one day before the event was supposed to start. Hence, there was no way that the RRF could have provided the payment early on. But instead of processing the payment within 8-10 days, as agreed, the RRF made the payment only in the end of March 2011, i.e. 1,5 months later. UNDP admits the delays but explains that there was no way to proceed any faster when the procurement procedures were not followed correctly.

Confronting such delays, there were two alternative options to adopt: either implement the activities as planned and incur debts with the service providers, or delay the activities until the funds were made available. The MFP chose the latter option. Hence, they only authorized the sectors to proceed with the activities when the RRF had presented a justification on the bank transference. But there were not only delays. The MFP representatives pointed out that: “There were also processes that were addressed rapidly”.

In sum, the MFP representative recognizes that the selected funding modality was challenging but nevertheless he stated somewhat unexpectedly that: “This measure was the best possible.” He was satisfied for the fact that this mechanism ensured that the funds were really used for HIV; if the funds had been transferred to the accounts of the partnering ministries, or to the MFP, the moneys would have easily been used for other priorities.

Communication

In general, the MFP coordinates all the HIV-related activities through the network of HIV Focal Points. The Focal Points then should ensure that the communication is passed on and disseminated within their respective institutions to all relevant entities. The implementation of the RRF project used the same mechanism. In the beginning of the project, the MFP called together the HIV Focal Points of the involved sectors to prepare them for the implementation of the project. In this session, the Focal Points were provided detailed instructions for the administrative and financial procedures of RRF. Given that the Focal Point network is broad and has several levels, communication from one level to another is sometimes slow and interrupted. For this reason, a sudden change in the agreed implementation plan, such as the introduction of stricter requirements for the service providers, posed additional challenges for the communications within the sectors and between them and MFP.

Another challenge faced by MFP was caused by the misunderstanding held by the partnering public sectors who thought that the RRF money was controlled by the MFP. Therefore, when facing delays in the payments, the implementing sectors directed their frustrations to this umbrella institution. The HIV

²⁸ The MFP was allowed to present payment requests after the end of the project execution period as far as the dates of the receipts would refer to the period prior to 30 July 2011.

Focal Point could do nothing but call the RRF-MU who often passed him on to the financial unit of the UNDP. “But in any institute, that is the least accessible unit”, he explained helplessly. “I suffered from a lot of pressure from the sectors”, he concluded.

According to the MFP, the communication and the relationship with the RRF-MU was generally very good throughout the project. However, the MFP found that the communication between different units within UNDP was to some extent deficient. “The [RRF-MU team] helped us a lot. But even they were sometimes taken by surprise due to the reactions of other units in UNDP”, explained the MFP representative. For example, there were events when a payment request from one sector had passed the internal control of the MFP and was approved by the RRF-MU, but was later returned back by other entities of UNDP. MFP thus felt that UNDP was not always very systematic or consistent in their processes.

Monitoring of the project

In practical terms, there was no monitoring of the activities on behalf of the RRF. At one point of time, the RRF had set up a date for a monitoring visit, but it was later called off. There were neither any progress reports required by the RRF, but occasionally they would contact the MFP and ask for some specific information that the MFP would promptly provide. The final project report will be the only systematic narrative description of the MFP project. However, at the time of closing the present report the MFP final report was still being concluded.

Achieved results

Although the first activities were undertaken already in October-November 2010, the MFP considers that the effective implementation period only lasted for one semester. In May 2011, the MFP requested for an extension of the project, but the RRF responded that it was not possible. Consequently, the MFP called for the sectors to prepare payment requests for the remaining activities. Some activities fell out of the possibilities due to the time limitation, but nevertheless. MFP estimates that approximately 75% of the planned activities were implemented, and some 90% of the allocated funds were executed. One of the major achievement was the training of the leaders of the public sectors. Some 700 human resources managers and 200 permanent secretaries at all levels took part in the HIV training, and as a consequence of the project, HIV is now better integrated into the different sector plans.

Furthermore, the HIV Focal Points attended a refreshment training and made a study tour to Swaziland. The project also allowed the public sectors to define the profile for the HIV Focal Points and the role of the permanent secretaries in the campaign against HIV. Yet, there were also critical activities that were not carried out, including the peer education training within the education sector training institutes and production of information, education and communication materials in most of the institutions.

4.3 Lessons learnt

As discussed above, there were a few critical aspects that hampered effective functioning of the Rapid Results Fund. Recognizing these shortcomings means that one can learn valuable lessons and avoid similar mistakes in the future. Some the most important lessons taught by the RRF include the following:

- *Implementing organizations need clear and consistent procedures* – In order to create uniform systems, facilitate correct application of the required procedures, and to minimize the administrative burden, it is important that all the implementing organizations are provided with explicit and unambiguous information on the rules and procedures in the beginning of the funding agreement.

- *Delays in the disbursement of funds undermine effective management of projects* – There are no interventions without funds, and therefore it is not possible to prepare a realistic work plan without certainty about the availability of the funding. Interruption in the provision of funds implies a loss of the momentum and of motivation.
- *The length of the funding period should be compatible with the expected results* – A period of one year, or even less, may be sufficient for building simple infrastructures, or for conducting some training sessions. But it takes several years to generate behavioral and social changes, or to design and establish new systems. Most often, rapid results entail superficial changes, while more thorough changes require time. Too short implementation period reduces the quality of the work and increases the possibility of misuse of the funds.
- *A successful funding mechanism is flexible and responsive* – the funding mechanism needs to be able to respond to the needs of the implementing organizations and adjust the funding period or introduce alternative funding channels when the system itself fails. Essentially, the funding mechanism should serve for the implementing organizations, not vice versa.
- *Different organizations require different financial management systems* - RRF was flexible in terms of defining specific funding modalities for MFP and WFP considering the financial management capacity of the two organizations. Although the direct financial management that UNDP did for MFP proved to be administratively burdensome, it was found necessary so as to ensure that the funds reached the intended destination.

5 Appropriateness of RRF

In this section we will discuss the appropriateness of the Rapid Results Fund. With appropriateness we refer to the sum of relevance, efficiency, effectiveness, impact and sustainability. Therefore, in this section we will first go through each of these elements and on that basis we will define the appropriateness of the funding mechanism in the end of the section.

As indicated in the beginning of this report, one factor that limited the evaluation of the RRF, was the fact that there was no systematically gathered monitoring data on the operations of the RRF itself; nor where there any periodic progress reports on the implementation of the sub-projects. By the time that the present report was finished, the implementing organizations were preparing their final reports. Undoubtedly, these reports would have been useful for the present evaluation, but in these circumstances, the evaluation had to be mainly based on key informant interviews. Hence, the assessment of efficiency and effectiveness, let alone impact, is somewhat limited as the evaluation team does not have systematic recounts of the achieved results.

Relevance of RRF

With relevance we understand consistence between the objective and activities of a specific project on one hand, and the priorities of the targeted population groups on the other hand. The greater the consistence, the greater is also the relevance of the project.

According to the World Bank Aide Memoire from December 2008, one of the objectives of restructuring the MAP funding was to “accelerate the financing of prevention activities in short term”. If this is taken as the objective of the Rapid Results Fund, then it can be concluded that the objective was highly relevant.

There is a broad consensus among the different stakeholders that there is a critical need of a mechanism that would finance activities in the area of HIV. Apart from the RRF, there are very few alternative sources of funding. For this reason, most of the recipient organizations had to close down the projects funded by RRF when the MAP funding was closed down.

It is recognized that the US government provides considerable funding for the area of HIV/AIDS, but it privileges large and well established NGOs. There are also few bilateral donors who continue providing direct project funding, but their financial support is usually rather limited. Therefore, in the context in which HIV prevalence continues alarmingly high and funds are needed for an effective response, a funding mechanism that seeks to support HIV response at a national scale is highly relevant.

Having said that, it has to be recognized that the implementation approach (starting from the call-for-proposal in a newspaper, including the selection criteria and the financial requirements) of the RRF facilitated the access of large organizations from the capital city. Besides, while it is widely known that many civil society organizations require technical assistance to design and implement projects, the RRF did not foresee any capacity building/technical support component. In that sense, the RRF failed to provide a national scale solution to the funding needs; it was not a solution for smaller NGOs and community based organizations – not in the first funding round. Yet, the second funding round, which is not covered by the present evaluation, adopted a different approach, and explicitly sought to benefit smaller organizations through one facilitating agent that could provide assistance in terms of technical and financial management.

In sum, it is deemed that both the objectives and the activities (particularly of the second round) of RRF were very relevant.

Effectiveness of RRF

In order to determine the effectiveness of an intervention, one needs to compare the set objectives with the achieved results and define the extent to which the objectives have been fulfilled. Given that the specific objectives of the RRF are not clearly stated in any of the background documents, we will consider the expected outputs²⁹ of the RRF to assess the effectiveness. The below table specifies the expected outputs as expressed in the terms of reference of the present evaluation, and presents the conclusions of the evaluation team in regard with the level of fulfillment of each output.

Expected output	Level of fulfillment	Ranking
1. A model for Grants Management established and operational.	Achieved	+
2. Food Basket for people in ARV treatment system improved and expanded.	The structure for a modern, nation-wide system has been created that has considerable potential to become a faster and better accountable mechanism than the previous one. Due to the short period of implementation, the system is still facing some hick-ups. The expansion of the system beyond district capitals is challenged by the limited web connection.	+/-
3. Improved communication and knowledge of strategies and mechanisms for HIV and AIDS prevention in the Government institutions,	All the implementing partners (except PMA) developed information and communication activities. Hence, it can be assumed that there was an increase in HIV-related information, education and communication. Yet, the available information is not	+/-

²⁹ Expected outputs expressed in the terms of reference of the present Evaluation, annexed to this report.

CSOs and communities.	sufficient to deem whether there was any <i>improvement</i> in the communication and knowledge among government institutions, CSOs and communities.	
4. Community Based Organizations capable to design, manage and implement HIV and AIDS projects in 5 selected provinces of Maputo, Inhambane, Gaza, Sofala and Manica.	Implementation still in process. The second call for proposal responds to this expected outputs. It falls out of the scope of the current evaluation.	Not applicable
5. Innovative initiatives for HIV and AIDS prevention identified and evaluated	No activities implemented to identify or to evaluate innovative initiatives. Expected output not achieved	-

Strictly speaking, the RRF has thus far fully reached only one of the expected results: the establishment of the funding mechanism. Yet, it is recognized that this achievement was a precondition for any of the other expected outputs to take place. Considering the actual period of implementation (16 months), it is understandable that the other expected output were only partially achieved. The outputs were clearly too ambitious for the time period available.

Efficiency of RRF

In order to assess the efficiency, we seek to compare the provided inputs with the achieved results. What comes to inputs, one should consider the different resources that were invested into the project, taking into account at least the time spent, the human resources used and the funds that were invested.

What comes to the time spent, it is noted that after the decision was made to establish the RRF in December 2008, it took a total of 30 months to create and operationalise the Fund until June 2010, when the financial execution of the MAP funds had to be ended. Of this period, 14 months (47% of the whole time period) were used for negotiations and contract elaboration between the World Bank and the Ministry of Health. Only in February 2010, i.e. 14 months after the initial decision, UNDP received the funds from the World Bank. Of the remaining 16 months, approximately half of the time was spent on selection and contracting the implementing organizations and the rest on the actual implementation of the sub-projects. In sum, nearly 50% of the available time was spent on the development of the system, some 25% was used on the selection of the implementing partners, and the remaining 25% was used on the actual execution of projects. Therefore, timewise, the RRF is considered rather inefficient.

Nevertheless, the limited reports about the time-efficiency of CNCS states that for example the period of approval of the proposals could take as long as 12-24 months³⁰. Compared to that, the RRF has clearly made an improvement.

With the currently available information, it is hard to assess the financial efficiency of the RRF, given that there is no systematic recount of the results achieved by the implementing organizations. Furthermore, there is not yet information available on the real expenditures and the remaining balances. At the moment, it can only be concluded that after the actual set up of the Fund and the disbursement of the funds to UNDP in February 2010, the RRF managed to disburse nearly 100% of the available funds within a period of 16 months.

³⁰ Amoaten, Susan & Bader, Claire 2008: Rapid review of support to NGOs and civil society on AIDS in Mozambique.

What comes to human resources, UNDP employed 2 full-time staff members to operationalize the RRF. In addition, the financial management of the monies was done by the existing staff members at the UNDP financial unit. With these recourses, the RRF managed to sign 9 contracts with implementing organizations and disburse in total Mt 112,135,617.81 (USD 3,473,929.18)³¹ in less than 1.5 years. Therefore, from the point of view of human resources, the RRF can be considered highly efficient.

Impact of RRF

In order to define the impact of an intervention, one needs to assess the changes that the project has directly or indirectly generated. In general terms, the real impact of an intervention can only be measured few years after the activities have been concluded.

As stated above, the currently available information is not sufficient to assess the impact of the RRF or its sub-projects. Some of the implementing organizations still continue carrying out activities, while others have just closed down their interventions. Therefore, it is too early to even try to assess the impact of the sub-projects. Furthermore, as stated by many implementing organizations, the short time frame only allowed conducting activities of “one-shot”. Therefore, many of them openly recognized that their interventions could not, in these circumstances, generate any real change. The short implementation period and the fixed closing date inhibited major impacts.

So far, perhaps the one and most explicit impact of the RRF itself is increased awareness among the different stakeholders of the importance of a transparent and objective evaluation mechanism to appraise the sub-projects. The RRF initially set up a system that sought to ensure such a mechanism, but as stated by many key informants, the additional mechanisms that were created during the process (the civil society panel and the governors’ consultation), compromised the objectivity and transparency of the evaluation.

Sustainability of RRF

In a development context, sustainability is usually understood as the capacity of a beneficiary to maintain the achievements of a certain intervention without becoming dependent on the external agent who supports that intervention. However, when it comes to the sustainability of a funding mechanism, it is evident that there is a continuous dependence on the financial inputs. Hence, it is more meaningful to talk about the longevity, or the adequacy of the mechanism itself, as it was designed.

The RRF, since the beginning, was created as a temporary mechanism to cover the funding gap that was created when the institutional reform of CNCS started. The RRF was supposed to offer a transitory solution while a more permanent mechanism was to be set up. Hence, the design of the RRF was never intended to be sustainable, or long-lived.

Yet, one can perhaps talk about the sustainability of the RRF as a transitory funding mechanism. At the current moment, it appears that the RRF is going to be closed down by the end of 2011, or when the DANIDA and DFID funds are depleted. However, a more permanent funding mechanism has not yet been designed. Thus, the temporary solution offered by the RRF is going to cease without actually covering the gap that it was intended to cover. If so, the mechanism of RRF cannot be considered as sustainable.

Appropriateness of RRF

In conclusion, it can be said that the RRF is a highly relevant temporary funding mechanism. Its effectiveness and efficiency could be improved and its impact could be increased with a longer implementation period and more prompt disbursements. However, as long as there are no other large-scale funding arrangements established, the RRF is found to be sufficiently appropriate to continue

³¹ The average exchange rate calculate for the period and used in the conversion is Mt 32.2792.

operating for the time being. Yet, lessons should be learned from each funding round and improvements made avoiding repeating same mistakes. Only then, the RRF would effectively cover the funding gap and create a solid basis for a more permanent funding mechanism.

6 Conclusions and recommendations

In this section we will draw the major conclusions of the evaluation of Rapid Results Fund and make recommendations accordingly.

Steering Committee

The SC was established with a high profile but it was expected to ensure technically sound implementation of the Fund. The participation of the Minister rendered the functioning of the SC unnecessarily formal and lessened the level of democracy in the group.

Recommendations:

- Lowering the level of political representation in the SC, to e.g. the National Director of Public Health might give a new boost to the committee. Besides, the National Director of Public Health has high interest that the projects financed by RRF have a greater impact on the prevention of HIV/AIDS since that is his responsibility.
- It is important to ensure that the SC does not exceed the level of authority it is given. Although the SC has the final decision making power in relation to the approval of the sub-projects, it should by norm follow the recommendations made by the Evaluation Committee in order to protect the transparency of the process. Only exceptionally, and when well justified (e.g. when the bidding candidate has unclear financial records from the past), the SC may disregard the recommendations of the Evaluation Committee. Also, for the sake of transparency, the SC should also provide feedback to the Evaluation Committee on the final decision on the approved projects.

Call for Proposals

The system of call for proposals did give more structure to the selection process and contribute to direct interventions to specific objectives. It is one step towards improving transparency in granting resources to civil society organizations.

Recommendations:

- The calls-for-proposal should be continuously used as an instrument to direct funding in support to the implementation of PEN III. The HIV epidemic shows different patterns in different regions of the country. The call for proposals should be used strategically so as to encourage different types of projects in different parts of the country. They need to provide more guidance and be more clear. Furthermore, the funding mechanism should present different levels of requirements for different types of organizations: the smaller the funding, the simpler the requirements. As the volume of requested funding increases, the requirements should get tighter. Hence, even remote community based organizations could have a real opportunity to access such funding mechanism.
- Ensure dissemination of the CfP beyond the newspaper, using more accessible means, such as national and community radios, Provincial HIV/AIDS Nucleuses, Provincial Health Directorates etc.

Approval of proposals

According to different informants, the approval process was seen as a fairly straightforward process in which the SC would mainly endorse the recommendations of the evaluation committee. However, as the process advanced and new steps were introduced, the transparency of the approval was jeopardised and the process politicized. Participation of a civil society representative in a Fund that benefits civil society is an important element. Similarly, the target communities should have a say into the approved projects. However, the creation of a Civil Society Panel and the requirement for the Governors' authorization did not address the main issues.

Recommendations:

- To properly address the issue of representation of the civil society in a Fund designated to civil society, the SC should consider incorporating a civil society representative as a permanent SC member. Civil society associations can identify among their associates a representative. The organization can hold the representative role for agreed time frames and then pass it on to another, ensuring rotation. Further details can be developed in consultation with civil society organizations or networks.
- In order not to politicize the approval process, it is recommended that the local communities are involved in the monitoring of the implementation of the approved projects rather than in the approval process itself.

Rapid Results Fund Management Unit

So far, the Unit has had limited technical competence. Considering the financial envelop that it manages within the UNDP country program (approximately 22.4% for the same 1.5 year period)³², it is resided in a surprisingly low position in the organizational structure. The RRF-MU had a very low profile compared e.g. to the members of the SC.

Recommendations:

- Because the RRF-MU unity proved to be understaffed, a restructuring of the RRF mechanism should mean the setting up of a team of expertise to oversee all aspects of fund management, namely financial issues, technical and programmatic issues and Monitoring and Evaluation (M&E) issues.
- The profile of the RRF-MU needs to be uplifted, and its technical competencies reinforced. The unit would gain considerably from one more senior team member with experience in financial management and monitoring.
- The division of tasks between the members of the Management Unit needs to be clarified.
- The task of coordination needs to be made explicit and included in the terms of reference.
- Coordination needs to be strengthened at all levels: with the SC, the Evaluation Committee, and the implementing organizations,
- The RRF-MU team members need to be well informed of the UNDP policies and procedures so that they can provide consistent and unambiguous information to the implementing organizations.

Monitoring and Evaluation

Monitoring has practically not been done during the first funding cycle. Currently, the RRF-MU is rather overwhelmed with all the tasks related to the financial executing and implementation of the Fund, and it does not have monitoring capacity. In a country with limited resources and capacities such as

³² According to the accounting and financial department, UNDP made payments of about USD 10 million plus Mt 10 million, in 2010, and about USD 5 million plus Mt 7 million, between January and June 2011. At an average exchange rate of 32.2792, the total payments for the 1.5 year period may be approximated at USD 15.53 million (about 4.5 times more than the RRF 3.47 million).

Mozambique, M&E is especially important. It provides an opportunity to capitalize the lessons learned and develop capacity of the implementing partners. Monitoring data is also critical for the final evaluation of the Fund.

Recommendations:

- The capacity to monitor the implementation of sub-projects needs to be urgently created. The first step would be to develop a logical framework for the Fund. Thereafter, the Fund needs a proper monitoring and evaluation plan with key indicators.
- CNCS has the mandate to monitor the implementation of the national response to HIV. CNCS through its Provincial Nucleuses would be well placed to support the monitoring dimension of this type of Fund.

Sustainable funding mechanism

While the objective of the RRF programs was clearly established and aimed at correcting the slow course of MAP fund usage, the nature and the funding sources of the RRF reflect a short-term response to a problem that needs a concerted long-term solution involving both government and CSOs/CBOs. Particularly, the design of the World Bank MAP, and hence reflected in the RRF design, does not offer a sustainable solution for the interventions envisaged by the implementing partners. Besides, while funds made available for the RRF are adequate for shorter project cycles, they are not inclusive enough to cover the broader geographic needs. The demand is far greater than the resources thus far provided through the RRF.

Recommendation:

- The country needs to see maintain the RRF flow of funds and strengthen its management process while working on the establishment of a more permanent mechanism. To offer sustainability and a medium to long term solution, the funding mechanism should be able count with more funding partners other than just DANIDA and DFID.

Financial management of the sub-projects

The financial procedures and policies applied by the RRF were complex and there were many misunderstandings among the implementing organizations even after the initial training provided by UNDP. The applied mechanisms were challenging for well experienced international organizations, and would have clearly been too complicated for any smaller NGO or CBO. The FACE was found to be a particularly complicated instrument. In the context of haphazard disbursements, the special project accounts rendered the financial management furthermore rigid, as the new disbursements could only be solicited when 80% of the previous disbursement was used up.

Recommendations:

- The financial mechanisms should be as user-friendly as possible. The mechanisms should be timely and flexible, so as to facilitate the achievement of the programmatic goals. If the Fund itself causes delays in disbursements, it has to create room for extended period of implementation.
- If the Fund requires special project accounts, it needs to be replenished before the previous balance has been used up. Else, the project will end up in a very vulnerable situation.

Implementation of the sub-projects

The implementing of the sub-projects was seriously compromised by delayed disbursements of the funds. The implementing organizations were able to get going largely thanks to other existing funding sources that covered up the delays. There were nevertheless significant challenges to keep up with the

work plans and execute and account for the funds within record time when they finally became available. As a result the quality of the performance suffered.

Recommendations:

- As far as possible, the procedures should be kept the same during one financing round. If necessary to introduce adjustments, all the implementing organizations should be informed about the changes before they take effect, and in writing so as to minimize the risk of misunderstandings.
- It is imperative that the disbursements are made swiftly on time.
- It is paramount that the Managers of the sub-project as well as personnel responsible for the day-to-day operations and implementation of the activities will be involved in a comprehensive training on the financial and administrative management of the sub-projects. Manuals on the required procedures should be prepared and made available in advance or during the training, and training costs should be part of the financial package.