

Final Report



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Project 00074093- Rapid Results Fund (RRF)

Final Report

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Acronyms

ARV	Anti-Retroviral Treatment
CBOs	Community-Based Organizations
CSOs	Civil Society Organizations
CNCS	<i>Conselho Nacional de Combate ao HIV e SIDA/</i> The National AIDS Council
DANIDA	Danish International Development Agency
DFID	UK Department for International Development
FACE	Funding Authorization and Certificate of Expenditures form
INSIDA – HIV prevalence report	<i>Inquérito Nacional de Vigilância, Comportamento e</i> <i>Informação/the National Survey on Surveillance,</i> Behavior and Information
MFP	Ministerio da Função Publica (<i>Ministry of Public</i> <i>Service</i>)
MONASO	Mozambican Network of Organizations Against AIDS
NSAs	Non-State Actors
PEN II	<i>Plano Estratégico Nacional de Combate à</i> <i>DTS/HIV/SIDA 2010-2014/National Strategic Plan for</i> the Combating of STDs/HIV AND AIDS 2010-2014
WFP	World Food Programme
UNAIDS	Joint United Nations Programme on HIV and AIDS

Executive Summary

Background

In Mozambique, HIV and AIDS continues to be a major challenge in the country, with prevalence as reported by INSIDA report in 2010, of 11.5% of adults aged 15 - 49 live with HIV and AIDS.

As part of the World Bank MAP project restructuring the Rapid Results Fund Project was established to accelerate the response to HIV and AIDS through the funding of Non-State actors initiatives, selected public institutions and to establish a food basketed system for people in Anti-Retroviral Treatment, as well as to develop and test a Grant Management mechanism. A specific window for CBOs initiatives was opened within the RRF structure, with DFID and DANIDA funding.

Notable impacts/changes on the ground resulting from the project

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-term.

Despite the challenges faced by the project resulting from the non-conclusion of sub-grant activities implementation, the RRF project had some considerable impact. For instance the RRF project established the basis for a mechanism of grants management for CSOs working in the area of HIV and AIDS and increased awareness among the different stakeholders of the importance of a transparent, competitive, and objective evaluation mechanism to appraise the sub-projects. Such a mechanism did not exist prior to the RRF, and was one of the causes of the unsatisfactory delivery of the MAP project.

The project also allowed for interventions that increased awareness about HIV and AIDS, including among civil servants who for the first time had a project specifically focused on them. A structured system of food basket distribution for people living with HIV and AIDS was established – this can be used for similar interventions, not only for people living with HIV and AIDS, but also for people with other chronic diseases requiring some kind of nutritional assistance. Furthermore, the first food baskets were delivered with beneficiaries starting to feel some changes in their physical condition.

The CBOs in particular, some of them for the first time, received substantial resources to implement their activities, contributing to their financial management education. They also learned about new methodologies and techniques to deliver their services as result of the training/coaching they received from the intermediary agent.

The project also had an impact on how Gender and HIV issues were addressed. Through information campaigns being conducted by the various ministries and CSOs, there was an increase in knowledge among both men and women in terms of the effects of having multiple partnerships. In its efforts to address gender imbalances and to empower women, the capacity building of CBOs has focused on training a high percentage (68%) of women.

Milestones achieved

The Management Unit for the RRF project was established, that was critical in the implementation of the project.

A system for a Call for Proposals was established, which included the content of the request for proposals, the selection criteria, the ToRs for the Panel of Evaluation, and the templates of the key documents for the submission of proposals. A call for proposal was launched which resulted in selection and funding of 8 CSOs and two earmarked institutions, the Ministry of Public Service and the World Food program. A mechanism of liaison of the Management Unit with the Steering Committee and the evaluation team was established and proved to work well. The partners that had their proposals approved for financing were trained on the Harmonized Cash Transfer (HACT), which includes cash management, reporting requirements, and financial and programmatic reviews.

A proposal for provision of basic food baskets for 3,500 malnourished ARVT patients in provincial capitals (through health units that were not included in the first phase) and in selected district capitals was developed. In order to implement the food basket, a web-based system that would allow food vouchers to be registered and paid through a mobile cash transfer system was established and tested. All the involved parties – WFP staff, health personnel and shop owners – were trained to use the mobile transference system. Thereafter the system had to be tested in each location.

The project trained leaders of the public sector on HIV and AIDS mainstreaming and on HIV and AIDS in the workplace. Some 700 human resources managers at central, provincial, and district levels, as well as all permanent secretaries of Ministries took part in the HIV and AIDS training, and as a consequence of the project, HIV and AIDS is now better integrated into the different sector plans.

Seven health fairs were organized to disseminate HIV and AIDS awareness messages, including voluntary testing, resulting in increased knowledge about HIV and AIDS by a significant part of the civil service.

Brochures, pamphlets, posters and other communications materials were produced and circulated within public institutions at all levels, making HIV and AIDS awareness information available and accessible not only for the Public Servants, but also to the clients of the various public services.

A Call for Proposals to select CBOs in the five target provinces, covering 60 districts was prepared and launched. A capacity and needs assessment of the selected organizations th was conducted, followed by the design of a capacity development plan in the various areas where the weaknesses were identified.

Training activities for the CBOs on grant management and on implementation of HIV and AIDS related interventions were conducted. Upon the first disbursement of sub-grants, the CBOs were coached during the implementation of their activities both on technical and financial aspects, and monitored their activities.

The RRF project was evaluated where it was assessed whether or not the new scheme of call for proposals (CfP) was successful, and whether it should be continued by the government and partners for the channeling of funds for the prevention of HIV and AIDS programmes/interventions.

Notable factor affecting the project

Taking into consideration the complexity of the project, the project duration of 18 months was very limited, especially the CfPs process which was to be conducted in a transparent, independent and competitive manner.

While it is widely known that many CSOs 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-level solution to the funding needs; the issue was not addressed for smaller NGOs and CBOs in the first funding round

Other factor not foreseen in the project which affected negatively on the project was the introduction of additional steps in the evaluation of proposals – on one hand because it jeopardized the principle of transparency and independence by introducing subjective elements of evaluation, and on the other hand because it caused unnecessary delays in project implementation (more than 3 months lost in this additional step).

The structure of the RRF Management Unit was too small (Coordinator and Financial Assistant) considering the project workload. This limitation affected especially the technical aspects of the sub-grants given that the Unit did not have technical capacity or time to monitor the sub-grants and comment on the reports submitted. Although it was envisaged in the project design that UNAIDS should provide technical support, in practice it was evident that they did not have the human resources to provide the assistance as well

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 the RRF.

The lack of clarity within the Steering Committee with regard to the scope of evaluating innovative initiatives affected the achievement of planned results as well. For instance, the Steering Committee proposed various initiatives to be funded under this budget line that were not eligible under the criteria set by the donor. When the final decisions regarding the various initiatives were made, the project was closing with not enough time to conduct the evaluations. Therefore, it was possible to evaluate the RRF project which was considered an innovative initiative.

Finally the suspension of disbursements to MONASO in relation with the implementation of the Capacity Building component for CBOs affected the implementation of the results planned. The IPs had a difficult time understanding this, because the problems that caused the suspension were as a result from another project, not the RRF. Despite the efforts made to resolve this issue, it became complicated to the point that by the end of the project period, the disbursements could not be resumed, negatively affecting the achievement of the project objectives and results.

Overall achievement of Outputs

The project has 5 outputs, namely

- Output 1: A model for Grants Management established and operational
- Output 2: Basic Food Basket for people on ARV treatment system improved and expanded
- Output 3: Improved communication and knowledge of strategies and mechanisms for HIV HIV and AIDS prevention in the Government institutions, CSOs and communities

- Output 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
- Output 5: Innovative Initiatives for HIV and AIDS prevention identified and evaluated

Out of the five outputs, only one, Output 1, was fully achieved and the other were partially achieved due to the stated reasons that affected the project implementation. However, despite the failure to fully achieve all outputs, the project established basis for continuation of the activities, either under a Grants Management mechanisms or other institutional arrangements.

The Project

Rationale

In Mozambique, HIV and AIDS continues to be a major challenge in the country. Until 2009, HIV prevalence was 16%, with highest prevalence rates in the provinces of Gaza, Zambézia, and Maputo city. According to the new HIV prevalence report (INSIDA) published in December 2010 by the Ministry of Health, 11.5% of adults aged 15 - 49 live with HIV and AIDS. The rate of infection among women is higher at 11.2%, compared with men at 9.2%. Maputo city and Gaza province continue to be the provinces with the highest prevalence rates. The INSIDA report also revealed that HIV prevalence is higher in urban areas than rural areas, where most of the development efforts were concentrated until 2011.

As part of the effort to address this challenge, the government of Mozambique in partnership with the World Bank developed the MAP Mozambique project, with the objective to curb the spread of HIV and AIDS and mitigate the effects of the epidemic through prevention, care, and treatment. The MAP Mozambique project was approved on March 23, 2003 and became effective on August 15, 2003.

In December 2008, there was a joint review of the MAP Mozambique project carried out by the World Bank and the Government of Mozambique. The performance was rated as poor due to weak financial management, and consequently the mission suggested a series of re-programming measures, including the establishment of **Rapid Results Fund** (RRF) to support prevention activities carried out by non-state actors (NSAs) (USD 2 million). USD 1 million went towards supporting other ministries with HIV prevention strategies, and the other USD 1 million to support a nutrition package for patients on Anti-Retroviral (ARV) treatment.

The RRF project responded also to the need of establishing a grant management mechanism, building on a general consensus among stakeholders and partners that the grant-making role of CNCS had distracted them from their core mandate of Coordination of the National Response against HIV AND AIDS.

Strategic Approach

The selection of beneficiaries of the RRF was through a system of Call for Proposals (CfPs), with four key areas of interventions identified in support of PEN II, namely:

- Reduction of multiple concurrent partnerships,
- Reproductive Health-HIV collaboration,
- TB-HIV collaboration, and
- Male circumcision

Exceptions for the CfPs were made for two ear-marked components, namely the support to Public Institutions (Ministry of Public Services), and the Food Basket for people living with HIV (World Food Program) components.

The submitted proposals were evaluated by an independent evaluation committee composed by three members: two members specialized in the area of HIV and AIDS with experience working with Civil Society Organizations (CSOs), and one specialized in Financial Management. The members were selected in a competitive and transparent manner.

The project was managed by UNDP, which established a RRF Management Unit responsible for the coordination of all RRF activities including financial management, with technical support provided by UNAIDS.

The RRF was overseen by a governing structure of the Fund, the project Steering Committee (SC) with members from the Prevention Reference Group, and the Common Fund Donors. The role of the SC, chaired by the Ministry of Health, was to provide policy guidance and make decisions on the types of CfPs to be issued. The SC members consisted of:

- Ministry of Health representing the primary recipients of the remaining MAP funds, and the vice-president of CNCS;
- CNCS Executive Secretariat as the coordinator of the national response to HIV AND AIDS;
- UNDP as fund administrator;
- UNAIDS as the technical advisor to the RRF; and
- DFID as the common fund partner, in representation of reference mechanisms in funding HIV AND AIDS interventions.

Changes made in the Project

DFID and DANIDA Component: During the initial SC meetings, the lack of an appropriate mechanism for the participation of Community-Based Organizations (CBOs) was identified as one of the gaps of the RRF model. The CBOs did not have the capacity to respond to the CfPs given the complexity of its requirements. In response DANIDA and DFID contributed an additional USD 1.5 million to strengthen CBOs ability to plan, manage, and deliver HIV and AIDS services, and give priority to support the needs of people affected and infected by HIV and AIDS, initially in selected provinces. The management of this grant followed the RRF CfPs mechanism. The reasons for this window to the RRF were to tap into the capacity that was being established to manage the other RRF grants, and to create a mechanism by which other donors could pool funding through a single coordinating agency.

Evaluation Panel: The SC concluded that the evaluation process of NSA proposals should also be reviewed at two levels, which were not foreseen in the original project proposal, as follows:

- An extra review of the pre-selected proposals chosen by the Technical Evaluation Panel by another different Panel of CSOs, mainly to assess aspects of suitability of the selected organizations and their record in terms of implementing HIV and AIDS-related activities;
- Incorporating a No-objection provision by the Governors of the Provinces where the selected organizations had proposed to intervene, essentially to confirm that the proposed interventions were in line with the province plans.

Extension: The World Bank component of the project was designed to be implemented in 18 months and was expected to end in December 2010. However, due to the delays encountered in the beginning, this component was extended until 30 June 2011. The DANIDA/DFID component was expected to be implemented in 1 year, until 30 June 2011, and later extended until March 2012.

Factors Affecting Implementation and Outputs

Project preparation and design

The project preparation and design resulted from long negotiations between the World Bank, the Government of Mozambique, and key partners working in the area of HIV and AIDS to respond to the need of addressing its challenges in the country and to complete part of the activities of the MAP project. The project had clear objectives and targets, as well as a clear governing and management structure to facilitate its implementation.

Taking into consideration the complexity of the project, the project duration of 18 months was very limited, especially the CfPs process which was to be conducted in a transparent, independent and competitive manner. A period of one year or less for the effective implementation of activities by selected organizations could be sufficient for building simple infrastructure, or for conducting some training sessions. But it would take 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 a prolonged period of time. Cutting short the implementation period runs the risk of reducing the quality of the work and increases the possibility of the misuse of funds.

While it is widely known that many CSOs 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-level solution to the funding needs; the issue was not addressed for smaller NGOs and CBOs in the first funding round. However, the second funding round later opened by DANIDA and DFID adopted a different approach, and explicitly sought to target/benefit smaller organizations through one facilitating agent that could provide assistance in terms of technical and financial management.

CSOs have different levels of capacity across the country. This factor was not considered in the project design, with the result that most of the proposals received were from organizations from the southern region, and none of the selected proposals covering the Southern and Northern provinces. The project design should have considered earmarking the Grant Funds for each specific region of the country, given the different CSO capacity levels in the 3 regions. However, the CBOs Capacity Building component addressed this issue by earmarking the funds for specific provinces, based on HIV prevalence rates.

Another issue is that though the Steering Committee was expected to ensure technically sound implementation of the Fund, the participation of the Minister in the committee rendered its functioning as unnecessarily formal and lessened the level of democracy in the group. In addition, the scheduling of the SC meetings became highly dependent on the availability of the Minister, whose agenda was obviously too busy for regular/predictable meetings.

Other factors not foreseen in the project which affected negatively on the project was the introduction of additional steps in the evaluation of proposals – on one hand because it jeopardized the principle of transparency and independence by introducing subjective elements of evaluation, and on the other hand because it caused unnecessary delays in project implementation (more than 3 months lost in this additional step).

Finally, the structure of the RRF Management Unit was too small (Coordinator and Financial Assistant) considering the project workload. This limitation affected especially the technical aspects of the sub-grants given that the Unit did not have technical capacity or time to monitor the sub-grants and comment on the reports submitted. Although it was envisaged in the project design that UNAIDS should provide technical support, in practice it was evident that they did not have the human resources to provide the assistance as well.

Operational Issues

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 the RRF. The applied mechanisms were challenging for well experienced international organizations, and were clearly too complicated for smaller NGOs or CBOs. In the context of

haphazard disbursements, the project accounts opened to host project funds made the financial management of funds even more rigid, as the new disbursements could only be solicited when 80% of the previous disbursements were spent. However, these procedures could not be waived as they were requirements of UNDP financial management procedures.

The implementation of the sub-projects was seriously compromised by the delay in disbursements of the funds. There were significant challenges to keep up with the work plans and to adequately account for the funds within the limited timeframe when they finally became available. As a result the quality of performance suffered.

The lack of clarity within the Steering Committee with regard to the scope of evaluating innovative initiatives affected the achievement of planned results as well. For instance, the Steering Committee proposed various initiatives to be funded under this budget line that were not eligible under the criteria set by the donor. When the final decisions regarding the various initiatives were made, the project was closing with not enough time to conduct the evaluations. Therefore, it was possible to evaluate the RRF project which was considered an innovative initiative.

Finally the suspension of disbursements to MONASO in relation with the implementation of the Capacity Building component for CBOs affected the implementation of the results planned. The IPs had a difficult time understanding this, because the problems that caused the suspension were as a result from another project, not the RRF. Despite the efforts made to resolve this issue, it became complicated to the point that by the end of the project period, the disbursements could not be resumed, negatively affecting the achievement of the project objectives and results.

Risk Management

The project faced an internal risk in that the transparency, competitiveness, and independence of the process of selecting beneficiary organizations was threatened by the decision made by the Steering Committee to get the clearance of Provincial Governors without first establishing clear selection criteria. Similarly, the Steering Committee decided to add another level of evaluation by CSO representatives in order to assess the suitability of the pre-selected organizations, again without setting clear selection criteria. These decisions raised the probability of selecting organizations with technical proposals of poor quality and high costs, causing unnecessary delays in the approval process of the selected organizations, and resulted in reduced time to implement the sub-grants activities.

The risk of selecting technically poor and costly proposals was dealt with by insisting with the Steering Committee that independently of the Provincial Governors and the CSOs representatives, the technical and financial criteria of selection as assessed by the Evaluation Panel should prevail as the main basis for selection. Unfortunately, the result was a delay of 3 months to initiate the sub-grants implementation, with only partial achievement of proposed outputs.

In future similar projects, the mandate of the Steering Committee should be set, clearly stating/establishing that this organ does not have the authority to change the established rules and procedures either in the project document or signed agreements. The role of the Steering Committee should only be one of oversight of the implementation of the project according to the established rules and procedures.

The external risk faced was related with the capacity of CSOs. In general the quality of proposals received was poor: if the selection criteria were strictly followed, none of them would have been selected, thus threatening project implementation.

In order to mitigate this risk, upon recommendation by the Panel of Evaluators, the Steering Committee allowed the best of the proposals proponents to make adjustments to their proposals in accordance with the comments made by the Panel.

In future similar projects, it is recommended to take into account the overall capacity of CSOs when preparing the Call for Proposals, especially the selection criteria. It could be advisable also to pre-assess and divide the CSOs in different categories and launch different Call for Proposals accordingly with the capacity of CSOs in each category.

Assessment of Outputs

Output 1: A model for Grants Management established and operational

The establishment of the model for Grants management was one of the key outputs of this project. For instance, one of the findings of the World Bank mission that assessed the MAP project was that the execution of this project was unsatisfactory and that the management of grants by CNCS was diverting it from its core mandate of coordination and monitoring of the national response to HIV and AIDS. Therefore, there was a need of finding a suitable model for grants management to ensure access to financial resources, mainly by Non-State Agents, to implement their activities in response to HIV and AIDS.

In order to pursue this output, a Management Unit for the RRF project was established, constituted by a Coordinator and Financial Assistant. The technical support-related responsibilities, including monitoring, were to be under UNAIDS. A Steering Committee was to provide oversight and overall guidance of RRF implementation and make the key decisions related to the project.

A system for a Call for Proposals was established, which included the content of the request for proposals, the selection criteria, the ToRs for the Panel of Evaluation, and the templates of the key documents for the submission of proposals. A mechanism of liaison of the Management Unit with the Steering Committee and the evaluation team was established and proved to work well.

Three sets of proposals were evaluated as follows using the established system:

- Two specific earmarked proposals: 1) the World Food Program for the Basic Food Basket, and 2) the Ministry of Public Service for the Combating of HIV and AIDS in the Public Service;
- The second set was from NSAs. A call for proposals was launched and through this a total of 86 proposals were received from various actors of civil society covering the four areas defined in the aide memoire. Of the 86 proposals, 32 were selected as eligible for funding, but due to the limited budget, panelists recommended only 15 for funding with changes to improve the quality of their content;
- The third one was for the selection of the Intermediary Agent to manage small sub-grants for CBOs and to build their capacity. From this Call for Proposals, a total of 42 submissions were received and evaluated by the Panel of Evaluation, which concluded that 9 proposals met the selection criteria. The Steering Committee assessed the 9 proposals endorsed by the Panel and selected the best one.

The partners that had their proposals approved for financing received the UNDP's financial management training on the Harmonized Cash Transfer (HACT), which includes cash management, reporting requirements, and financial and programmatic reviews. Regular meetings were held with partners to clarify their work plans and to provide updates on the implementation status.

The main challenge faced in this process is related with the quality of submitted proposals which was very weak, suggesting that most of the national CSOs do not have the capacity to write good proposals in response to CfPs. The Panel of Experts had to spend a lot of time revising a large number of proposals that did not meet the minimum requirements, and even for the best proposals, the Panel for Experts needed to suggest some adjustments to improve quality.

In general, the implementing partners received funds and implemented and reported on their activities through the model for Grants management, although some improvements were still needed as reported in the project evaluation. In particular, it was necessary to continue to test the model for CBOs, especially those with no capacity to compete under equal circumstances with larger organizations in a CfP. This was expected to be generated from the CBOs component, but it is difficult to say at this stage that the model was operational. With the initial funding coming to an end, no other donors demonstrated interest in channeling their resources through the RRF mechanism.

Despite this overall conclusion with regard to the achievement of this output, there are a few areas that should be mentioned for future lessons learned and improvements in any similar intervention.

The composition of the management team was an issue. A team composed by a Coordinator and the Financial Assistant proved not to be sufficient to manage such a complex process and mechanism. The experience demonstrated that at least a technical position was necessary to monitor the sub-projects implementation, provide technical comments on reports submitted, as well as technical advice when required. In addition, despite the fact that the Unit was integrated within the UNDP structure and benefitted from its logistical support, an administrative/secretarial position is also recommended in addition to the finance assistant.

As result of the limited staff of the Management Unit, the monitoring of the project activities that was supposed to take place every trimester was not conducted, and only a few coordination meetings were conducted individually with some implementing partners to accompany their activities and provide guidance/technical support. The Management Unit went as far as developing a schedule to visit the implementing organizations, but ultimately cancelled the visits.

Output 2: Basic Food Basket for people on ARV treatment system improved and expanded

The Food Basket was intended to build from the experience already initiated by the Ministry of Health. Therefore, in collaboration with the Ministry of Health, the WFP prepared a proposal that foresaw providing basic food baskets for 3,500 malnourished ARVT patients in provincial capitals (through health units that were not included in the first phase) and in selected district capitals.

The proposal was approved by the Evaluation Committee after some adjustments recommended, especially to ensure that it had a greater focus of planned activities at the district level.

The selection of target districts was made jointly with the Ministry of Health, as well as the identification and selection of suitable shops to supply the food baskets. However, the process proved to be very time-consuming. While the lengthy process was still ongoing, there were changes in the leadership of the Ministry of Health, and in November 2010 the Ministry asked WFP to revise the implementation plan and turn the focus back on the provincial capitals. According to the Ministry's new position, only a limited number of district capitals should be included in the project. Consequently WFP had to start from scratch the search and identification of suitable shops in the provincial capitals. It took until the beginning of 2011 before suitable shops were identified and contracts signed.

A company was contracted by WFP to design and establish a web-based system that would allow food vouchers to be registered and paid through a mobile cash transfer system. The system enabled much greater control of the authenticity of the beneficiaries, ensuring 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, that the first food baskets could be delivered.

Overall this output was not fully achieved, as the estimated period of six months needed for people under ARVT to benefit from the food basket system was not completed. However, the web-based bank transference system was established, and health personnel and shop keepers were trained in the use of the system in all the provinces, except Sofala. This system, which is reliable, transparent, and accountable, can be used by the Government or any other partner working in that area.

In addition, although the actual provision of food baskets commenced at different times 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 on ARVT

Output 3: Improved communication and knowledge of strategies and mechanisms for HIV and AIDS prevention in the Government institutions, CSOs and communities

The improvement of communication and knowledge of strategies was one of the key outputs in the project. All the implementing partners (except WFP) developed information and communication activities.

One of the major achievements was the training of the leaders of the public sector on HIV and AIDS mainstreaming and on HIV and AIDS in the workplace. Some 700 human resources managers at central, provincial, and district levels, as well as all permanent secretaries of Ministries took part in the HIV and AIDS training, and as a consequence of the project, HIV and AIDS is now better integrated into the different sector plans.

Seven health fairs were organized to disseminate HIV and AIDS awareness messages, including voluntary testing, resulting in increased knowledge about HIV and AIDS by a significant part of the civil service.

Brochures, pamphlets, posters and other communications materials were produced and circulated within public institutions at all levels, making HIV and AIDS awareness information available and accessible not only for the Public Servants, but also to the clients of the various public services.

CSO organizations carried out various activities to disseminate HIV and AIDS awareness information. The activities included the treatment literacy training program broadcasted on television over 20 weeks, the dissemination of information through sport activities, and e-training of various stakeholders.

Based on this, it can be assumed that there was an increase in HIV and AIDS-related information, education, and communication, at least in the areas where the activities were developed and within the target groups. However, the limited period that the implementing partners were given to carry out their activities impeded further improvements in the communication and knowledge activities.

Output 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

This output is exclusively related with the CBOs component funded by DFID and DANIDA and implemented by MONASO, selected through a Call for Proposals as described above.

Based on the technical proposal submitted, the implementing partner developed ToRs for the Call for Proposals to select CBOs in the five target provinces, covering 60 districts. Before the launch of the Call for Proposals, there was extensive dissemination of information about the existing opportunity encouraging CBOs to apply for funding. A total of 261 proposals were received and 60 selected. The selected proposals covered prevention activities (45%), home-based care (20%), and mitigation (17%), with the remaining 10% covering multiple areas of intervention.

A capacity and needs assessment of the selected organizations was conducted, followed by the design of a capacity development plan in the various areas where the weaknesses were identified.

Based on the designed plan, the intermediary agent conducted training activities based on the designed plan, made the initial disbursement of the sub-grants, coached the CBOs during the implementation of their activities both on technical and financial aspects, and monitored their activities.

This output was not accomplished, because no further disbursements were made to the intermediary agent. When the second disbursement was being prepared to continue with the capacity development activities in July 2011, the disbursement process was interrupted by the recommendation of donors as a result of findings of financial management problems with the intermediary agent, though not related with RRF fund management. This issue had not resolved until the time the expiration of the Contribution Agreements with the donors had been reached.

In this, there was at least a defined system for capacity building and small grants management established for CBOs, although it was not sufficiently tested to assess its appropriateness and efficiency.

Output 5: Innovative Initiatives for HIV and AIDS prevention identified and evaluated.

The RRF project included the evaluation of initiatives for HIV/AIDS prevention that are considered innovative, including the RRF project itself, which was seen as an innovative financing mechanism.

With the exception of the RRF project which was already targeted for the evaluation, it was not clear in the aide memoire how the innovative initiatives should be identified: it could be through a call for proposals, or by a decision of the SC following recommendations by key Government institutions, mainly CNCS as coordinator of the national response, or the Ministry of Health. The SC took a long time to make the decision, and following a joint proposal between CNCS and the Ministry of Health, it was finally decided that the funds should be allocated to CNCS for the voluntary testing campaign – the reason being that it was seen as an innovative initiative, while short on resources for its implementation.

However, the donor (World Bank) firmly objected to have the money allocated to CNCS, and objected also to the funds being used for the implementation of innovative initiatives instead of evaluation.

Given that this process took a long time, there was no more time to conduct any other innovative initiatives evaluations, apart from the RRF project itself.

The RRF project evaluation assessed whether or not the new scheme of call for proposals (CfP) was successful, and whether it should be continued by the government and partners for the channeling of funds for the prevention of HIV and AIDS programmes/interventions. It was hoped that the evaluation would also be able to attract more donors to channel funds through this mechanism. The evaluation covered the following areas:

- (i) quality of proposals received and approved;
- (ii) efficiency of processing of approval process;
- (iii) timeliness of disbursements;
- (iv) quality of supervision;
- (v) the effectiveness of the CfP mechanism to achieve the indicated results;
- (vi) the administrative structure.

The evaluation found the RRF to be a highly relevant temporary funding mechanism. However, its effectiveness and efficiency could be improved and its impact could be increased with a longer implementation period and more prompt disbursements.

Overall Impact of the Project

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-term.

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 a few years after the activities have been concluded.

Despite the challenges faced by the project resulting from the non-conclusion of sub-grant activities implementation, the RRF project had some considerable impact. For instance the RRF project established the basis for a mechanism of grants management for CSOs working in the area

of HIV and AIDS and increased awareness among the different stakeholders of the importance of a transparent, competitive, and objective evaluation mechanism to appraise the sub-projects. Such a mechanism did not exist prior to the RRF, and was one of the causes of the unsatisfactory delivery of the MAP project.

The project also allowed for interventions that increased awareness about HIV and AIDS, including among civil servants who for the first time had a project specifically focused on them. A structured system of food basket distribution for people living with HIV and AIDS was established – this can be used for similar interventions, not only for people living with HIV and AIDS, but also for people with other chronic diseases requiring some kind of nutritional assistance. Furthermore, the first food baskets were delivered with beneficiaries starting to feel some changes in their physical condition.

The CBOs in particular, some of them for the first time, received substantial resources to implement their activities, contributing to their financial management education. They also learned about new methodologies and techniques to deliver their services as result of the training/coaching they received from the intermediary agent.

The project also had an impact on how Gender and HIV issues were addressed. For instance, the project aimed at empowering women through prevention activities to reduce the rate of infections, and getting men to play a more active role in preventing the spread of infections. Through information campaigns being conducted by the various ministries and CSOs, there was an increase in knowledge among both men and women in terms of the effects of having multiple partnerships. The majority of HIV infections are transmitted sexually or from mother to child in pregnancy, at childbirth, or during breastfeeding – the project promotes the utilization of reproductive health and HIV and AIDS services, so that people, especially women, can make informed decision in efforts to prevent infections. In its efforts to address gender imbalances and to empower women, the capacity building of CBOs by MONASO has focused on training a high percentage (68%) of women.

Lessons Learned

There are important lessons learned from the implementation of RRF project as a grant management mechanism, which can be used to improve the efficiency of the grant management mechanism in the future.

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 (including the launching of the call-for-proposals and the hiring of the members of the UGRRF 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.

It is important that when selection criteria and processes are set, they should not be changed, even by the Steering Committee. Transparency on the selection and approval process of the proposals was unintentionally compromised. The establishment of an ad-hoc Civil Society Panel as a second team of evaluators diminished the weight of the recommendations 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. In addition this delayed the implementation of the project for about three months, especially given that this was not part of the process, and thus compromised the achievements of the outputs.

The structure of the grant management requires the existence of a technical permanent position to monitor the sub-grants, provide technical advice and assess the quality of reports submitted by the implementing partners. Relying on technical assistance from another organization proved to not be very practical.

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 of an implementation period reduces the quality of the work and increases the possibility of misuse of the funds.

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 the implementing organizations, not the other way around.

Different organizations require different financial management systems. RRF was flexible in terms of defining specific funding modalities for MFP (Ministry of Public Service) and WFP considering the financial management capacity of the two organizations. Although the direct financial management that UNDP conducted for MFP proved to be administratively burdensome, it was found to be necessary so as to ensure that the funds reached the intended destination and objectives.

When introducing a new mechanism, it is advisable to test different approaches and think of risk mitigation measures more comprehensively. For instance, though there was a possibility of selecting two different intermediaries (one CSO and one private sector Company) for the CBOs capacity building and sub-grants component, the selection of just one intermediary agency proved to be too risky and jeopardized the whole CBO component when problems were encountered with the one agency.

Conclusions, Recommendations and Opportunities for Follow-up

Based on the project evaluation report, the following are conclusions and recommendations on the various aspects of the project:

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. Moreover the National Director of Public Health has a high interest for the projects financed by RRF to have a greater impact on the prevention of HIV and AIDS since that is his mandate/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 preserve the transparency of the process. Only exceptionally, and when well justified (e.g. when the bidding candidate has unclear financial records from the past), can the SC disregard the recommendations of the Evaluation Committee.

Call for Proposals

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

Recommendations:

- The calls-for-proposal mechanism 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. 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 stricter. Hence, even remote CBOs could have a real opportunity to access such a funding mechanism.
- Ensure wider dissemination of the CfP beyond the newspapers, using more accessible means, such as national and community radios, Provincial HIV and 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 jeopardized 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 civil society in a Fund designated for 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 timeframes 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 Response Management Unit

So far, the Unit has had limited technical competence. Considering the financial envelope that it managed within the UNDP country program, it resided in a surprisingly low position in the organizational structure. The RRF Management Unit had a very low profile compared e.g. to the members of the SC.

Recommendations:

- Because the RRF unit proved to be under-staffed, 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 Management Unit needs to be upgraded, and its technical competencies reinforced. The unit would gain considerably more from one senior team member with experience in financial management and monitoring.
- The RRF management Unit 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. The RRF Management Unit was rather overwhelmed with all the tasks related to the financial execution and implementation of the Fund, and it did not have monitoring capacity. In a country with limited resources and capacities such as 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 the 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. Moreover 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 oversee and maintain the RRF flow of funds and strengthen its management processes 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 to leverage and count on more funding partners in addition to 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 the RRF. The applied mechanisms were challenging for well experienced international organizations, and would have clearly been too complicated for any smaller NGOs or CBOs. The UNDP FACE form (Funding Authorization and Certificate of Expenditures) 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 an extended period of implementation.
- UNDP should introduce a simplified financial reporting form for the use of the implementing partners, and indicate one person to convert afterwards that information into the required FACE format.
- If the Fund requires special project accounts, it needs to be replenished before the previous balance has been used up. Otherwise 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 due 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 and 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.

Finally, the project evaluation report found that 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 and AIDS. 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 ended.

It can be concluded 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 operating for the time being. However, lessons should be learned from each funding round and improvements made to avoid repeating the same kind of mistakes. Only then, the RRF would effectively cover the funding gap and create a solid basis for a more permanent funding mechanism.

Annexes

1. Financial Report
2. Project evaluation (if any)