

TERMS OF REFERENCE FOR PROGRAMME MANAGEMENT CONSULTANTS FOR THE COMMUNITY LAND USE FUND MOZAMBIQUE

Objective

The Department for International Development (DFID) wishes to engage the services of consultants to manage the Community Land Use Fund Project. These consultants are hereafter referred to as the Fund Managers. The objective of the Fund Manager (FM) is to establish and administer a multi-donor fund providing the technical support required to lead and facilitate the Community Land Use Fund Project in Mozambique. The focus will be on providing technical and planning services to rural communities as a means to stimulate economic development within the provincial and district frameworks to enable the securing of land and natural resources rights.

The Scope

The services will be contracted by DFID as the Lead Donor of a group of other donors supporting this Community Land Use Fund project in consultation with a National Oversight Committee (NOC), which will be created for this purpose.

The project will target the provinces of Gaza, Manica and Cabo Delgado, which represent one area from each region of the country. The provinces were selected, in consultation with the GoM, on the basis of demand-side issues (pressure on land and resources, community demand), supply-side issues (existence of service providers, good communications, supportive provincial government) and participating donor focal areas.

At a national level, the NOC will have access to a budget (through the Lead Donor) to commission independent monitoring and evaluation of the social and economic impact of funded projects and the performance of the FM and the Provincial Steering Committees (PSCs).

The key activities of the FM will include but not necessarily be limited to the following :

- Administration and management of the Land Use Fund in the three selected provinces (indicative values for the total yearly grant disbursement of the project are \$300 000, \$600 000 and \$900 000 in years one, two, three respectively with \$900 000 in years four and five)
- Mobilisation and management of a technical support component
- Marketing of the Fund
- Establishment and support of the operation of Provincial Steering Committees (PSCs)
- Stimulation of local economic development

Methodology

The FM will establish the fund's main office in one of the three provinces. They will also be responsible for advising and assisting on delivering the range of activities as detailed in the Terms of Reference.

The FM will be expected to establish and mobilise the Provincial Steering Committees (PSCs) in each of the provinces. These will comprise of representatives of provincial government and civil society with a strong bias towards district-level representation, to provide direction and oversight to the FM in each province. The PSCs will have a prioritisation and no objection role in the approval of proposals to ensure local priorities are foremost and local knowledge utilised. The PSCs will be composed by people from the provincial and district levels who will be expected to have clear knowledge about the local priorities.

The NOC will be able to recommend and commission independent policy – oriented studies that are relevant to the effective operations of the Fund or the realisation of natural resource-related policy objectives.

These will then be fed through existing channels (e.g. PROAGRI II, the agricultural SWAp) in order that GoM policy-makers have access to feedback loops on the implementation of natural resource policies.

More specifically, the FM will be expected to deliver the following summarised outputs (more detail in the Project Memorandum):

Setting up the financial management arrangements for the Fund including:

- Day to day running of operations (e.g. including the opening of a bank account specifically for these funds and payment of grants from this)
- Development and implementation of information, education and communication strategies to educate the public, particularly rural communities on the objectives of the Fund
- Receiving and evaluating requests for funding prior to submitting proposals with recommendations to the PSC. Unsuccessful requests should be returned with advice for improvements / revisions.
- Implementing, co-ordinating and monitoring the programmes and activities of the Fund and reporting to the NOC on a quarterly basis
- Provide Technical Assistance to the Fund's customers in preparation of proposals;
- Pay for services (for example: legal advice, and/or surveying) and build the capacity of the Service Providers of how to put their accounting systems in place
- Facilitating the establishment of and providing on-going policy and financial support to Provincial level structures of the Fund, ensuring they operate within the policies defined by the NOC;

- Establishing the annual programme and budget to be implemented on approval by the NOC;
- Ensuring that an independent external audit is undertaken on an annual basis. TORs and the appointment of the auditor will be approved by the lead donor prior to sub-contracting the services
- Collaborating, networking, creating and maintaining close contacts with strategic allies, such as key ministries in central government, local governments, and other stakeholders;
- The FM will have to define and agree with the customers of the fund the criteria for measuring the achievement of the objectives proposed in the approved submissions.
- Maintaining records including financial details of grant expenditure and producing quarterly reports of the same
- Development of an exit strategy which would enable sustainable continuation of the Fund when the FM's contract ends

Reporting

- The FM will be responsible for establishing reporting systems, which allow the PSCs and the NOC to monitor budgets and expenditure under the Fund on an on going basis and provide for reporting quarterly .
- The FM will be required to develop and include strategic plans including Objectively Verifiable Indicators (OVIs) for each province within six months of arrival in country.
- The FM will also be required to establish a monitoring and evaluation system that allows effective assessment of the quality of service provision and decision-making on an ongoing basis.
- The PSCs and the NOC will meet on a quarterly basis to review progress in relation to the reports produced by the FM. These will serve to monitor outputs and will be augmented by a formal independent review after the contract has been running for two years.

Timeframe

- The project will extend over a 5-year period commencing in January 2006 A review will be undertaken after two years. Continuation or termination of the project will be decided at this stage. Proposed activities for 2006 are noted in Annex 3 of the Project Memorandum.
- .
- The contract **may** be extended for an additional 24-36 months after the fifth year

Programme Co-ordination

The FM will be responsible to the DFID Senior Programme Officer in DFID Mozambique.

Background

Access to land is a crucial livelihood determinant in many rural economies. Where land is scarce, the landless are among the poorest. In Mozambique, however, population density is low, and there is, in general, a relative abundance of arable unoccupied land.

According to the National Institute for Agricultural Research (INIA) there are approximately 20.3 million hectares of arable land with low climatic risk suitable for rain-fed agriculture and 3.3 million hectares of suitable land for irrigation. According to FEWS 4.1 million hectares were cultivated in the 2002/03 agricultural year, of which over 90% by the smallholder sector. The remaining area of cultivated land is used by other agents: agribusiness firms (particularly sugar, tea and cotton) state/private joint ventures, cooperatives and private individual farmers.

Increasing pressure on land resources has come about in the last few years as a result of the large numbers of land applications for private use rights and the allocation of large areas of forestland for timber exploitation. The continuing lack of a transparent and up-to-date land cadastre means that the extent of allocation of land use and benefit rights to third parties is difficult to verify.

The policies and the legal framework require community consultation and participation in the development process, not only in relation to the Land Law, but also in relation to environmental management, protected areas and tourism development. However this process does not always result in significant benefits for the affected population, many of whom have little idea of the commercial value of their resources or their rights with respect to land and natural resources.

The state, as convenor and enabler of these local negotiations within the regulatory framework, cannot be expected to play a substantial role in defence of community interests, except in cases where there is obvious potential for conflict. The Land Law provides simple and flexible mechanisms for this process of registration, but rural community groups require external assistance and services in order to complete it.

These conclusions were reached on the basis of a considerable body of donor experience in the sector. Development of the support envisaged has been ongoing since 2000. It has been conceptualised on the basis of the experiences and lessons of the Land Tenure Component of the DFID-funded Zambézia Agricultural Development Programme –ZADP- (during 1998 - 2003) and a thorough appraisal of the land and natural resources policy environment that was carried out in 2003 by CTC Consulting.

The ZADP document proposed that community registration and negotiation should be funded through a multi-donor community land registration and negotiation fund, to which communities could apply. This was proposed as a means to make the process of land delimitation more demand-driven, reduce costs, improve services and create a competitive market for private and NGO services. The subsequent CTC Report agreed with this proposal.

A further conclusion of both reports was that the registration of land rights was a condition for success in achieving the objectives of the law in respect to local level partnerships between groups and outside investors.

August 2005