MOZAMBIQUE FORSSAS

HEALTH AND SOCIAL WELFARE SYSTEMS STRENGTHENING

QUARTERLY TECHNICAL PERFORMANCE REPORT: FY14Q2

January 1 – March 31, 2014

Cooperative Agreement No. AID-656-A-12-00002

April 30, 2014

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Prepared for:

USAID/Mozambique, Integrated Health Office

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Deloitte.

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Acronyms

APE*	Community Health Worker (*Agente Polivalente Elementar*)
CHW	Community Health Workers
CMAM*	Central Medical Stores (*Central de Medicamentos e Artigos Medicos*)
DAF*	Directorate of Administration and Finance (*Direcção de Administração e Finanças*)
DPC*	Directorate of Planning and Cooperation (*Direcção de Planificação e Cooperação*)
DPS	National Directorate of Public Health (*Direcção Provincial da Saúde)*
DRH	Directorate of Human Resources (*Direcção Recursus Humanos*)
FORSSAS*	Health and Social Welfare Systems Strengthening (*Fortalecimento dos Sistemas de Saúde e Acção Social*)
HSWSS	Health and Social Welfare Systems Strengthening
ICSM*	Health Sciences Institute of Maputo (*Instituto de Ciências de Saúde de Maputo*)
IR	Intermediate Result
M&E	Monitoring & Evaluation
MISAU*	Ministry of Health (*Ministério de Saúde*)
MMAS*	Ministry of Women and Social Welfare (*Ministério da Mulher e da Acção Social*)
PELF*	Pharmaceutical Logistics Strategic Plan *(Plano Estrategico da Logistica Farmaceutica)*
PES	Annual Economic and Social Plan (*Plano Economico e Social*)
PIREP*	Integrated Program for the Reform of Professional Education (*Programa Integrado da Reforma da Educação Profissional*)
PMP	Performance Monitoring Plan
SOP	Standard Operating Procedures
UGEA	Acquisitions Exectutive Management Unit *(Unidade Gestora Executora de Acquisições)*
USAID	United States Agency for International Development

*Portuguese acronyms, formal definition provided in italics

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Executive Summary

The United States Agency for International Development's (USAID's) Country Development Cooperation Strategy for 2014-2018, commits to strengthened systems to deliver health, nutrition and social services. The strategy focuses on improved government planning, management and budget execution; and strengthened generation, dissemination and use of health data for more effective decision making. To help achieve this vision, the USAID-funded Health and Social Welfare Systems Strengthening (HSWSS) or *Fortalecimento dos Sistemas de Saúde e Accção Social* (FORSSAS) project, led by Deloitte Consulting, is collaborating across the Ministry of Health (MISAU) and the Ministry of Women and Social Welfare (MMAS) to strengthen governance and supply chain processes, improve health sector funds management, enhance management and operations capacity and strengthen the health and social welfare workforce.

This report covers progress made from January 1 through March 31, 2014. Major accomplishments during this quarter are included below.

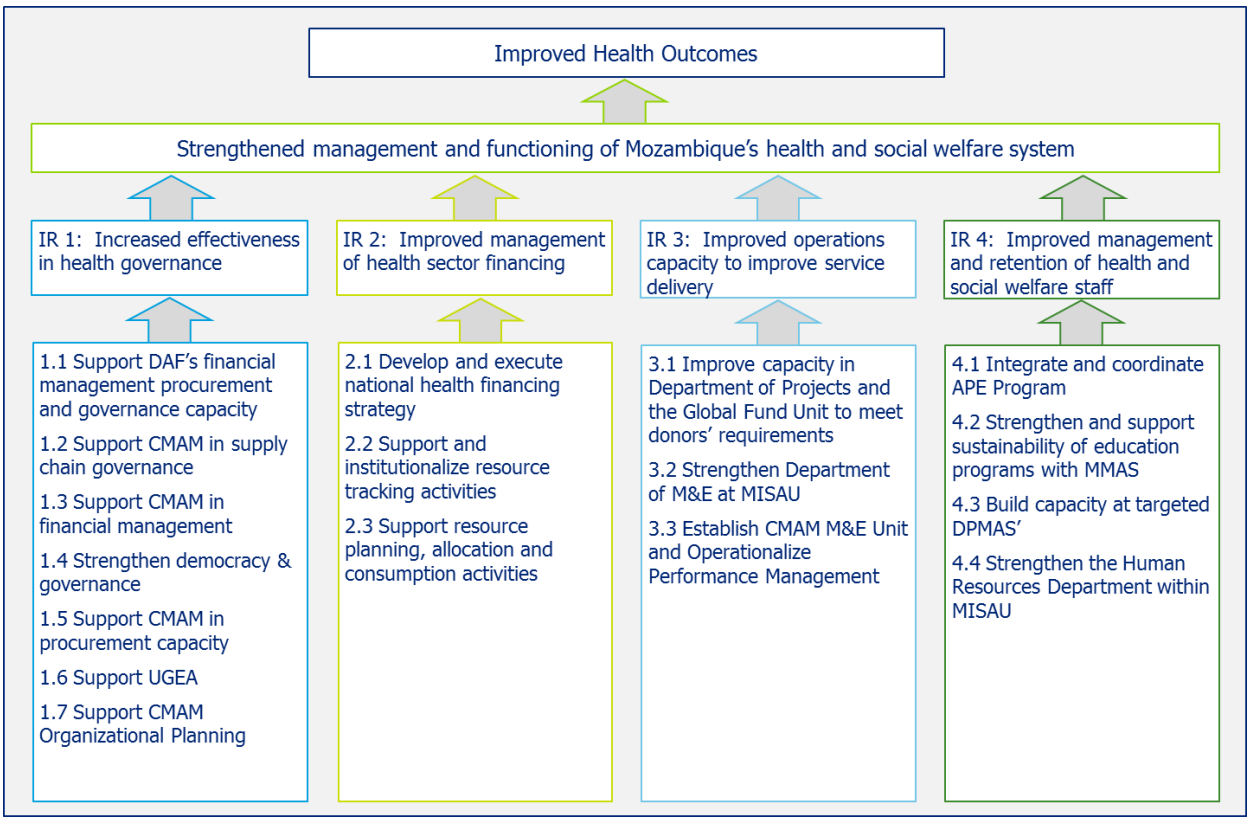
- **Improved financial planning, management and budget execution**: MISAU approved the comprehensive Financial Management Operations Manual developed by FORSSAS in collaboration with the Directorate of Administration and Finance (DAF). Sixty participants received in-depth training on the manual. The manual is a critical component of the Ministry's Public Financial Management Strengthening Plan.
- **Integrated performance management to generate, disseminate and use health data for more effective decision-making:** FORSSAS supported MISAU to complete the National Annual Health Statistics Report 2009-2013 and Provincial Annual Health Statistics Report 2009-2013 for 11 provinces. The reports will be shared publically on MISAU's website. The project team supported DAF to develop and implement a performance management system. The system has five key performance indicators covering governance, internal controls, response lead times, and staff efficiency. Indicators are presented and discussed during regular staff meetings.
- **Strengthened internal audit unit functions:** The CMAM internal audit (IA) team participated in several capacity building trainings this quarter. This included trainings on analytics, data visualization, supply chain control functions and risk mitigation methodology.
- **Improved the new Economic and Social Operational Plan (PES) database:** FORSSAS strengthened the new PES database for the Human Resource Directorate (DRH) to allow for monitoring of budget execution by aligning all activities to budget line items. The project built a complimentary expenditure management tool to link expenses to the PES and budget. These two aligned tools will further facilitate budget planning and reporting budget execution.
- **Completed contractor analysis for absorption planning:** FORSSAS analyzed the current situation of contracted health care professionals that must be integrated into the civil service. In the next quarter this analysis will be used to create detailed absorption plans for each province. The budgetary impact of these absorption plans will be included in the budget proposals of each province to secure funding for the integration of contractors into the civil service.
- **Built capacity of provincial-level institutions to conduct competency-based social welfare courses:** Training was provided to the local professors that will facilitate the new competency-based, medium-level social welfare courses in Niassa and Sofala. The courses focused on national teaching methodologies in line with the country's Integrated Program for the Reform of Professional Education (PIREP).

1. Introduction

FORSSAS is a five-year USAID project awarded to Deloitte Consulting, LLP in July 2012. The purpose of FORSSAS is to provide technical assistance to the Government of the Republic of Mozambique to address constraints to the health and social welfare system to ultimately improve health outcomes.

The key result areas for FORSSAS are: 1) effective governance, 2) integrated finance, 3) sustainable operational capacity and 4) strengthened human resources management. Figure 1 below shows the intermediate results (IRs) and the sub-IRs that guide project implementation.

Figure 1: FORSSAS Results Framework



2. Progress Highlights by Intermediate Result

This section provides an overview of the project's progress across IRs and sub-IRs.

2.1 Intermediate Result 1: Increased Effectiveness in Health Governance

Through implementation of IR 1, the project supports MISAU and USAID strategic goals to strengthen capacity within procurement, internal audit, and financial management. IR 1 includes procurement strengthening components for CMAM and the Acquisitions Executive Management Unit (UGEA).

Sub-IR 1.1: Support the Directorate of Administration and Finance's financial management, procurement and governance capacity

Built capacity in standard financial management procedures: A major achievement this quarter was receiving Ministry approval for the comprehensive Financial Management Operations Manual that was developed by FORSSAS in collaboration with DAF. The manual documents SOPs in line with key public financial management concepts. It is a major milestone in standardizing the procedures and guidance to improve financial management of funds invested in the health system and improving the effective, transparent and accountable use of public funds.

In March 2014, FORSSAS worked with the Ministry to conduct five-day public financial management workshops for staff from DAF, the Inspector General's Office, the central hospital and the central medical store. Sixty participants attended. Key areas covered included internal controls, financial reporting, budget execution and accountability procedures. The manual and capacity building workshops were major steps toward strengthening the public financial management system.

DAF key performance indicators: In February 2014, the project presented to DAF leadership on five key performance indicators covering governance and internal controls, response lead times, and staff efficiency. Based on the data presented, DAF leadership provided guidance to staff to control and improve performance on the key performance indicators. DAF leadership targeted several indicators for improvement including:

- The number of processes paid, but not completed in 30, 60 or 90 days
- The total value of non-justified costs in 30 days, 60 days, 90 days, or more
- Percentage of processes in the *Repartição de Contabilidade e Prestação de Contas* lacking complete documentation and/or incorrectly processed (e.g., cancelled)

Ongoing ad-hoc support: FORSSAS Advisors continued to provide ongoing, ad-hoc support to various areas of DAF at the request of DAF leadership. Activities include supporting audits; preparation of monthly financial statements and financial reports for the Minister; and managing processes with the Ministry of Finance.

New Global Fund Financial Management Advisor: In January 2014, a local, long-term Global Fund Financial Management Advisor was hired by FORSSAS. The Advisor is embedded in DAF to improve the directorate's ability to respond to financial management requests from the Global Fund. In March 2014, FORSSAS supported a presentation to DAF Leadership on a current-state analysis of the Round 8 health systems strengthening grant. The presentation increased DAF leadership's understanding of the Global Fund requirements and their implications on DAF systems and processes.

The FORSSAS team supported actions to mitigate fiduciary risk. Following the successful Fiduciary Risk Workshop in Sofala Province held last quarter, FORSSAS supported the presentation and discussion with MISAU's senior leadership team regarding the structure of a Fiduciary Risk Monitoring Tool.

Sub-IR 1.2: Support CMAM in supply chain governance

Improved internal audit systems: FORSSAS continued to collaborate with CMAM's IA team to strengthen the systems, tools and procedures to measure and improve compliance and risk management. The project developed IA forms to standardize data collection and facilitate entry into the IA database system.

Built internal audit capacity: Several capacity building trainings took place this quarter. In January 2014, FORSSAS conducted a three-day analytics training with an accompanying case study. During the training, the IA team strengthened their skills in the use of data for decision making, measuring progress using a maturity model and using Excel for data visualization.

The project conducted a three-day training on improving supply chain control and risk mitigation methodology followed by a two-day training on the IA database. The IA team learned how to design audits and assess the gaps in supply chain controls using a standard methodology.

Conducted internal audit site visits: The project continued to provide operational support for provincial audit visits to Niassa and Manica to measure compliance with drug management procedures. The team also conducted visits to Maputo city and Maputo Central Hospital.

Sub-IR 1.3: Support CMAM in financial management

New Financial Management Advisor at CMAM: In January 2014, the project hired a local long-term Financial Management Advisor to support CMAM. Key financial areas were supported by technical assistance, such as financial planning and coordination involving relevant Planning and Procurement Sectors. The Advisor provided financial management data to senior CMAM leadership to support informed management decisions. This Advisor resigned on February 17, 2014 for personal reasons.

Improving CMAM's financial accounting module: FORSSAS contracted a local consultant to install and set-up the financial accounting module of the Primavera software system used at CMAM. The consultant will train staff to use the system. CMAM currently maintains a license for the financial accounting module. The module needs to be updated and have the parameters customized to meet financial management and reporting needs for accounts not covered by e-SISTAFE. Primavera implementation is a critical step to lay the foundation for a more accountable and transparent financial environment. This will reinforce the ability of CMAM to work more autonomously. It will help demonstrate use of a sound financial system.

Sub-IR 1.4: Strengthen democracy and governance

The FORSSAS team continued discussions with USAID regarding the most appropriate timeframe and location for district-level activities supporting participatory governance. The potential districts include Buzi and Caia in Sofala province. The security situation will be monitored to determine the most appropriate timing and location for activity implementation.

Sub-IR 1.5: Support CMAM in procurement capacity

Strengthened the procurement information system: The FORSSAS team worked with a local programmer to test and troubleshoot the procurement information system database. Issues were resolved with the shipment tracking module. The module was accepted by CMAM leadership and is operational. The project trained CMAM staff on the use of the database. FORSSAS provides day-to-day operational support and coaching to help ensure that the quality of the information, throughout the procurement process, is accurately captured in the procurement information system database.

The project team supports CMAM's procurement team to implement the Pharmaceutical Logistics Strategic Plan (PELF), working with multiple stakeholders and procurement experts. FORSSAS also

collaborated with a Department for International Development consultant to train CMAM staff on how to assess technical tender documents.

Sub-IR 1.6: Support UGEA

Transition from short term technical assistance: In February 2014, FORSSAS discussed a transition plan with the UGEA Director to transition away from short term technical assistance. The project will continue to provide operational support to UGEA through the team's local subcontractor, MB Consulting. A local advisor provides day-to-day operational support to UGEA.

Sub-IR 1.7: Support CMAM in organizational planning, coordination and business process improvement

CMAM's new structure: A new structure was approved by the Ministry for CMAM. CMAM is now a National Directorate. This new structure is in line with the PELF. FORSSAS Advisors lead the PELF Task Force in the areas of governance and regulations (i.e., *Estatuto*) and actively participate in the procurement sub-group. The FORSSAS team collaborated with CMAM to develop new tools to improve business process coordination. These tools help structure and track coordination meetings and operational processes.

2.2 Intermediate Result 2: Improved management of health sector financing

FORSSAS is supporting MISAU to improve management of health sector financing. Project activities help improve rational allocation of resources, budgeting, planning and management of funds. Current work stream activities relate to resource tracking, resource planning and innovative financing.

Sub-IR 2.1: Develop and execute national health financing strategy

Health Financing Taskforce: FORSSAS supported MISAU in the management and coordination of the Health Financing Taskforce. This includes the organization and implementation of the bi-weekly meetings and the one-day health financing workshop. In preparation for the workshop, the FORSSAS team drafted presentations on resource mobilization, risk-pooling, and a situational analysis. The team worked closely with the World Bank, UNICEF, WHO, and EGPAF to finalize presentations on investments in health, an overview of health financing and provider payments. The project continued with data collection and analysis for several key studies including the insurance landscape, fiscal space analysis, and the situational analysis.

Developed a capacity building framework: The FORSSAS team initiated discussions with MISAU to develop a comprehensive capacity building plan. Based on the discussion, a capacity building framework was developed.

Sub-IR 2.2: Support and institutionalize National Health Accounts and other resource tracking and utilization activities

Continued National Health Account data collection: Data from partners, non-governmental organizations, facilities and the government has been collected. The exercise is ongoing and follow-up is being done to address gaps. Surveys have been sent to the insurance companies, private and public enterprises and private providers. Household health expenditure data was provided by the National Institute of Statistics for 2012. The team collected 64% of partner data from a group of 28 partners. The missing information includes the following partners: the Belgian Cooperation, CDC/USAID, DANIDA, JICA, UNAIDS, UNICEF and the World Bank. The Technical Committee convened regularly to provide status updates and discuss challenges.

Sub-IR 2.3: Support for resource planning

Improved planning and budgeting: FORSSAS supported DPC to align the PES with program budgeting. In coordination with DAF, a standard table of expenses (i.e., *tabela tipo de despesa*) was developed and aligned with PES activities by program and cost center. This serves as the basis for the development of monthly cash plans (i.e., *planos de tesouraria*). This tool is being used by MISAU. DAF only releases payment of expenses as indicated in the standardized table. This tool will help prevent the use of funds for activities that were not planned in the PES. FORSSAS also collaborated with DPC this quarter to tailor PES guides for the 2015 planning process.

Planned for the Medium Term Expenditure Framework 2015-2017: FORSSAS supported DPC in the analysis of expenditure projections for operating budgets, investments and revenues by cost center in preparation for the 2015-2017 Medium Term Expenditure Framework. FORSSAS is supporting DPES in assessing the provincial Medium Term Expenditure Framework to provide comments and recommendations for improvement.

2.3 Intermediate Result 3: Strengthened management and operations capacity

FORSSAS is strengthening MISAU's management and operations capacity by supporting its Global Fund Unit, Department of Projects and Department of monitoring and evaluation (M&E) to improve planning and performance management processes.

Sub-IR 3.1: Improve capacity in Department of Projects and the Global Fund Unit to meet donors' requirements

Transition of Global Fund Unit staff to MISAU: At the request of the Ministry, FORSSAS continued funding the salary of the Global Fund Financial Officer. This is a temporary situation to allow for the administrative procedures to be finalized for the Officer's confirmed government contract. The Officer's contract will be covered with funds from Global Fund Grants (i.e., Round 8 Phase 2 Health Systems Strengthening grant) starting April 2014.

Strengthened Global Fund reporting FORSSAS worked with the Global Fund Unit to prepare and submit the Progress Update and Disbursement Requests for the Round 9 HIV and malaria grants, for the Round 7 tuberculosis grant and for the Round 8 health systems strengthening grant. FORSSAS participated in weekly meetings to develop the request for extension of the current health systems strengthening grant and programming of funds for health systems strengthening related activities across the three national programs (i.e., HIV, malaria and tuberculosis).

Sub-IR 3.2: Strengthen Department of M&E at MISAU

Improved information flow: FORSSAS finalized the proposal of the flow of information within the health sector to produce standardized quarterly reports (i.e., *Balanco do PES*) with quality, completeness, timeliness and accuracy. The proposal will be discussed at the upcoming National Meeting of Planning.

Completed the Annual Evaluation of the Health Sector (ACAXIII): FORSSAS assisted DPC in coordinating the process for the Annual Joint Evaluation of the Health Sector. This included reporting indicators disaggregated by province, finalization of the Annual Report of the Health Sector (i.e., *Balanco do PES 2013*), and the annual report on the implementation of the Accelerated Plan for Institutional Reforms.

Developed the Annual Statistic Summary developed for 2009-2013: FORSSAS supported the Department of Health Information to complete the National Annual Health Statistics Report 2009-2013 and Provincial Annual Health Statistics Report 2009-2013 for 11 provinces. This was a major achievement. Data was

cleaned and compiled with FORSSAS support. The information was cross-checked with program data. The reports were submitted for MISAU approval. The reports will be shared publically on MISAU's website.

Validated document management pilot plans and software requirements: FORSSAS worked with the new Deputy Director of DPC and the Head of the Department of Technology, Information and Communication to validate the document management pilot plans and software requirements. The software Logicaldoc was identified by DPC and the Department of Technology, Information and Communication as the preferred document management system for MISAU. A pilot will start next semester to implement Logicaldoc within the Department of Health Information.

Ongoing ad-hoc support: FORSSAS Advisors continued to provide ongoing, ad-hoc support to strengthen the national M&E system. This included support to the Malaria Program to identify a strategy for improving data quality and development of a draft proposal for a monthly feedback report template.

Sub-IR 3.3: Support CMAM to establish a monitoring and evaluation (M&E) unit and effectively manage performance

Continued transition of M&E data collection, analysis and reporting responsibilities to new sector staff: FORSSAS worked with CMAM M&E staff to identify a strategy to improve data quality and developed a draft proposal of monthly feedback report.

Supported the M&E Sector in finalizing the 2014 CMAM Plan of Action: The CMAM M&E plan was revised to ensure that the indicators reported to PES and projects (e.g., World Bank and Global Fund) are included.

2.4 Intermediate Result 4: Improved management and retention of health and social welfare staff

Accessible and qualified human resources are critical to sustain gains in strengthening the national and social welfare systems. IR4 activities support better health outcomes through increased availability of qualified health and social welfare workers at all levels of the system. These work streams are directly linked to national policies and strategies such as MISAU's National Plan for Health Human Resources Development (2008-2015) and the Human Resource Strategy for MMAS.

4.1 Integrate and coordinate APE Program

Strengthened APE Program: A total of 273 CHWs were trained this quarter, 14% of which were women. The 2014 CHW Training Plan was finalized together with the provinces in coordination with MISAU's Training Department. The monitoring system was revised, and new forms pre-tested in Boane and Marracuene. This will allow more complete collection of data in a simpler format.

Recommendations were made to the Ministry to restructure the CHW Program. This includes re-positioning the CHW Program in MISAU's organizational structure for more autonomy and increased efficiency. The new structure would have the program respond directly to the Deputy Director of the National Public Health Directorate. The embedded FORSASS APE Advisor helped orient and coach the new senior M&E staff member funded by the RaCE project (i.e., the CIDA/WHO/STC Consortium). The project's APE Advisor also supported the new Director of the Department of Health Promotion to better understand formative supervision approaches.

Sub-IR 4.2: Strengthen and support sustainability of educational programs with MMAS

Launched the Regional Competency-based Social Welfare Course in Maputo: The first semester of the 2014 competency-based social welfare course began at the *Instituto de Ciências de Saúde de Maputo*. The courses includes 32 new students. This is the first year that FORSSAS is helping the Ministry to implement

regional courses. Last year the course was national and was conducted in Maputo. This year, the Maputo course includes students from three provinces – Gaza, Inhambane and Maputo.

Ongoing progress continues by the local technical working groups to complete the remaining medium-level curriculum packages for the social welfare and early childhood educator cadres under MMAS.

Sub-IR 4.3: Increased capacity of DPMAS

Built Capacity Social Welfare Professors in Niassa and Sofala: Trainings were conducted in Niassa and Sofala province for local social welfare professors to build their capacity to implement the PIREP teaching methodology. This is a major step to prepare for the competency-based social welfare courses under MMAS/DPMAS at the provincial level. The FORSSAS team worked closely with the local institutions in Niassa and Sofala to prepare the necessary logistics for the new regional courses.

The Ministry selected 32 students for the regional course in Niassa. The course will include participants from Capo Delgado, Nampula and Niassa provinces. For the regional course in Sofala province, the Ministry selected 30 students from four provinces – Manica, Sofala, Tete and Zambesia.

Sub IR 4.4: Strengthen and support MISAU Human Resources Integrated Planning Process

Improved the new PES database: FORSSAS strengthened the new PES database for the Human Resource Directorate (DRH) to allow for monitoring of budget execution by aligning all activities to budget line items (using the codes indicated in the Ministry of Finance's Economic Classifier/Codified Budget) and built a complimentary expenditure management tool for the financial management/accounting division to link all expenses to the PES and budget using the Ministry of Finance's budget codes. These two aligned tools will further facilitate budget planning, which will begin in the next quarter, and reporting budget execution, which must be reported on a quarterly basis.

Completed contractor analysis for absorption planning: FORSSAS also supported DRH to analyze the current situation of contracted health care professionals that must be integrated into the civil service. A detailed analysis of all current contractors was conducted to determine how many meet the age requirements for absorption into the civil service, how many have already surpassed the age limit, and the year in which those under the age limit will lose requisites to enter the civil service. This analysis along with the type of financing (e.g., State Budget, ProSaude, Vertical Funds, etc.), career type and level were used to prioritize the contractors that must be absorbed first. This analysis was presented to various stakeholders including DPC and ProSaude donor partners. In the next quarter this analysis will be used to create detailed absorption plans for each province. The budgetary impact of these absorption plans will also be included in the budget proposals of each province in order to secure funding for the integration of contractors into the civil service.

3. Plans for Upcoming Quarter (April 1 – June 30, 2014)

This section provides an overview of the project's plans for next quarter (April to June 2014) in various IRs and sub-IRs.

3.1 Intermediate Result 1: Increased Effectiveness in Health Governance

Sub-IR 1.1: Support the Directorate of Administration and Finance's financial management, procurement and governance capacity

- Complete remaining sections of the provincial-level Financial Procedures Manual
- Develop materials for provincial-level Financial Procedures Manual trainings

- Conduct a training on the central-level Financial Procedures Manual, targeted to MISAU's Finance and Accounting Technicians
- Continue to track and disseminate DAF's performance management indicators
- Provide ongoing operational support to DAF (e.g., preparation of financial statements, capacity building)
- Support the development of the fiduciary risk monitoring tool
- Develop procedures and job-aids to strengthen the financial management of Global Fund grants

Sub-IR 1.2: Support CMAM in supply chain governance

- Continue to support improvements on the IA database and reporting process
- Mentor CMAM auditors on the use of the IA database and reporting tools
- Continue to provide technical support for national IA visits

Sub-IR 1.3: Support CMAM in financial management

- Support implementation and functionality of the Primavera financial management module

Sub-IR 1.6: Support UGEA

- Continue to support UGEA with an embedded, local advisor to: monitor status of tenders in process, help ensure compliance with MISAU dispatch, and report results; and provide technical operations support to UGEA Director and staff members
- Develop and implement the activity plan for recently approved Archive Design Proposal

Support CMAM in organizational planning, coordination and business process improvement

- Finalize terms of reference for CMAM departments
- Continue Implementation of the PELF

3.2 Intermediate Result 2: Improved Management of Health Sector Financing

Sub-IR 2.1: Develop and execute national health financing strategy

- Submit policy briefs to the Taskforce including the: situational analysis, Insurance Landscape, and Fiscal Space for Health
- Continue to support coordination of the Health Financing Taskforce
- In collaboration with MISAU, draft capacity building plan
- Coordinate planning for the second workshop to review and discuss the situational analysis

Sub-IR 2.2: Support and institutionalize NHA and other resource tracking and utilization activities

- Continue data collection and analysis
- Continue monthly Technical Committee meetings

Sub-IR 2.3: Support for resource planning

- Present the provincial data in the National Planning Meeting
- Organize Steering Committee meeting

3.3 Intermediate Result 3: Strengthened Management and Operations Capacity

Sub-IR 3.1: Improve capacity in Department of Projects and the Global Fund Unit to meet donors' requirements

- Continue to support MISAU's compliance with conditions related to financial management, M&E and supply chain management systems
- Support the development of Global Fund new funding model proposals (e.g., performance Frameworks, activities for health systems strengthening, etc.)
- Support the Global Fund and World Bank Units to monitor indicators and share data to inform decision-making

Sub-IR 3.2: Strengthen Department of M&E at MISAU

- Support DPC to organize and conduct the national workshop on improving data quality within the health sector
- Support MISAU to monitor the implementation and development of ongoing reports and indicators (e.g., PES, PARI, QAD, PQG) and establish a routine feedback information on a monthly (e.g., PES, PARI) and quarterly (e.g., QAD) basis
- Support the Department of Health Information staff to improve the feedback tool to strengthen data quality, data analysis and monthly reporting
- Support DPC in the preparation of agenda and presentations for the National Meeting of Planning and the meeting of the health sector coordination committee
- Prepare the training on Planning, M&E and SIS for the health sector (central level) in collaboration with DPC and WHO
- Assist DPC in coordinating the working group for the revision of the new Performance Evaluation Framework (i.e., QAD) disaggregated by province based on the approved PESS 2014-2019
- Support the Health Information Department in training and implementing the national health information system
- Support DPC and the Department of Technology, Information and Communication to implement the document management software
- Support the finalization of the new terms of reference of the Department of Health Information

Sub-IR 3.3: Support CMAM to establish a M&E Unit and effectively manage performance

- Support CMAM and the malaria program to implement the monthly feedback report
- Strengthen the capacity of the Health Information Department, M&E and CMAM staff in data quality, analysis and presentation of data

3.4 Intermediate Result 4: Improved management and retention of health and social welfare staff

Sub-IR 4.1: Integrate and coordinate APE Program

- Support program revision, to include distribution of family planning products, TB-DOTc, HIV counseling and testing and an expanded nutrition role with Vitamin A distribution
- Develop a provincial planning tool and standardized reporting structure to help streamline program planning and management

- Operationalize new CHW monitoring forms which will allow the CHW Program to collect more complete information important to donors, especially related to malaria tests and treatment
- Continue advocacy for sustainable financing, and integration of all program costs into the PES

Sub-IR 4.2: Strengthen and support sustainability of educational programs with MMAS

- Continue to provide operational and technical support for the regional Social Welfare course in Maputo
- Continue to develop the Level 4 competency-based curriculum package for Social Welfare course
- Continue to develop the Level 5 competency–based curriculum package for Early Childhood Educator course

Sub-IR 4.3: Increased capacity of DPMAS

- Continue to provide operational and technical support for the regional social welfare courses in Niassa and Sofala

Sub IR 4.4: Strengthen and support MISAU Human Resources Integrated Planning Process

- Finalize Human Resource Absorption Plans for each province
- Engage in 2015 Budget planning process and support DRH in building a solid defense to submit to the Ministry of Finance
- Create Placement Plan for 2015 and disseminate to the provinces
- Validate pre-service training costs at select training centers around the country

4. Project Performance Monitoring (PMP)

The project's PMP was developed in September 2012 and updated in October 2013 based on the principles of harmonization and alignment with the national M&E system. The project's M&E component is linked with the capacity building of local counterparts to collect, report, analyze and use indicators to measure progresses against national objectives and targets. FORSSAS leverages existing technical assistance within the Ministries to assist counterparts with data recording and reporting. The project uses the national system for its M&E data. While there are advantages to this approach in terms of long-term sustainability and country ownership, there are disadvantages. Data is not always available in time for reporting to USAID and the quality of data is impacted by system weaknesses.

Key indicator improvements are listed below.

- The outcome indicator on *"% of Health expenditure execution compared to original approved health budget*" that is reported annually and refers to the annual 2013 figure shows an improvement compared to the previous year (87% in 2012 and 94% in 2013). This indicator nearly reached the Project Year 2 target aligned with the national target of 95%.

- The output indicator on *"# and % Global Fund Progress Updates/Disbursement Requests submitted on time*" showed a significant improvement from 36% in Project Year 1 to 75% for the Progress Updates/Disbursement Requests submitted in February 2014. This may indicate that the transition plan from the project to MISAU staff at the Global Fund Unit worked well and the systemic approach of existing technical assistance embedded within several key departments is supports sustained improvements in the management of external funds using national systems.

- The output indicator on "*Revised Regulamento Interno delivered and approved*" reached the target for Project Year 2. The "Estatuto" was approved and implementation started.

The following indicators presented some challenges:

- The *"# of provinces/districts that submit timely monthly reports to the APEs program at central level*" is still far below the Project Year 2 target because although completeness is improving (87%), timeliness of submission remains an issue especially at the beginning of each calendar year (Jan 30%, Feb 30%, March 70%). The approach applied from the Department of Health Information of sending monthly feedback on indicators to the provinces may be a sustainable way to improve data quality and maintain it in the long-term although fluctuations may occur as shown by the indicator below.
- The indicator on completeness and timeliness for the data submitted through the Modulo Basico *("# and Percentage of districts submitting timely, complete and accurate Modulo Basico reports*) showed a decrease mainly due to the same reasons as above for the starting months of each calendar year and also to a punctual problem identified with a specific indicator that was not reported over a two month period. The issue is now solved and we expect an improvement of data completeness next quarter.

A number of indicators were not captured this quarter since the frequency of reporting is annual (calendar year) and they were already reported in the last quarterly report (Oct-Dec 2013).

For some indicators related to financial management, delays in data recording at the primary source (e.g., DAF) cause delays in reporting.

5. Lessons Learned

Integrate a culture of performance management to foster effective decision making: The project works with MISAU to support development of data products; increased understanding of available data; and use of data for planning and budgeting decisions. Our team works day-to-day with key Directorates to provide coaching, technical assistance and operational support to strengthen the national M&E system. This quarter FORSSAS supported MISAU to complete critical reports - the National Annual Health Statistics Report 2009-2013 and Provincial Annual Health Statistics Report 2009-2013 for 11 provinces. The reports will be shared publically on MISAU's website. The project team also supported DAF to develop and implement a performance management System. The system has five key performance indicators covering governance, internal controls, response lead times, and staff efficiency. Indicators are presented and discussed during regular staff meetings.

Joint meetings between USAID, our counterparts and our project team could enable more effective decision making and promote country ownership: We think holding more joint meetings and working sessions with USAID, our counterparts, and our project team could help enable more effective decision-making and further country ownership. This type of collaborative communication will help align all constituents in terms of program expectations and responsibilities of each party so that project outcomes can be effectively achieved and risks can be proactively mitigated. We will work with USAID and our counterparts to schedule regular meetings moving forward to keep active dialogue open for activity planning and progress.

6. Success Stories

6.1 Public Financial Management Success Story

Improved public financial management is key to help ensure rational allocation of resources, increased investment in the health system and maximized health impact. Strong public financial management systems are critical for the effective, transparent and accountable use of public funds.

FORSSAS has been a major partner of the Ministry in its efforts to strengthen planning, budgeting and financial management. FORSSAS provides technical assistance to the government of Mozambique to address specific constraints hampering the health and social welfare system and ultimately achieve improved health outcomes. Technical assistance provided by FORSSAS within DAF strengthens the public financial management system to improve the mobilization of revenue, allocation and spending of resources and reporting on expenditures.

FORSSAS collaborated with DAF to develop a comprehensive Financial Management Operations Manual. The manual documents SOPs in line with key public financial management concepts. The manual is a critical component of the Ministry's Public Financial Management Strengthening Plan. It is a major milestone in standardizing the procedures and guidance to improve financial management of funds invested in the health system.

In March 2014, FORSSAS worked with the Ministry to conduct five-day public financial management workshops for staff from DAF, the Inspector General's Office, the central hospital and the central medical store. Sixty participants attended. Key areas covered included internal controls, financial reporting, budget execution and accountability procedures.

The manual and capacity building workshops were major steps toward strengthening the public financial management system. The manual provides a basis for standardization of sound financial management practices and systems at the national and sub-national levels. The technical assistance provided by FORSSAS to strengthen pubic financial management helps prepare the Ministry for a transition to direct government to government funding.

6.2 Human Resources for Health Success Story

Mozambique has seen promising improvements in many of its health indicators including reductions in maternal, neonatal, and infant mortality, increases in the coverage of immunization and institutional deliveries, and a significant increase in the number of persons benefiting from antiretroviral treatment. The country's over forty thousand health care workers have been instrumental in reaching these achievements. MISAU has dedicated increasing resources to build the country's supply of skilled health workers, the capacity of the workforce and the systems that enable the provision of, and access to, services.

FORSSAS has been a major partner of MISAU in its efforts to strengthen human resources management. FORSSAS is a five-year USAID project led by Deloitte Consulting. FORSSAS provides technical assistance to the government of Mozambique to address specific constraints hampering the health and social welfare system and ultimately achieve improved health outcomes. Technical assistance provided by FORSSAS within the DRH supports and strengthens planning, budgeting, data quality and the use of data for decision-making.

The central Ministry and the Provincial Directorates were required to create and submit a five-year Workforce Plan (*Quadro de Pessoal*), to address the upcoming human resource needs and examine the current staffing of the health sector. FORSSAS developed a tool, building on previous efforts in data

collection and quality that generates the reports meeting the requirements set forth by the Ministry of Civil Service and provides detailed data/evidence to support the plan. This tool was disseminated to the Provincial and central Ministry Directorates during a week-long training in October 2013. FORSSAS continued to support this effort and was integral to building the Ministry's final plan.

FORSSAS also supported the Ministry with the development and monitoring of its Annual Economic and Social Plan (Plano Económico e Social - PES) through its work with DRH and the Directorate of Planning and Cooperation. The Ministry faced several challenges with the PES including version control, monitoring and evaluation of indicators and budget execution. It was a challenge to align the plan to other sector and governmental strategic plans. FORSSAS supported the DRH to convert the traditional PES document into a database that can be used to build external reports for the Ministry of Planning and Development, internal reports for DPC, manage budget and financing information, and monitor indicators. Additionally, this database has been adapted to build department, division and individual work plans within DRH. Aligning work plans to the PES allows DRH personnel to understand how their work contributes to the goals set forth in the PES, helps the departments control workloads, builds transparency and strengthens communication within the directorate.

Annex 1: Indicator Measurement Matrix

	Indicator	Operational Definition	Data Source	Reporting Frequency	Baseline (Date)	Current Value (FY14 Q2)	PY2 Target	Comments
1	External audit recommendation resolution rate in the areas of intervention for FORSSAS (i.e. Financial management)	= (Total number of relevant external audit findings not repeated Year over Year/Total number of relevant external audit findings during previous year)*100	External Audit Reports	Annual	58% (2010)	N/A (Annual indicator)	70%	Preliminary 2011 audit reports are available; results will be reported once approval is received
2	Payment processing lead time (days) (*Disaggregated by DAF vs. CMAM Finance and by type of invoice: routine goods and services, construction and equipment*)	= Invoice payment date - Date of invoice receipt	Accounting Division(s) Files and Payment Vouchers	Quarterly	11.4 days (Operational expenditures) 38.3 days (Investments and capital purchases) (Sep-Nov 2012)	Data not yet received	Not yet identified	
3	Percent of payments that arrive to RCPC with complete documentation, (*RCPC measures DAF performance; CMAM performance will be measured by percentage of complete processes)*	=(Total number of paid vouchers received by the RCPC with incomplete supporting documentation/ Total number of	RCPC Accounting System/CMAM Process Documentation	Quarterly	Data not yet received	Data not yet received	Not yet identified	

	Indicator	Operational Definition	Data Source	Reporting Frequency	Baseline (Date)	Current Value (FY14 Q2)	PY2 Target	Comments
		paid vouchers received by the RCPC)						
4	Completion percentage of planned audit activities (CMAM IA)	= (Total number of activities completed/Total number of activities planned)*100	IA Annual Plan	Semi-annually	91% (20/22) (2013)	N/A	100%	
5	Cycle time from tender to contract award (Days) (*Disaggregated by public tenders versus direct tenders*)	Public Tender = (Date of award confirmation notification) – (Date of request approval to launch public) Direct Tender = (Date of award confirmation notification) - (Date of request approval for contracting using exceptional regime)	Procurement Information Management System (PIMS) (beginning November 1, 2013)	Annually	Public Tender: 225 days (Oct '12-Jan '13) Direct Award: 47 days for (Oct '12- Jan '13)	N/A (Annual indicator)	See comments	Figures are under validation; once validated, target will be set
6	Revised *Regulamento Internal* delivered and approved (Ranked on a scale)	Scale: 0 = *Regulamento Internal* does not exist and is not under development 1 = *Regulamento Internal* is under	FORSSAS SCM Advisor	Quarterly	1 (Oct '13)	3	3	Draft approved by CMAM

	Indicator	Operational Definition	Data Source	Reporting Frequency	Baseline (Date)	Current Value (FY14 Q2)	PY2 Target	Comments
		development but not yet approved 2 = *Regulamento Internal* is approved by CMAM and Minister of Health 3 = *Regulamento Internal* is approved by CMAM and implementation is initiated 4 = Implementation of approved *Regulamento Internal* is complete						
7	% of Health expenditure execution compared to original approved health budget	N=total health expenditure D=total health budget	Annual Health Budget and DAF execution report	Annual	N/A	94%	95%	
8	Health Financing Strategy Implementation Plan Documented/Implemented (Ranked on a scale)	Scale: 0 = HFSIP does not exists and is not under development 1 = HFSIP is under development but not yet approved 2 = HFSIP is approved, but	Project Quarterly Reports	Quarterly	0 (Dec '12)	1	2	

	Indicator	Operational Definition	Data Source	Reporting Frequency	Baseline (Date)	Current Value (FY14 Q2)	PY2 Target	Comments
		implementation has not begun 3 = HFSIP is approved, implementation has begun, but is not completely effective 4 = HFSIP is approved, implementation has been completed and repeatable, data outputs are used for decision making						
9	Simultaneous NHA production and institutionalization (Ranked on a scale)	Scale: 1 = NHA team not been established and no institutional home for NHA 2 = NHA team and institutional home for NHA have been identified; data collection has not commenced 3= Data sources and key	NHA reports; NHA institutionalization plan	Annual	2 (Dec '12)	N/A (Annual indicator)	5	

	Indicator	Operational Definition	Data Source	Reporting Frequency	Baseline (Date)	Current Value (FY14 Q2)	PY2 Target	Comments
		stakeholders for the NHA process have been identified; discussions have been commenced with the statistics bureau about collection of private sector data 4 = NHA Steering Committee has been organized to support the NHA exercise and drive the demand for data 5= NHA institutionalization plan has been drafted						
10	PBF measurement tool, approach, and performance targets defined (Ranked on a scale)	Scale: 1 = PBF approach, methodology, and performance targets are not defined 2 = PBF pilots and data are presented to MISAU	Project Quarterly Reports	Quarterly	2	Activity no longer being pursued	5	Activity no longer being pursued, indicator is now irrelevant and will be removed during the next

	Indicator	Operational Definition	Data Source	Reporting Frequency	Baseline (Date)	Current Value (FY14 Q2)	PY2 Target	Comments
		3 = PBF measurement framework developed 4 = Based on inputs from key stakeholder and existing PBF data, PBF data tracking tool finalized and integrated with the existing health information system 5 = PBF performance targets and data regularly tracked and analyzed by MISAU						revision of the PMP
11a	# and % of GF special conditions met (and approved by LFA) in the area of Finance	N=# of conditions met (in relative area) D= # of conditions (in relative area) for the reporting period established in the Global Fund Grant Agreement(s)	Global Fund Condition Tracker, Global Fund Management Letters	Semi-annual	50% (2/4) (Jan-Sep '12)	N/A (Semi-annual)	60%	
11b	# and % of GF special conditions met (and approved by LFA) in the area of M&E				54% (7/13) (Jan-Sep '12)	N/A (Semi-annual)	60%	
11c	# and % of GF special conditions met (and				50% (6/12) (Jan-Sep '12)	N/A	60%	

	Indicator	Operational Definition	Data Source	Reporting Frequency	Baseline (Date)	Current Value (FY14 Q2)	PY2 Target	Comments
	approved by LFA) in the area of Procurement					(Semi-annual)		
12	# and % Global Fund PUDRs submitted on time	N=Number of PUDRs submitted to the Global Fund 45 days after the end of the reporting period D= total PUDRs submitted to the Global Fund in the reporting period	Date of submission for each PUDR	Quarterly	3 (33%) (Sep 11-Sep 12)	4 (75%)	41%	
13	# and Percentage of districts submitting timely, complete and accurate *Modulo Basico* reports	N= Number of district reporting at least 80% of the required monthly summary sheets on time D= Total number of districts	HMIS	Quarterly	31% (Jan-Sep2012)	33%	50%	
14	Number of social workers and early childhood educators graduated from pre-service training program, disaggregated by sex and cadre	Number of social workers graduated (one year course) and number of early childhood educators successfully completed each level of the course	ICSM/DRH reports	Quarterly	0 (Dec 2012)	N/A	85	The courses for 2014 will be competed in December 2014.

	Indicator	Operational Definition	Data Source	Reporting Frequency	Baseline (Date)	Current Value (FY14 Q2)	PY2 Target	Comments
15	Percent of provinces that submit timely monthly reports to the APEs program at central level	Percent of provinces that submit monthly summary sheet for M&E data up to the central level according to the deadline established	APEs monthly data form provincial/district summary	Quarterly	60% (Oct-Dec 2012)	43%	90%	The Program is doing well in terms of completeness of data (87%); timeliness has been challenging, particularly so during the end of the year/holiday season.
16	Government (MISAU, MMAS, etc.) has incorporated professional medium-level courses of social workers and child educators into their annual plan and budget (Ranked on a scale)	Scale: 0 = No courses budgeted in the annual plan 1 = Policy dialogue started 2 = Agreement exists between MMAS and other ministries, but no budget is available 3 = Plan approved and Budget available (state budget and external	Project reports and PES	Annual	0 (Dec 2012)	2	1	

	Indicator	Operational Definition	Data Source	Reporting Frequency	Baseline (Date)	Current Value (FY14 Q2)	PY2 Target	Comments
		sources) 4 = The plan is implemented						
17	Number of Ministry *profissionais* named, disaggregated by those who participate in the FORSSAS internship or twinning programs	Number of professionals nominated to the National Health System	Human Resources Directorate	Annual	2,779 (2010-2012 average)	Activity no longer being pursued	2000	Activity no longer being pursued, indicator is now irrelevant and will be removed during the next revision of the PMP