

## AAPF ACTIVITY START-UP BRIEF (10 March 2013)



Support to the Government of Mozambique to Undertake Assessment of Mining Sector Governance

24 May 2012 – 30 June 2013



**Background:** The Australian Government and the World Bank received a request from the Government of Mozambique to support its capacity-building needs to improve mining sector governance and management. The World Bank's current support to Mozambique (i.e. access to grants for Extractive Industries Transparency Initiative activities) focuses on immediate needs to enable Mozambique to process mining transactions and set up transparent frameworks for reporting the revenues.

Currently, there is a strong need to develop a long-term capacity-building program to ensure sector sustainability and its appropriate contribution to overall economic development in the long run.

**Purpose:** The purpose of the activity is to provide funds to the World Bank for it to design and commence implementation of a comprehensive action program for long-term capacity building of the Ministry of Mineral Resources (MIREM).

**Expected outcomes:** The expected outcomes of the activity are:

- The World Bank will undertake a review of capacity-building needs of MIREM departments and regional offices (including cadastre offices, laboratories, hazard monitoring and other field stations) to manage mining sector and geological data.
- Based on the review, the World Bank will develop a short-, medium- and long-term capacity-building program for MIREM, including an update of the institutional framework, skills development, and equipment upgrade.
- A review of available geological data based on the scoping preparation of a costed and time-bound plan for additional surveying; a geo-data management and promotion upgrade; and the design of a capacity-building program to support geo-data administration and use.
- A review will assess the capacity of the Revenue Authority (focusing on the mega-projects unit) and other entities involved in mining revenue collection, assessment and forecasting, and will form the basis of a costed capacity-building program.

**Relevance to AAPF objectives:** The activity contributes to the AAPF's development objective by enhancing the Government of Mozambique's capacity to manage its mineral revenue. The activity contributes to the AAPF's relationship objective by strengthening the relationship between the Government of Mozambique, the World Bank and the Government of Australia.

### Activity description:

- The project will include a diagnostic review of the mining cadastre/licensing system and the development of Terms of Reference for a mining cadastre upgrade and harmonisation with other laws and regulations.
- A workshop will take place in Maputo focused on mining contracts negotiations, and it will include training for officials evaluating Chibuto Mineral Sands bids.
- There will be a review of MIREM. Based on the review, the consultant will prepare a report with recommendations on the assistance required, including the Terms of Reference for institutional strengthening activities, a capacity-building plan and a five-year training plan.

<b>Activity Number:</b>	153/01
<b>Date approved:</b>	24/05/2012
<b>Date commenced:</b>	24/05/2012
<b>Expected completion date:</b>	30/06/2013
<b>Implementation partner/s:</b>	The World Bank, MIREM
<b>Total cost:</b>	AUD400 000
■ <b>AusAID:</b>	AUD400 000

