

Press release

The Government of Mozambique and the Program Aid Partners (PAPs or G19)¹ signed in March 2009 the Memorandum of Understanding that governs the relationship between the Government and the partners in relation to General Budget Support. The Partners have supported the Government of Mozambique in its efforts for development in a strong and continuous partnership recognizing the progress of the country during the last 15 years in poverty reduction and economic development. The partnership is characterized by a constructive and continuous dialogue.

In the Memorandum of Understanding signed by the parties, Dialogue is defined as one of the instruments for consultation between the Government and the PAPs. The Government and the PAPs initiated a Dialogue process in December 2009 in order for the PAPs to better understand the priorities and plans of the Government for the following years in the areas of good governance, fight against corruption and democratic processes. This dialogue was successfully concluded last week as foreseen.

It should be noted that good governance, fight against corruption and democratic processes are areas of priority for the Government and the partners and that these issues have been on the agenda of various dialogues between the Government and the PAPs and were also, for example, among the issues for special attention raised during the Annual Review in 2009.

Through constructive dialogue the Government and the Partners came to a consensus in relation to the activities that will be implemented in these areas, included in the different economic and social management instruments of the Government. The PAPs concurred with these actions and demonstrated their availability for continuing support to the Government in the implementation and follow-up of these actions.

In this context a consensus was reached that the resources for the General Budget Support would flow in a normal manner since this is the only modality regulated by the Memorandum of Understanding. Other resources from other modalities financed by G19, namely, sector program aid and projects, will continue to be disbursed as normal according to the calendar foreseen.

Ministry for Planning and Development

Embassy of Finland

Maputo, 24th of March 2010

¹ The Program Aid Partners (PAPs) is composed of 19 members (G19): African Development Bank, Austria, Belgium, Canada, Denmark, European Union, Finland, France, Germany, Ireland, Italy, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, United Kingdom and the World Bank. These 19 partners support a joint program for General Budget Support and signed a Memorandum of Understanding (MoU) with the Government to that end. The PAPs have as Associate Members the United States and the United Nations.