



Mozambique Mining and Gas Technical Assistance Project (P129847)

AFRICA EAST | Mozambique | Energy & Extractives Global Practice |
IBRD/IDA | Investment Project Financing | FY 2013 | Seq No: 16 | ARCHIVED on 28-Jan-2022 | ISR47897 |

Implementing Agencies: Ministry of Mineral Resources, Republic of Mozambique, Ministry of Economy and Finance, Ministry of Mineral Resources and Energy

Key Dates

Key Project Dates

Bank Approval Date: 28-Mar-2013	Effectiveness Date: 22-Aug-2013
Planned Mid Term Review Date: 20-Jun-2016	Actual Mid-Term Review Date: 26-Aug-2016
Original Closing Date: 31-May-2020	Revised Closing Date: 31-Dec-2022

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The proposed project development objective is to strengthen the capacity and governance systems of key institutions to manage the mining and hydrocarbon sectors in Mozambique.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Components Table

Name

Component A: Mining Governance Capacity Building and Reform:(Cost \$20.40 M)
Component B: Natural Gas Capacity Building and Governance Reform:(Cost \$30.62 M)
Component C: Cross-cutting Mining/ Natural Gas Capacity Building and Reforms:(Cost \$19.90 M)
Component D: Cross-Sectoral Reforms:(Cost \$3.75 M)
Component E: Project Management and Coordination:(Cost \$8.99 M)
PPA Refinancing:(Cost \$0.60 M)
Contingencies:(Cost \$2.94 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	<input type="checkbox"/> Satisfactory	<input type="checkbox"/> Satisfactory
Overall Implementation Progress (IP)	<input type="checkbox"/> Satisfactory	<input type="checkbox"/> Satisfactory
Overall Risk Rating	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate

Implementation Status and Key Decisions

Overall implementation of MAGTAP is rated Satisfactory, and the project has achieved a number of its PDO and intermediate results indicators. Disbursement is currently at 76 percent. The 12-month extension of the project to help in the recovery of the delay as a result of the COVID-19 pandemic, which contributed to the inability to carry out most of the activities, thus compromising the timely achievement of MAGTAP's objectives was approved on May 21, 2021.



Progress toward the Project Development Objective (PDO): Project implementation is still seriously impacted by the COVID-19 crisis during 2021, limiting key contracts to get properly implemented. The extension of the end date of the project by twelve months has provided enough flexibility for key contracts to get back on track. The adoption of a monthly review practice for monitoring implementation led by MIREME with participation of all the beneficiaries is a positive step to ensure that the project sticks to the timeline. This helps to speed up implementation of certain components of the project, especially some key contracts handled by INAMI and DNGM that need urgent attention. Efforts led by MIREME on completing a waiver agreement with the *Tribunal Administrativo* is benefiting not just MAGTAP but also other ongoing WB funded projects.

Local Content: The mission commends MIREME for the design and approval of the *Programa Unico* which defines the long-term strategy for advancing local content in the extractive industries. A significant outcome of this exercise, in addition to the direction and guidelines on local content policy, has been the empowerment of the task force on local content related to extractives projects, the Multisectoral Group. Technical discussions at the highest level of the *Programa Unico* with other sector ministries, including the Central Bank and MEF, planned by MIREME would ensure increased buy-in and ownership during implementation. The WB team is confident that these discussions that are scheduled to take place during February and March are timely; the Bank stands ready to contribute to this discussion and to support further dissemination of this strategy within the donor community.

M&E PIU's function: A local M&E has been hired by the MAGTAP project. This was long overdue and a critical step by the PIU since the M&E function has not been properly staffed for a long period during which the PIU has not been able to take on a more proactive role on monitoring the outputs and outcomes of MAGTAP, including careful tracking of the results framework indicators. The technical responsibility of the new M&E local expert have been properly framed, fully focused on cumulative and current results, outputs, and outcomes indicators, and not so much on evaluating the results of the activities carried out to date. WB procedures and the MAGTAP Financial Agreements establish that a proper and detailed evaluation of the project results should be prepared during the last six months period of project implementation and documented in an implementation completion report. As agreed with the PIU, the MAGTAP project with support from the WB team and an international M&E expert, would carry out a series of three thematic M&E workshops during February/March to discuss in detail with all the beneficiaries the progress on their outputs and outcomes, identifying follow up actions that would be performed by the local M&E expert.

Further WB support on extractives: The WB's team has taken note of MIREME's interest on exploring further WB involvement and support on extractives in relation to climate goals and targets beyond MAGTAP, considering some of the key international forces that are driving significant changes in global markets and geopolitics. Climate change and the global drive for a decarbonized economy are shaping the future of extractives, particularly on coal and gas, which are very relevant for the Mozambican economy. The country is facing various challenges in relation to the energy transition and decarbonization, which Mozambique will need to incorporate in its next round of concessions and in projects in the investment pipeline. The WB is committed to remain engaged on this complex agenda going forward and expects to provide MIREME and other entities with appropriate inputs for the development of policy responses, in particular through the new ProEnergia+ financing operation currently under development in Mozambique. A key output from that process will be to develop a National Fuel Strategy across all sectors of the Mozambican economy, and considering all forms of fuel and sources of energy, comprising renewable energy sources, but also defining the potential role that the vast gas resources of Mozambique would play in the domestic market.

Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	--	☐ Moderate	☐ Moderate
Macroeconomic	--	☐ Moderate	☐ Moderate
Sector Strategies and Policies	--	☐ Moderate	☐ Moderate
Technical Design of Project or Program	--	☐ Moderate	☐ Moderate
Institutional Capacity for Implementation and Sustainability	--	☐ Moderate	☐ Moderate
Fiduciary	--	☐ Low	☐ Low
Environment and Social	--	☐ Substantial	☐ Substantial
Stakeholders	--	☐ Moderate	☐ Moderate
Other	--	--	--



Overall -- □ Moderate □ Moderate

Results

PDO Indicators by Objectives / Outcomes

Strengthen the capacity and governance systems of key institutions to manage the mining and hydrocar				
► Mining Cadastral database and GIS accessible on-line for public level information (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	01-May-2013	14-Sep-2020	14-Sep-2021	31-Dec-2022
► Mines and quarries construction projects and gas project developments subject to technical inspections in line with international industry standards. (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	16.00	16.00	25.00
Date	01-May-2013	14-Sep-2020	31-Dec-2021	31-Dec-2022
Comments:	Approved the Field Development Plan for Coral, Golfinho/Atum and Rovuma LNG.			
□ Mines and quarries construction projects subject to technical inspections in line with international industry standards (Number, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	12.00	12.00	15.00
Date	01-May-2013	14-Sep-2020	31-Dec-2021	31-Dec-2022
□ Gas project developments subject to technical inspections in line with international industry standards (Number, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	4.00	4.00	10.00
Date	01-May-2013	01-Jan-2021	31-Dec-2021	31-Dec-2022
► Mining and gas operations subject to annual cost and fiscal audits in compliance with the established fiscal regime (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	17.00	20.00	25.00
Date	01-May-2013	14-Sep-2020	31-Dec-2021	31-Dec-2022



<input type="checkbox"/> Mining operations subject to annual tax oversight and fiscal audits in compliance with the established fiscal regime (Number, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	59.00	16.00	15.00
Date	01-May-2013	14-Sep-2020	31-Dec-2021	31-Dec-2022
<input type="checkbox"/> Gas operations subject to annual cost and fiscal audits in compliance with the established fiscal regime (Number, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	5.00	4.00	10.00
Date	01-May-2013	01-Jan-2021	31-Dec-2021	31-Dec-2022
<input checked="" type="checkbox"/> New mining/gas/infrastructure concessionary contracts negotiated, benefitting from developed frameworks and procedures supported by the project (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	14.00	14.00	5.00
Date	01-May-2013	14-Sep-2020	31-Dec-2021	31-Dec-2022
Comments:	Approved Concession Agreements for Oil exploration and Production, resulting from the 5th round.			
<input checked="" type="checkbox"/> Regular health and safety and environmental monitoring and control inspections to mines and gas projects in line with regulations for compliance and monitoring (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	334.00	5.00	50.00
Date	17-Jul-2017	14-Sep-2020	31-Dec-2021	31-Dec-2022
Comments:	(1) Sasol; (2) Exploration and Processing of Sangage - Nampula Heavy Sands; (3) two gold exploration in Manica; (4) Exploration of Tantalite, Gold and Morganite from EMIZ -Zambezia			
<input checked="" type="checkbox"/> ESIA and SIA guidelines published and disseminated for mining (LSM and ASM) and gas (if underway) (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	17-Jul-2017	14-Sep-2020	31-Dec-2021	31-Dec-2022
<input checked="" type="checkbox"/> Direct project beneficiaries (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	2,322.00	2,618.00	3,500.00



Date	01-May-2013	14-Sep-2020	31-Dec-2021	31-Dec-2022
<input type="checkbox"/> Female beneficiaries (Percentage, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	46.00	46.00	35.00
► Mines and quarries operations and gas project operations subject to regular technical inspections in line with international industry standards. (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	40.00	60.00	60.00	95.00
Date	26-Apr-2021	26-Apr-2021	31-Dec-2021	31-Dec-2022
<input type="checkbox"/> Mines and quarries operations subject to regular technical inspections in line with international industry standards. (Percentage, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	45.00	65.00	65.00	90.00
Date	30-Jun-2014	26-Apr-2021	31-Dec-2021	31-Dec-2022
<input type="checkbox"/> Gas project operations subject to regular technical inspections in line with international industry standards. (Percentage, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	100.00
Date	30-Jun-2014	26-Apr-2021	31-Dec-2021	31-Dec-2022

Intermediate Results Indicators by Components

Component A: Mining Governance Capacity Building and Reform				
► Mining Cadastre procedures updated (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	01-May-2013	14-Sep-2020	14-Sep-2021	31-Dec-2022
► Mineral Information System upgraded with new geodata for strategic areas (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target



Value	No	No	No	Yes
Date	01-May-2013	14-Sep-2020	31-Dec-2021	31-Dec-2022
Comments:	The equipment was purchased awaiting rehabilitation of the facilities for installation of the equipment.			
► Number of ASM associations/cooperatives (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	63.00	80.00	80.00	50.00
Date	05-Nov-2012	28-Feb-2020	31-Dec-2021	31-Dec-2022
Comments:	480 Miners trained within the State budget			
► Number of Artisanal "Mining Passes" issued and number of Small Scale "Mining Certificates" issued in accordance with regulations (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	73.00	73.00	200.00
Date	06-Sep-2017	14-Sep-2020	31-Dec-2021	31-Dec-2022
► Procedures of tendering and evaluation of mineral assets developed (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	01-May-2013	14-Sep-2020	31-Dec-2021	31-Dec-2022
► Number of ASMs who have received targeted training (of which female %) (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	480.00	480.00	2,000.00
Date	01-May-2013	14-Sep-2020	31-Dec-2021	31-Dec-2022
Comments:	Evaluation report on technical proposals finalized. 480 miners trained within the state budget.			
► Health and safety and environmental regulations, including standards and monitoring procedures updated (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	Yes	Yes
Date	01-May-2013	14-Sep-2020	14-Sep-2021	31-Dec-2022
Comments:	Ongoing selection of consultants for both mine and gas			



► Local law enforcement and judicial personnel trained on mining law and regulations under the project (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	200.00
Date	01-May-2013	14-Sep-2020	31-Dec-2021	31-Dec-2022
► Number of geological blocks surveyed and number of sheets mapped of which publicly disclosed and available (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1 geological block surveyed and zero sheets mapped	zero	zero	33/100%
Date	06-Dec-2017	14-Sep-2020	31-Dec-2021	31-Dec-2022
Comments:	Ongoing survey			
□ Number of blocks surveyed of which publicly disclosed and available (Text, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1 block surveyed	zero	zero	3/100%
Date	06-Sep-2017	14-Sep-2020	31-Dec-2021	31-Dec-2022
□ Number of sheets mapped of which publicly disclosed and available (Text, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Zero	zero	zero	30/100%
Date	06-Sep-2017	14-Sep-2020	31-Dec-2021	31-Dec-2022
Component B: Natural Gas Capacity Building and Governance Reform				
► Number of studies assessing economic and financial feasibility for development of gas infrastructure carried out (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	4.00	5.00	5.00
Date	01-May-2013	14-Sep-2020	31-Dec-2021	31-Dec-2022
Comments:	(1) Feasibility study for the Farm in the PSA; (2) Business Plan for ENHLogistic; (3) Financial Advisory Services for ENH, (4) Initial Phase of the LNG Project; (5) Pre-feasibility study for the transport of natural gas from Palma to South			
► Emergency response procedures for INP developed (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target



Value	No	No	No	Yes
Date	06-Sep-2017	14-Sep-2020	31-Dec-2021	31-Dec-2022
► Staff of gas sector management institutions trained through MAGTAP to manage, regulate and monitor gas sector (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	48.00	108.00	100.00
Date	01-May-2013	14-Sep-2020	31-Dec-2021	31-Dec-2022
► Tools and mechanisms to attract financing for the State participation are in place (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	01-May-2013	14-Sep-2020	14-Sep-2021	31-Dec-2022
Comments:	Ongoing refinancing of Area 1, where LH was appointed the consultant.			
► A regional office in the North has been equipped and is operational to undertake health and safety, and environmental inspections of gas operations (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	01-May-2013	14-Sep-2020	14-Sep-2021	31-Dec-2022
Comments:	Already equipped.			

Component C: Cross-cutting Mining/ Natural Gas Capacity Building and Reforms

► Computerized Environmental and Social Management Information System developed (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	01-May-2013	14-Sep-2020	31-Dec-2021	31-Dec-2022
► Results of Strategic Environmental and Social Assessment publicly disclosed by GoM in papers and through workshops and public outreach (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	01-May-2013	14-Sep-2020	14-Sep-2021	31-Dec-2022



► SESA Action Plan implementation is tracked continuously by the Recipient with engagement of stakeholders through public consultation process and feedback mechanism (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	10-Oct-2017	14-Sep-2020	14-Sep-2021	31-Dec-2022
Comments:	Workshops to be organized for consultation and feedback on the activities.			
► Number of pilot CIA data collection and analysis completed and capacity building action plans under implementation (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	1.00	0.00	2.00
Date	06-Sep-2017	14-Sep-2020	31-Dec-2021	31-Dec-2022
► Annual disclosure of reports on extractive industries revenues and revenue allocation at national level (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	7.00	9.00	8.00
Date	01-May-2013	14-Sep-2020	31-Dec-2021	31-Dec-2022
Comments:	8th report disclosed and 9th report under preparation			
► Provincial Directorates of Mineral Resources equipped & capable to monitor and inspect mining & exploration operations in their jurisdictions (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1.00	10.00	10.00	10.00
Date	01-May-2013	14-Sep-2020	31-Dec-2021	31-Dec-2022
► Number of CSO/CBOs trained on transparency monitoring across the extractive sector value chain (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	180.00	180.00	50.00
Date	01-May-2013	14-Sep-2020	31-Dec-2021	31-Dec-2022
Component D: Cross-Sectoral Reforms				
► Gender-focused strategy specific to mining formulated (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target



Value	No	No	No	Yes
Date	06-Dec-2017	14-Sep-2020	31-Dec-2021	31-Dec-2022
► Total number of community pilots implemented in extractives areas and lessons learnt made public (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	3.00
Date	06-Sep-2017	14-Sep-2020	31-Dec-2021	31-Dec-2022
► Number of studies with specific recommendations completed and adopted to stimulate linkages between mining and gas projects and Mozambican economy (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	2.00	2.00	2.00
Date	01-May-2013	14-Sep-2020	31-Dec-2021	31-Dec-2022
Comments:	Contribution on: (1) Draft of National Content Law; (2) Recommendations to the "Review of New Matrix of the SME Development Strategy and Operational Strategic Plan 2019-2021"; (3) Recommendation of "Revision of policy instruments and incentives for the improvement of the doing business environment"			
► Sector specific regulations and action plan for local content developed and adopted (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	No	Yes
Date	01-May-2013	01-Jan-2021	31-Dec-2021	31-Dec-2022
Comments:	MIREME to prepare Local Content Policy.			
► Number of local firms participating in tenders and providing goods and services to gas and mining operations (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	7.00	7.00	20.00
Date	06-Sep-2017	14-Sep-2020	31-Dec-2021	31-Dec-2022
Comments:	"Technip: Information sent to more than 150 companies strayed from the study database 1 and 2 funded by MAGTAP and 07 companies applied; Exxon Mobil: Provided list of 25 companies, strayed from the database of study 1 and 2 funded by MAGTAP; no info yet of how many applied.			
► Standards & procedures for oil & gas contingency planning & emergency preparations developed (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target



Value	No	Yes	Yes	Yes
Date	01-May-2013	14-Sep-2020	14-Sep-2021	31-Dec-2022
Comments:	This was done through the project "Review and Operation Contingency Plan for oil spill" funded by MAGTAP.			

Performance-Based Conditions

Data on Financial Performance

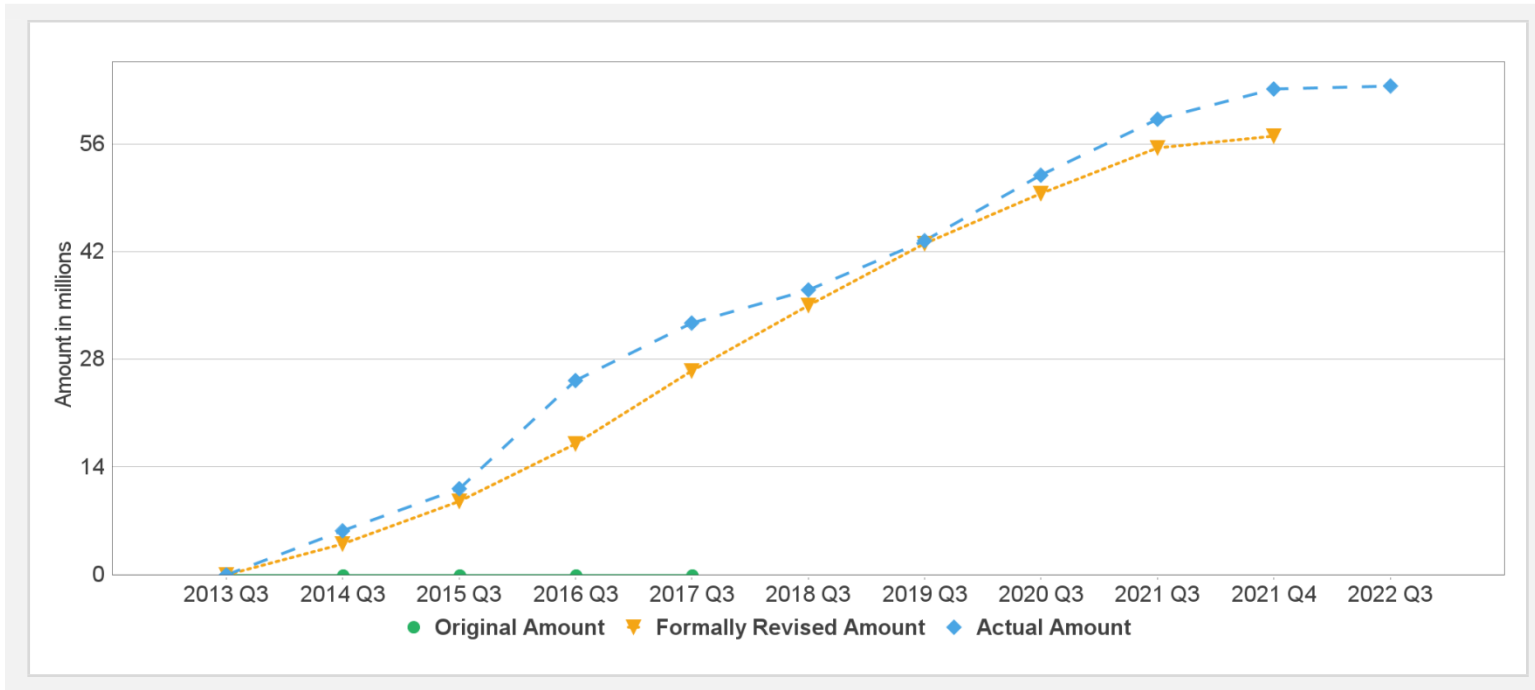
Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P129847	IDA-51990	Effective	USD	50.00	50.00	0.00	42.68	3.62	<div style="width: 92%; background-color: green; height: 10px;"></div> 92%
P129847	IDA-D2390	Effective	USD	28.00	28.00	0.00	12.43	15.46	<div style="width: 45%; background-color: green; height: 10px;"></div> 45%
P129847	TF-16113	Closed	USD	7.37	7.36	0.00	7.43	0.00	<div style="width: 100%; background-color: green; height: 10px;"></div> 100%
P129847	TF-A8583	Closed	USD	1.03	1.03	0.00	1.00	0.00	<div style="width: 100%; background-color: green; height: 10px;"></div> 100%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P129847	IDA-51990	Effective	28-Mar-2013	19-Apr-2013	22-Aug-2013	31-May-2020	31-Dec-2022
P129847	IDA-D2390	Effective	01-Nov-2017	15-Dec-2017	15-Mar-2018	31-Dec-2021	31-Dec-2022
P129847	TF-16113	Closed	27-Jan-2014	27-Jan-2014	27-Jan-2014	30-Nov-2018	30-Sep-2020
P129847	TF-A8583	Closed	18-Sep-2018	22-Oct-2018	22-Oct-2018	30-Sep-2020	30-Sep-2020

Cumulative Disbursements



PBC Disbursement

PBC ID	PBC Type	Description	Coc	PBC Amount	Achievement Status	Disbursed amount in Coc	Disbursement % for PBC
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Restructuring History

Level 2 Approved on 15-Sep-2016 ,Level 2 Approved on 14-May-2021

Related Project(s)

P161683-Mining and Gas Technical Assistance Additional Financing