



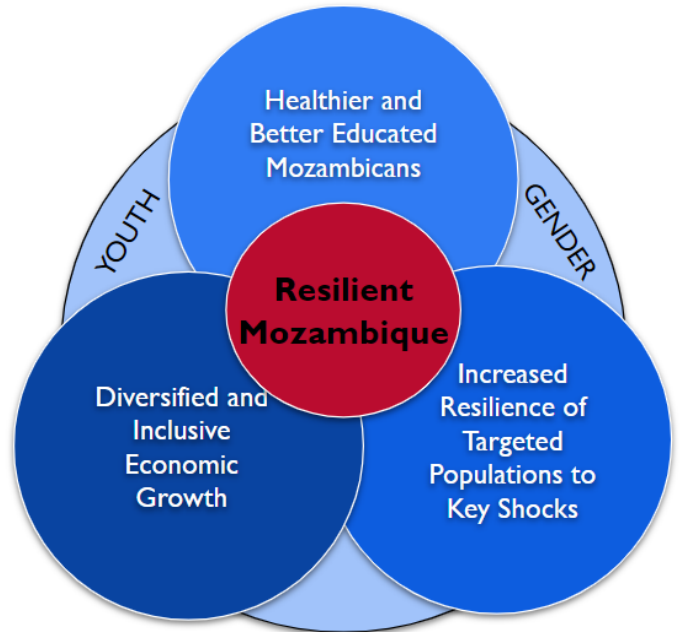
2020-2025 Country Development Cooperation Strategy

Overview

USAID's Country Development Cooperation Strategy (CDCS) for 2020-2025 serves as the strategic roadmap for how USAID will design and implement its projects and activities in Mozambique for the next five years. To develop the CDCS, USAID conducted a rigorous process to examine past programming and assess impact to date. The Mission also consulted with key stakeholders, including the Government of Mozambique counterparts, the donor community, Implementing Partners.

What's Changing and Why?

In past years, programs were spread throughout Mozambique's 11 provinces. The current strategy will focus on northern and central Mozambique, with an emphasis on building resilience to shocks and protracted crises such as natural disasters, violent extremism, and food insecurity. This strategy includes an increased commitment to gender equality and positive youth development. Moreover, diversified inclusive economic growth, based upon a public financial management system built on principles of transparency and accountability, serves as a strategic lynchpin.



CDCS Relevance in a time of Crisis

The upcoming five-year strategy period represents the opening of a limited window in which to mitigate headwinds that currently exist and increase the likelihood of an eventual favorable extractive outcome. The headwinds, however, are significant, as Mozambique ranks 180th of 189 countries on the 2019 Human Development Index. Debt distress, widening income inequality, and corruption also present significant constraints. Increasingly frequent natural disasters, lack of formal employment, poor health and education opportunities, and outcomes pose additional challenges. Moreover, emerging threats to economic stability and democratic governance in the form of flawed elections and increasing violent extremism in the north of the country, and the as-of-yet untallied effects of COVID-19 across the developmental landscape further illustrate the multitude and magnitude of current constraints. This document outlines USAID's strategic choices in helping the development of a more resilient Mozambique.

Strategy Goal and Objectives

USAID's goal for the 2020-2025 CDCS is for a **resilient Mozambique that is prepared for the future**. USAID will promote a peaceful, prosperous, and healthy Mozambique where citizens benefit from expanded investments.

The new strategy will work in three focus areas: **Healthier and Better Educated Mozambicans**, Especially the Young and Vulnerable; **Diversified and Inclusive Economic Growth**; and **The Resilience of Vulnerable Populations to Key Shocks Increased**.

Development Objective (DO) 1: Healthier and Better Educated Mozambicans, Especially the Young and Vulnerable

The health and education sectors face many similar service quality issues, access challenges, and systems constraints, including limitations in the areas of financing, planning, and human and material resources. The inextricable link between desired outcomes in the health and education sectors underlies this Development Objective. Importantly, by investing in people, households, communities, and systems to better manage vulnerabilities and adapt to inevitable shocks in the critical areas of health and education, this DO will contribute to the strategy's goal of strengthening Mozambique's overall resilience.

DO1: Healthier and Better Educated Mozambicans, Especially the Young and Vulnerable

IR 1.1: Quality of Health and Education Services Improved

IR 1.2: Utilization of Health and Education Services Expanded. Focusing on Youth and Gender

IR 1.3: Resilient Health and Education Systems Strengthened

Cross cutting: Youth and Gender

DO2: DIVERSIFIED AND INCLUSIVE ECONOMIC GROWTH

IR 2.1: Targeted Democratic Processes Strengthened

IR 2.2: Implementation of Economic Governance Strengthened

IR 2.3: Strengthened Business Enabling Environment

IR 2.4: Profitability of Agricultural and Other Targeted Enterprises Increased

Cross cutting: Youth and Gender

DO 2: Diversified and Inclusive Economic Growth

Improvement of the business environment and profitability of a diversified range of enterprises are critical pre-conditions to the positive influence of expected gas revenue. By promoting increased governmental accountability to citizens and increased dialogue among stakeholders, this DO will highlight the importance of the rule of law, transparency, and civic engagement, as prerequisites to Mozambican citizenry benefiting from expanded investments.

DO 3: Increased Resilience of Vulnerable Populations to Key Shocks

Focus on vulnerable populations in northern and central Mozambique and on the specific shocks/stresses of natural disasters, food insecurity, and violent extremism is key to this DO, which seeks to smooth the transition of humanitarian assistance in northern Mozambique to development assistance programs. Targeted resilience programming will build capacity at the individual, household, community, and systems levels to withstand key shocks.

DO3: Increased Resilience of Vulnerable Populations to Key Shocks

IR 3.1: Household Nutrition and Food Security Increased

IR 3.2: Sustainable Management and Use of Water and Sanitation Services for Target Populations Increased

IR 3.3: Natural Resource Management Improved

IR 3.4: Targeted Communities Better Prepared to Withstand Violent Extremism and Mitigate Conflict

IR 3.5: Targeted Communities Better Prepared for Natural Disasters

Cross cutting: Youth and Gender

Summary

The Mozambican Government recognizes that it has one of the best opportunities on the African continent to transform its economy and transition towards middle-income status. This strategy will leverage significant U.S. government contributions to support this transformation by building resilience at the individual, household, community, and systems levels to withstand and mitigate existing and anticipated constraints to future development.