

EDUARDO MONDLANE UNIVERSITY

FACULTY OF ECONOMICS

**Eight Meeting of the African Network for Economic Policy  
Management (EPMAN)**

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Faculty of Economics

Eduardo Mondlane University

Maputo, 15 – 16 November 2012

The eighth annual meeting of the African Network for Economic Policy (EPMAN), took place at Hotel Cardoso, in Maputo, between the 15<sup>th</sup> and 16<sup>th</sup> of November, 2012. The following African EPM representatives were present at the meeting: EPM of Cocody University from Ivory Coast, EPM of Yaounde II University from the Republic of Cameroun, EPM of Kinshasa from Democratic Republic of Congo, EPM of Ghana University from the Republic of Ghana, EPM of University of Lusaka from the Republic of Zambia. EPM of Makerere University from the Republic of Uganda was not present at the meeting.

It was an organized and conflictless meeting, and the agenda was strictly followed through, as shown below:

### **Day 1**

**Opening Session:** The President of EPMAN and the Director of EPM Zambia University greeted the participants in general and in particular the Vice Chancellor of the Eduardo Mondlane University (UEM), the deputy Vice Chancellors, members of the Mozambican Government and Directors of the Executive Committee of the Eduardo Mondlane University.

In his intervention, the President of EPMAN spoke about the number of graduate students by the EPM, the successes and challenges of the programme in a time where the world in general and the donors in particular face a slowdown in economic growth, which threatens the financing of the EPMs.

The EPMAN President speech was followed by the UEM Vice Chancellor opening speech, in which he greeted all the participants and thanked them for their presence. In his opening speech the UEM Vice Chancellor congratulated the Faculty of Economics for the organization of the meeting and made a brief introduction to the recent history of the EPM programme in Mozambique, which started with the signature of the Donation Agreement in 2007 with ACBF for a period of four years, which was extended for one more year to implement the 4<sup>th</sup> edition of the programme.

The EPM-Mozambique has the holistic objective of improving the public sector performance in Portuguese Speaking African Countries (PALOP), and results are expected from the programme to help fulfill the millennium development goals until 2015, which includes goals set out by the Mozambican Government.

The Vice Chancellor referred that he expects that the experiences gathered by other countries which developed this programme, such as: EPM of Cocody University, from Ivory Coast, EPM of Yaounde II University, from Cameroun, EPM of Kinshasa University, from Congo, EPM of Ghana University, from Legon in Ghana, EPM of Makerere University, from Uganda and EPM of University of Lusaka, from Zambia.

The Vice Chancellor challenged the graduate students from EPM-Mozambique to create an association before the beginning of phase II, having the Faculty of Economics as the facilitator for this process. To end his opening speech the Vice Chancellor said he hoped that the EPM would continue to support the formation of graduates in Mozambique, because human resources capacity development is crucial to develop the country. After that he declared open the eighth annual EPMAN meeting. The formal presentations and family photo followed.

The meeting agenda continued with the presentation of the theme *“The institutional capacity based on the continuing formation of graduates in economic policy management: Lessons learnt – the Mozambique Revenue Authorities case”* by dr. Casimiro Mabota, Formation Director of the Mozambique Revenue Authority (AT). The speaker started by presenting the route to create the AT in 2006, with the main objective of securing, directing, coordinating, as well as managing the activities related to the determination and collection of public revenue. The AT specific mission is to guarantee effectiveness and equity in the application of the tax policy (including customs), and to provide and guarantee convenience to taxpayers when they fulfill their tax obligations.

To reach their objective and vision, AT has seen the need to modernize its national tax system, broaden the tax base, create better mechanisms to detect and avoid tax evasion, as well as to fight smuggling, and finally to improve motivation among its work force. The development of this integrated activities system in order to achieve the goals and vision set out by the Institution, led to the construction of new facilities

and requalification of existing facilities, in particular the formation institutions of their staff in different areas relevant to the AT. This has included the construction and improvement of new tax offices. This exercise led to the increase in public revenue collected, which until 2011 allowed the Government to pay more than 60% of its expenditure.

Before the creation of the AT, public revenue collection was below 40% of its expenses. AT biggest challenge is to cover all the borders of Mozambique and to broaden the tax base.

The speaker also emphasized the role that formation played in improving the performance of the AT. Having referred that the success that has been reached by the institution is in one hand due to the big focus on formation of its staff, and in the other hand due to its marketing strategy, which has significantly contributed to the increase of public revenue collection.

The debate around the necessary mechanism to integrate the informal sector in the tax formal system followed. The speaker answered that the experience of Mozambique for the informal sector, there were specific strategies that focused in identifying and classifying the type of taxpayer. However, the speaker acknowledges the fact that the AT is seen as one of the biggest visible corruption centres in the country and considers the efforts being made to improve the negative image, in particular of the Mozambican Customs.

After the debate, a coffee break followed. The next plenary session was moderated by the UEM Deputy Vice Chancellor, Professor Dr. Ana Mondjane. In this session there were two presentations, namely: (i) from the ACBF representative and (ii) from the World Bank Representative.

The ACBF representative, Professor KamarokoKone, spoke about the ACBF strategic plan and of the EPMs perspectives. With regards to the ACBF strategic plan he made a retrospective of 21 years of ACBF activities, considering ACBF as the only institution in Africa that engages and cares about capacity development. The ACBF is a World Bank initiative financed by the Government of Japan, and already has African experts. The strategic plan designed for 2012 to 2016 emphasizes the

effective and sustainable use of resources. The strategic objectives must: (i) reinforce the capacity for change in Africa focusing upon the fight against poverty, (ii) reinforce the capacity to strengthen economic policies and promote good governance and (iii) reinforce the capacity to be compliant with the rules. To achieve these objectives, the ACBF elects as its strategic partners, those who fight against poverty, from the Civil Society, Regional Institutions, Universities or Colleges, and individuals that help strengthen integrity. The areas of intervention chosen by the ACBF are countries that are coming out of conflicts, countries that promote reforms, as well as countries with a poor capacity to use their own resources.

Referring to the EPM programmes, the speaker mention a series of issues that can be summarized by the pertinence and efficiency of the programmes. With regards to the first point, the speaker made considerations around the need for the ACBF to continue to support the EPMs in Economists formation programmes to allow policy development. However, the issue that has been put forward has to do with the transformation of the knowledge that students acquire in work methods that service economic policy.

To finish, the speaker spoke about the assessment done to the scholarship students, related to the efficiency of the EPM formation, mentioning the fact that the evaluators consider the outcome to be positive, because of the high return and the fact that it avoids human capital flight, commonly referred to as “brain drain”. Nevertheless, the big issue raised by the speaker had to do with the sustainability of the courses in case of a funding withdraw by the ACBF.

Has a recommendation, the ACBF makes two main points:

- (i) The EPMs must draw a strategic plan for sustainability, and for that they shall draw up a project to achieve this goal;
- (ii) The EPM graduates must be capable of transforming the knowledge they gained in order for it to be applicable in their working places.

The second intervention of this plenary session was done by dr. Lamoussa Gama, who spoke about study bursaries/scholarships given by the World Bank. He informed that

the bursaries programme is financed by the Japanese Government through the Joint Japan World Bank Institute. Currently there is basically two types of bursaries in Africa: 1) the ones given by the World Bank to African nations in general and, 2) the ones given to Japanese citizens all over the world. The speaker informed that the way the study bursaries work and is organized include the following components: (i) Regular programme, which is the most requested, recruits bursaries and involves 60 universities. In this type of bursaries the students submit their proposals directly to the World Bank through a webmail or a letter. The financed areas are health, water, economy, etc.; (ii) Japanese Programme, financed by the Joint Japan, more open to Japanese people. In this programme there are 5 universities and 6 programmes involved. The proposals are assessed by the Economic Policy Analysis Department of Japan.

The speaker said that the programmes presented above were positively assessed in terms of quality. However, the current scenario of a slowdown in economic growth for many countries can jeopardize the continuing financing of the programmes. Moreover, the speaker fears that the Universities involved with the programmes can have less intervention capacity, in times where the partnership with Africa is very important due to Economists human capital flight from Africa. To end his intervention, the speaker asked a central question: *“Which scenario could we expect, if by chance the Japanese Government and the World Bank stopped financing the EPM programmes, which they have been financing for more than 30 years?”*

The speaker recommended the EPM programmes to look for sustainability solutions.

### **Debate:**

- With respect to the sustainability of the EPM programmes, a suggestion was made that the universities should prepare and organize themselves to work without aid (i.e. they must be self sufficient). The World Bank and the ACBF are Institutions that aid and support the Universities, but it is up to the Universities to organize themselves more efficiently to be prepared for when donations decrease.
- Look for other donors as an alternative to ACBF and the World Bank

- Finally, the EPM programmes must not be overwhelmed by this situation, because it is not known when the funding will be cut. However, an advice was given to all Universities that run EPM programmes to prepare a contingency plan in case that happens.

The second session of the day was moderated by the UEM Vice Chancellor, Professor Dr. Orlando Quilambo. This session sought to present the different EPM experiences, presented in the following order: EPM - Zambia, EPM – Mozambique, EPM – DRC, EPM - Makerere, EPM – Legon, EPM – Cocody and EPM – Yaunde. The presentations were divided into two groups. The first comprised of the first EPMs of the list above and the second by the last four EPMs of the same list. The break between the two group presentations were reserved for the debate.

The first speaker to use the word was from EPM – Zambia. He referred to the fact that we were in the 4<sup>th</sup> edition of the EPM, that the courses are very appreciated and have a good number of students, they have been graduating students regularly. The speaker started by tracking the graduates from the four different editions from Zambia and from outside Zambia as well, considering EPM – Zambia to be sensitive about its graduates track record. EPM – Zambia organizes regular pedagogic workshops and offers some short duration courses outside Zambia.

Amongst others, the challenges mentioned were, the need to progress from students that fail certain modules, without leaving aside the commitment towards the learning process quality and the quality of the graduates, the peer revision of the final work, the continue improvement of the academic standards, the need to accredit the courses, pay the guest teachers, the uncertainty around the funding availability and its political and CTA contractual implications.

To finished, the speaker elected the need to build new infrastructures, the transformation of the Faculty of Economics into School of Economics, the introduction of short term courses and the need to explore courses based on

gender, as well as the development of a strategic plan as a response to the challenges mentioned above.

The second presentation was from EPM – Mozambique. In this intervention the speaker described EPM – Mozambique, the PALOP countries involved, namely: Mozambique, Angola, Cape Verde, Guine Bissau and St. Tome e Principe. The speaker mention that EPM began its classes in 2009 and that so far only students from Mozambique, Angola and St. Tome e Principe attended the programme. EPM – Mozambique is implementing its 4<sup>th</sup> edition. It has few graduates, but the graduate framework assessment was not done yet. The biggest constrain is the lack of availability from teachers from the UEM Faculty of Economics in the exchange experience activities with other countries and also to get the Phd degree. In the other hand, students complain that 12 months is not enough to finish the programme, and as a result their research projects are finished with a delay of 6 months. The learning process uses different methods, depending on the type of class.

With regards to the graduation, the graphic tend to slowdown, because students return to their jobs and only finish their research projects in the year after.

The EPM – DRC presentation followed. The speaker mentioned that the programme took a while to start there, and requested an extension due to that. Currently they are finishing the 4<sup>th</sup> edition of the EPM programme. The programme is running normally and the students are motivated. The programme was positively assessed internally and by the World Bank. The programme has graduated students regularly. The speaker mentioned the fact that they are facing problems with World Bank scholarships, because this Institution delays the scholarship funding. He also said that the assessment done to some graduates showed that they were promoted after the EPM – Kinshasa programme. The speaker also referred that this recent EPM benefited from the previous EPM experiences and took the opportunity to thank the previous years EPMs.

The three presentations above did not raise any debate. For that reason, the moderator told the groups to proceed with the last four presentations as foreseen. However, in the absence of the EPM – Makerere, this series of presentations started with the EPM – Legon.

The speaker mentioned that this EPM started in 1998, with the medium level formation. After which, he presented the general structure of the course. As for the challenges, the speaker said that the EPM – Legon wish that its courses could become sustainable by advertising the programme so that the recognition and number of interested students in the courses allowed the University to open after work and prepaid classes. As a result of these actions, they hope to trained more people, to established more partnerships and strengthen their infrastructures. The speaker mentioned the financial constrains faced by the scholarship students due to the delay in the funding by the World Bank as one of the biggest problems their face, making it difficult to manage the course.

To finish, he said the students could not finish their courses in one year.

The EPM – Cocody presentation followed. The speaker started to present the lessons learnt and some perspective elements. This EPM is in its 4<sup>th</sup> edition at the moment, having started in 2006. This programme targets senior personnel at Public Institutions, they have the biggest entrance rate in the courses, but in the other hand they have the smallest graduate rate. The speaker said that the programme is doing great and that the programme is well accepted, taken into consideration the increase of 20% in the number of participants. As a perspective, the speaker points to the need of a continue formation in economic policy management, the introduction of new modules such as investigation methods, the extension of their financial resources.

EPM – Yaounde did the last presentation of this second group. The speaker informed that this EPM was created in 1999, and that it is now in its 4<sup>th</sup> edition. Throughout these editions, the speaker considers that as a result to the proposal to expand the programme to a number of countries in which the University of Yaounde has its representations, an impact study was conducted

to assess the programme return, and that more than 60% of the graduates had been promoted from their Divisions after finishing the programme.

**Debate:**

- The exchange rate problem related to the funding of the projects was raised, mainly due to huge losses from the conversion of the US dollar to the local currencies and vice-versa;
- With regards to the profile of the students of the programme, it was referred that the majority of them are senior personnel of Public Institutions, with a professional experience of at least 2 years and that can have access to power. However, these students must be working for what we can consider a long time, because there is no interest in the ones close to retirement;
- Another debated issue had to do with the advertisement of the EPM programmes. About this issue, EPMs were encouraged to advertise to guarantee more visibility to the programme and to allow Institutions to know about their existence and the importance of economic policy management, specially because Africa needs graduate Economists;
- It is important for the EPM graduates from all the countries to unite and to be in contact with each other in order to make the Institution more available and to attract more students. For this there are two networks, namely, the EPM from the French speaking countries and the EPM from the English speaking countries. Graduates and students are encouraged to establish contact with these networks;
- EPM students complain about the short period of duration of the course, because they cannot finish their courses within a year;
- Generally speaking, all EPMs complain about the funding delays for the scholarships by the World Bank, which impacts their regular activities.

The third session was comprised by four parallel sessions, organized in four groups:  
(i) consultation meeting with a World Bank representative, (ii) consultation meeting

with a ACBF representative, (iii) meeting between the alumni associations and, (iv) meeting between the IT specialists. These parallel work group debates were presented in the 4<sup>th</sup> and last session of the day. This session was moderated by the EPM – Cocody Director.

The first group to present was the IT specialists group. This group was of the opinion that the new website layout was to serve the managers and not the graduates. They referred to the difficulties in making the main platform situated in South Africa available and referred to the weak use of the platform by the teachers. They also referred to a USD 5,000 debt with the company that house the platform. The platform is not being properly used, despite the expenses related to it being high. The IT group is of the opinion that the platform must be suspended and that cheaper or even free solutions must be pursuit. On the other hand, graduate opinions' must be taken into consideration about the type of information that must be improved in the website. To finish, this group encouraged the EPM Directors to use the website more frequently. They also mentioned that each EPM must help or even define what it wants to see reflected in their website and that dynamic webs must be developed to allow students to access it, as is the case in Cocody.

The graduate report followed. This group raised concerns about their own visibility and about the human capital flight (brain drain) due to lack of motivation and complained about the need to form and inform the Public Administrators to take the graduates into consideration. To finish, the graduates requested space to show their true value and to be promoted.

### **Debate:**

The debate around these two presentations, focused on the IT group and was guided by the following points:

- The EPM website managers were criticized and accused of not updating the main EPM website. As an example, the fact that the main website had very little information about the EPM as a whole and refers to the individual EPM links makes it useless;

- With respect to the lack of payment of certain invoices, it was recommended that this sector should have a clear organizational structure to guarantee the normal flow of transaction or alternatively, the group should meet to find cheaper or even free solutions and present a course of action to the central management;
- The EPM website managers complained about the delay in making the information available to update the website and about the lack of information availability;

After the debate (of the issues above), the following recommendations were made:

- The IT specialists must study cheaper ways to house the platform and enable it to accommodate distance learning;
- The platform must not be decommissioned, because both teachers and students need it;
- The programme Directors must follow up on these recommendations, to make sure they are executed;
- The graduates must feed the networks at least once a week, and a weekly (or any other period) debate forum must be created with a specific theme to encourage it.

To put term to the debates, a series of critical issues for the success of the EPMs were raised, as it follows: *Into what extend the economic results of the countries improved? What has changed in the Institutions where the graduates work (e.g. Ministries)?* The answer to these questions must establish indicators with clear parameters to assess what have changed to be able to quantify the change. It was stated that the answer to these questions could encourage donors, that after many years aiding the African countries are still without concrete information. At last, it was recommended that an impact study of the EPM graduates in the different countries should be done.

## **Day 2**

In the morning, the participants visited historical and cultural sites, such as the Eduardo Mondlane University Campus, two museums and visited the city of Maputo.

The afternoon was booked for the presentation and debate of the first day report and to the election of the EPMAN President, followed by the bat transfer and the closing speech.

The first day work report was read by the EPM – Mozambique Director, Professor Dr. Manoela Sylvestre. The referred report was approved with few recommendations to correct it. From this debate the following general recommendation to the EPMs emerged:

For the EPM relevance and to better justify it an impact study to emphasize the changes that must be made and the contents that must be reviewed is recommended. This study must be nourished by all EPMs, under the steering of EPM – Abijan. The study report must be presented in all languages used in the EPMs.

With regards to the final report of the eight meeting of the African Network for Economic Policy Management in Maputo, it was recommended that within a week the report should be translated to English and after including all debate observations. The draft of the report must circulate among all EPMs to accommodate their valuable contributions before publishing the final version.

The meeting continued with the election of the new EPMAN President, the EPM – Mozambique Director. The new EPMAN President, after being congratulated by the former President, thanked for the trust and appealed for the collaboration of all EPMs for the success of his term. To end his speech, he wished a nice trip for all participants from abroad.

The closing speech was made by the UEM Deputy Vice Chancellor, in the absence of the Vice Chancellor. She started by greeting all the participants, in particular the Vice Chancellors of the Yaunde and Kinshasa Universities, the ACBF and World Bank

representatives, EPM Directors and graduates. She thanked for the fact that UEM had been chosen to host this meeting at a time where Mozambique is celebrating 50 years of tertiary education.

The Deputy Vice Chancellor considered that the meeting objectives were achieved, and because of that she thanked the World Bank and the ACBF for their support in capacity building throughout Africa. To finish, she thanked everyone that made this event possible, namely the protocol, the secretariat, the translators and the organizing committee of the meeting. She also thanked the EPM – Zambia for having lead wisely the EPMAN in the last two years. Therefore, the Deputy Vice Chancellor, Professor Dr. Ana Monjane, declared the eight meeting of the African Network for Economic Policy Management (EPMAN), that took place in Maputo, Mozambique between the 15 and 16 November 2012, closed.