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## **An Ethical Approach to the Implementation of the FDD in Mozambique: The Case of the Marracuene District (2006-2009)**

*An Ethical Approach to the Implementation of the FDD in Mozambique: The Case of the Marracuene District (2006-2009)*

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### **Summary**

This article presents the theme: "**Ethical Approach to the Implementation of the District Development Fund in Mozambique: The Case of the Marracuene District (2006-2009)**" and aims to ethically analyze the implementation of the District Development Fund in the districts of Mozambique: the case of the Marracuene District in the period between 2006 and 2009. The District Development Fund has had several names, namely: Local Investment Budget, Local Initiative Investment Fund, and later it became known as the District Development Fund, through decree no. 90/2009 of December 12. The implementation of the Fund began in 2006, through the approval of Law 12/2005 of December 23, where the Government of Mozambique decided to allocate a budget called "local initiative investment budget" to the Districts. For this purpose, the study used comparative, inductive, monographic, and qualitative methods, employing bibliographic, documentary, interview, and observation techniques. The ethical evaluation concluded that the conception and implementation of the fund followed the recommendations of various literature sources. Regarding impact, it was concluded that the fund ethically contributed to the fight against poverty at the District level. It directly and indirectly benefited approximately 3775 people through 446 projects, corresponding to the number of beneficiaries. The financing of these projects brought about changes at the local level, improving living conditions in the communities. However, several constraints arose that are not only the responsibility of the Fund managers at the District level but also of the Central Government; however, when analyzed, these serve as challenges. for the Government, in order to create conditions that allow for the implementation of other future policies.

**Keywords:** Ethics, Public Administration, Public Policy, Development and FDD.

### **Abstract**

This article addresses the theme: "Ethical Approach to the Implementation of the District Development Fund in Mozambique: The Case of the Marracuene District (2006-2009)" and aims to ethically analyze the implementation of the District Development Fund in the Districts of Mozambique: the case of the Marracuene District during the period between 2006 and 2009. The District Development Fund has had several names, namely: Local Investment Budget, Local Initiative Investment Fund, and later became known as the District Development Fund, through Decree No. 90/2009 of December 12. The implementation of the Fund began in 2006, through the approval of Law 12/2005 of December 23, where the Government of Mozambique decided to allocate a budget called "local initiative investment budget" to the Districts. For this purpose, the study used comparative, inductive, monographic, and qualitative methods, and employed bibliographic, documentary, interview, and observation techniques. From the ethical evaluation carried out, it was determined that the conception and implementation of the fund followed what the various literature recommends. Regarding the impact, it was concluded that the fund contributed ethically to the fight against poverty at the District level. It directly and indirectly benefited approximately 3775 people from 446 projects, which corresponds to the number of applicants who benefited. The financing of these projects brought about changes at the local level, through improved living conditions in the communities. However, several constraints occurred that are not only the responsibility of the Fund

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managers at the District level but also of the Central Government, but which, when analyzed, serves as challenges for the Government, in order to create conditions that allow the implementation of other future policies.

**Keywords:** Ethics, Public Administration, Public Policies, Development and FDD.

## 1. INTRODUCTION

This article aims to analyze the impact of the implementation of the District Development Fund. in Mozambique: the case of the Marracuene District between 2006 and 2009.

This work emerged as an adaptation of the master's thesis from 2012.

The District Development Fund has had several names, including Budget of Local Investment, Local Initiative Investment Fund, and later it came to be called...

District Development Fund, through Decree No. 90/2009 of December 12, with the objective is to generate food, wealth, and employment.

The implementation of this Fund at the District level involves the participation of Governments. district-level through District Advisory Councils, participation of local communities through Local Advisory Councils and other local development actors, aiming to combat

Alleviating poverty through the creation of local entrepreneurship for those who lack the resources to resort to [unclear text - possibly "privacy" or similar]. banking, for the exercise of its activities.

That is how, in 2005, through Law 12/2005 of December 23, the Government of Mozambique has decided to allocate a budget called the "investment budget of "Local initiative," which, starting in 2006, began to be implemented in all districts of the country, under responsibility of the former Ministry of Planning and Development in coordination with the Ministry of Finance.

And in 2009, through decree 90/2009, "the Fund was created." And funds were transferred to that... Fund "all amounts reimbursed and to be reimbursed by the beneficiaries of the funded projects" within the scope of the Local Initiative Investment Budget (Decree No. 4/2009, art. 4).

The Fund emerged at a time when more than 10 million Mozambicans were still living in a absolute poverty situation (PARPA II 2006-2009) which led the government, inspired by the initiatives Previous historical efforts to combat poverty (such as the PPI) introduce this fund having with the objectives of food production, job creation and wealth creation, as a way of to allow the Districts to develop from local planning that involves the key local development actors, who best understand the main opportunities of Districts, Administrative Posts and Localities.

The chosen theme is spatially limited to the Marracuene District.

The choice of this District took into consideration that the analysis that was done was based on its nature and common characteristics.



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in all Districts, although there are specificities from District to District. Regarding

For the temporal delimitation, the period between 2006 and 2009 was chosen for two reasons.

essential things to know: (I) the first reason is that the Local Initiative Investment Budget more

later transformed into a Local Initiative Investment Fund and integrated into the District Fund

The Development Plan, approved in 2005 and whose implementation began in 2006, has been in effect since this period.

until 2009, implemented with several ethical problems, mainly regarding the lack of

clarity and instruments that would allow its full implementation. (ii) the second is due to

The intention is to analyze the implementation of this Fund, from its creation and implementation to its...

The impact on communities is ethical, as is what is said about the results of its implementation.

It lacks ethical considerations insofar as it does not clarify the main factors that contributed to or

No, not in the success of its implementation.

In general, the aim is to address the implementation of the FDD in the Districts ethically.

From Mozambique: The case of the Marracuene District during the period between 2006 and 2009.

Specifically, it will (i) describe the process of developing, implementing and evaluating the Fund.

of District Development in Mozambique; (ii) Describe the implementation process and

Monitoring the District Development Fund in Mozambique: the case of the Marracuene District.

2006 to 2009, (iii) Identify the projects funded and the funds disbursed by the Government for the

(iv) Evaluate the financing of projects in the Marracuene District during the period 2006 to 2009;

Ethical impact of the implementation and monitoring process of the District Development Fund in

District of Marracuene in the period from 2006 to 2010.

In this context, the present article is justified for the following reasons: (i) it does not yet exist

a known study that has been done addressing the topic in ethical terms. (ii) although not

While there is still a study based on ethics, there have been some findings made by members of the

civil society, including some in the form of diverse analyses, by some

Individualities and unique people have not been given an ethical component, which, from a certain point of view,

From a philosophical point of view, they are incomplete.

According to Lakato (221) The justification is of great importance. It contributes to acceptance

The research is conducted by individuals or entities. According to this author, the justification lies in an exposure...

a concise yet comprehensive account of the theoretical and practical reasons that make

It is important to carry out the research.

## 1.2 Method

For the elaboration of the article, the philosophical method was used, which consisted of the explanation.

detailed, ethically based plan for the development, implementation, and evaluation of the Fund in the District of

Marracuene, through data collected, considering the criteria used for the approval of



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projects, the method of monitoring projects being implemented at the local level, the level of reimbursements carried out, as well as the impact over the period under analysis.

The inductive method was also used, which, according to Lakatos (2003, p. 86), is “a mental process through which, starting from sufficiently verified particular data, “A general or universal truth is inferred that is not contained in the examined parts.” Thus, the results The findings can be generalized to other districts, although each has its own characteristics. Specifics.

On the other hand, the comparative method was also used, which, according to Lakatos (2003, p. 107), was initially employed by Tylor, considering that the study of similarities and differences among various types of groups, societies or peoples contributes to a better understanding of human behavior. This method uses comparisons to identify similarities. and explain discrepancies. Through this method, it was possible to compare important elements such as The living standards of the populations before and after the implementation of the fund allowed for... valid positions regarding their contribution to the development of the District and the communities in general.

To complete this article, several data collection techniques were used. A Data collection techniques represent a set of procedures that serve a science for... the achievement of their objectives (Lakatos, 2003). According to Maxwell (2011, p. 35, citing Lakatos and According to Marconi (2001), data collection techniques “are a set of rules or processes used “by a science, corresponding to the practical part of the collection.”

In this context, to operationalize the aforementioned methods, it was necessary to resort to some techniques that made the writing of the article possible, namely: (i) research bibliographic, which consisted of using the bibliography already made public on the subject under study; (ii) documentary research, which consisted of consulting reports, projects and concession contracts of (iii) Fund credit at the Marracuene District level; (iii) interview, defined as “a meeting between two people, so that one of them can obtain information about a particular subject, through a conversation of a professional nature” (Ibid., p. 195). The interviews were conducted with the researcher, beneficiaries, and main managers of the Fund, aiming at data collection for the Diagnosis of the problem. Structured and unstructured (open-ended) interviews were used. allowing a freer and more in-depth approach to the subject; (iv) observation, which allowed To monitor projects under implementation, enabling on-site verification of the actual situation. being carried out during study visits along with the interviews.

Regarding the universe or population, this is defined as “a set of elements that They possess certain characteristics,” according to Gil (2008). The sample, in turn, is a a subset of this universe through which its characteristics are estimated (Ibid., p. 90). Thus,



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The research universe consisted of all beneficiaries/borrowers of the Fund of

Development of the District whose projects were approved during the period under review, totaling 446.

beneficiaries. The sample consisted of 46 beneficiaries, representing the general population.

The criterion for selecting the sample was accessibility or convenience. According to Gil (2008),

In this type of sampling, the researcher selects the elements to which they have access, assuming that

These may represent the universe. The characteristics of the sample were: (i) being beneficiaries of

fund of the District of Marracuene; (ii) be employees or members of the District Government, exercising

or not leadership roles, as they are the main managers of the fund at the local level.

The research problem focuses on the ethical issues surrounding the implementation of the fund.

evidenced in the speeches of civil society, political analysts and public officials, where many

Sometimes the real impact of its implementation at the local level is not recognized. Issues are raised.

such as: (i) corruption and cronyism in the project selection and approval process; (ii) weak

professionalization of the staff responsible for managing the fund; (iii) influence of political factors

in the selection and approval of projects.

Thus, the article's approach focuses on the ethical issues surrounding the implementation of

Funding at the district level, especially in its development, implementation, evaluation and impact.

focusing on the Marracuene District. According to findings, although not scientific, it appears that

The fund's objectives were not fully achieved. Therefore, the following question was formulated:

Starting point: what was the ethical cause of the problems in implementing the Development Fund?

District-level figures, particularly in the Marracuene District, during the period analyzed?

In response, it is assumed that the main ethical cause is the poor observance of principles.

ethical requirements on the part of the personnel involved in the implementation process may be lacking.

in-depth knowledge of fund management and implementation at the local level.

## **THEORETICAL AND CONCEPTUAL FRAMEWORK**

### **2.1 Basic Theory**

The approach to the topic falls within economic (endogenous) theory as well as theory.

Ethics (personalist). The theory of Endogenous Development emerges as a counterpoint to the models

classic growth models, which would inevitably lead to a steady state of the economy,

This situation goes against the premise that, for realistic development to occur, it is necessary that...

Establish a dynamic of increasing productivity.

According to the journal *Economia e Desenvolvimento*, vol. 26, no. 1, 2014, page 107, it is understood that

Classical models prevailed, which understood production as a consequence solely of labor.



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and of capital, in the normal flows of the economy the tendency would be towards decreasing returns, thus establishing a steady state, which would mean that even if it were to occur

Growth, it would only have a quantitative character. Thus, the idea of Development arises.

Endogenous, which consists of endogenizing a series of previously exogenous variables (such as human capital, the environment, etc.) in order to generate increasing returns.

In turn, Barquero (2001) states that "economic development occurs in as a consequence of utilizing the potential and surplus generated locally." It also states that "for To neutralize the tendencies toward a stationary state, it is necessary to activate the determining factors of processes of capital accumulation, namely, the creation and diffusion of innovations in the production system, the flexible organization of production, the generation of agglomeration economies and economies of "Diversity in cities and the strengthening of institutions."

Regarding personalist theory, according to Mounier, the precursor of this school of thought, the central question The core of personalist thought is the notion of "person," their freedom and responsibility, their right to not Objectification and inviolability. It also concerns a person embedded in the world and, therefore, in relationship with the "other" and in history.

For Mounier (1992), understanding the human being as a "person" is to understand the "absolute value" of human, that is, as the purpose of political organization. Because it is embedded in the world, the person suffers the actions of others and acts by transforming what is around him and, consequently, transforming oneself. For the author, considering the person as an "absolute value" means that each person should be free to build their own destiny" Mounier (1992)

In general, both theories aim at valuing and dignifying the person, through from creating conditions for the well-being of the citizen, based on ethical values, thus resembling the objectives of the Fund under analysis.

## **2.2 Conceptual Framework**

### **2.2.1 Ethics**

According to Camagro (2021), reflection on the ethical stance of individuals transcends the individual field and reaches the professional level. This is because professional ethics is concerned with establishing firstly, the values, principles and standards that underpin the conduct and responsibilities of a profession. Therefore, ethics in public administration becomes even more important, because Involve public servants. The public sector, as an employer and legal entity, has constitutional responsibilities within the functioning of public administration. Thus, the Public officials, in the performance of their duties, must base their actions on values, principles, and...



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standards that contribute to the development of the public. In the case of Mozambique, these...

These values are constitutional (article 249), for this reason they must be upheld by everyone.

It was also important to reflect on the concept of "**Development**" according to Amaro. (2003) is a dynamic process defined as synonymous with "well-being and progress", and is therefore desired by different societies around the world.

In Sen's view (1999), development should be seen as freedom, which is considered both as an end and as a means for one's own development. It adds that well-being, The objective of development lies in freedom, in the capacity to be free to choose. The ability to do or not do things one wants to do lies in achieving the status of agent of one's own destiny. life.

It is noticeable that the antonym of the term poverty is the word poverty. That from the point of view In economic terms, it means the inability to acquire goods and services essential for a dignified life, such as... food, housing, health, etc. In turn, according to the Action Plan for the Reduction of Absolute Poverty 2006-2009 (PARPA II), poverty can have various interpretations. However the one that best suits the theme presented in the article, and the one according to which poverty and lack of basic human conditions, such as illiteracy, malnutrition, reduced life expectancy, "Poor maternal health, incidence of preventable diseases" This definition relates to the measures Indirect consequences of poverty, such as access to goods, services, and infrastructure necessary to achieve... Basic human needs - sanitation, drinking water, education, communications, energy, etc." (PARPA II, p.8).

In turn, the Local Initiative Investment Fund, according to Vala (2009, p. 28), is a budget allocation in investment expenditure (understood as a process that consists of (to spend capital, with the objective of generating a certain income in the future) for the Districts, which aims to finance actions with an immediate impact on improving the living conditions of "population, thus contributing to local economic development."

When addressing the topic, the expression was deemed conceptually important. "Public Administration" which, according to Paula and Nelson (1992), can be described as a work organization whose "system- The "object" of their intervention is areas concerning everyone (public = common to all), and whose Legitimacy comes from being the effective power of the (public = official) policies that hold power. "managerial representing institutional power, the citizens."

This demands greater accountability from all policy implementers. from the government, in order to ensure that they produce the desired impact within the beneficiaries, who are the citizens.

In turn, according to the Constitution of the Republic, the public administration in Mozambique, It serves the public interest and in its actions respects the fundamental rights and freedoms of



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citizens. According to the Constitution of the Republic, in its article 249, the organs of the administration Public institutions obey the constitution and the law and act with respect for the principles of equality, Impartiality, ethics, and justice. Public administration in Mozambique is structured on the basis of these principles. based on the principle of decentralization and deconcentration, it tends to promote modernization and efficiency. of their services.

Within the framework of decentralization and deconcentration and in the pursuit of building a Regarding public administration for development, Law No. 8/2003 was approved, which establishes principles. and rules governing the organization, powers and functioning of local state bodies at the following levels: Province, District, Administrative Post and Locality (Press: 2005, article 1).

In turn, Public Policies, according to Siteo (2006), are decisions made by the government and that affect the activity or sector of society. These decisions may result in concrete actions. and/or in the total absence of action. In turn, Neves (2002) considers that public policies are results of a government action aimed at solving problems and/or responding to needs socioeconomic or related to state sovereignty, etc.

However, there is consensus among scholars that the public policy process occurs following this order: formulation (elaboration) of public policies; implementation of public policies and evaluation of public policies (Pedone: 2006; Andrei et al.: 2008; Celina: p. 2006).

Regarding Public Policy Formulation, according to Pedon (2006), it is a The policy-making process in the executive, legislative, and other institutions.

With regard to the Implementation of Public Policies, this is understood as a "process of implementation of policies resulting from the formulation and decision-making process in public policies, inter-relating the policies, programs, public administrations, and social groups involved or who suffer from governmental action or social problems" (Pedon: 1986).

With regard to **Public Policy Evaluation**, Hala-Harja and Helgasson (2000) define- a, stating that the term encompasses the evaluation of a program's results in relation to objectives.

According to (Pedon: 1986), when evaluating, one also speaks of the impact of public policies. when concerned with defining how policies have changed society and what the more lasting consequences, asking what difference the policies made in their area of performance. In turn, Lycia (2025) makes a clear approach, stating that the evaluation of The implementation of public policies can be done by observing several key moments, including: (i) Ex-ante analysis: and considers that before the implementation of the policy, ex-ante analyses are carried out. before the launch of a public policy and that its role is to contribute to ensuring that the policy is well designed from the outset, based on evidence about the problem to be addressed, (ii) It is



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that which is done after the policy begins to be implemented. At that point, the concern

It becomes a matter of understanding how the policy is being implemented in practice and what results it is (or is not) achieving.

producing; (iii) In the next phase, we move on to ex post evaluations: which are outcome evaluations,

Impact and cost-benefit analyses. They tell us if the policy had an effect, for whom it worked, and if...

It was worthwhile from the point of view of the costs involved and what lessons can be learned for...

the future. According to the author, these assessments are fundamental to supporting decisions about the

continuity, reformulation, expansion or termination of the policy, as well as to feed a

A virtuous cycle of learning and continuous improvement.

After these steps, according to Lycia (2025), with the evidence generated in the analysis performed,

Strategic decision-makers are informed to take measures regarding continuity, expansion,

reformulation or termination of the policy.

## **RESULTS AND DISCUSSION OF RESULTS**

### **3.1 Concept of the Local Initiative Investment Fund**

FIIL was conceived by the government as part of the ongoing decentralization process.

in the country, with the objective of introducing transformations in the rural economy that contribute to making the

The district is the country's development hub (Ministry of Finance: 2009, 5).

According to circular no. 002/MPD/GM/2009, cited by Chang (2009), "since 2006 they have been

Once the budgetary limits for public investment of local initiative are set, it is the responsibility of...

from the district governments to implement it in food production and income generation projects and with

impact on local populations" (Chang: 2009, 4).

The decision regarding the implementation of the Fund in the Districts was made by the Government of

Mozambique at the 25th Ordinary Session of the Council of Ministers held on September 22, 2005,

who prepared and reviewed the draft law approving the State Budget for the year 2006

(Cf. Diogo: 2005, in Official Letter No. 60/PM/2005).

This official letter was drafted by the Prime Minister and sent to the Assembly of the Republic.

particularly to the President of the Assembly of the Republic, Eduardo Mulembwe, with the attached document

Draft State Budget Law for the year 2006, dated September 30, 2005 (Ibid), for

effects of assessment by the Assembly of the Republic, under the combined provisions, in paragraph 3

of article 130, of subparagraph e) of article 183 and of subparagraph a) of paragraph 1 of article 206 of the Constitution of the Republic.

But after the government submitted the proposed State Budget Law for 2006,

This was reviewed by the members of the Assembly of the Republic, during the III Ordinary Session of the VI

Legislature, in the 16th, 17th, 18th and 19th plenary sessions held in December 2005, (Cf. Assembly



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of the Republic: 2005, in Minutes of the 16th Plenary Session, 5).

After several debates in the Assembly of the Republic regarding the PES and the State Budget, they concluded with approval. these programmatic instruments of the government through Law No. 12/2005 of December 23, which approves the 2006 State Budget, which "establishes district-level investment expenditures, having fixed the a value of seven million meticaais for each district" (Ibid).

As for its implementation, this began in 2006, through the allocation of seven million. meticaais in each district (Cf. AR: 2005, In Acta da 16 Sessão Plenária, 10), with the objective of generating Food, jobs, and income. One year after its implementation, at the end of 2006, there were... four criteria were announced for allocating funds to districts: (i) population factor (35%), territorial factor (20%), poverty index (30%) and fiscal performance (15%) (Cfr. Vala: 299, 38).

As part of the implementation, the district governments requested the Provincial Directorates of Planning and Finance: the allocation of the respective locally initiated investment funds, through own request for funds (Cf. Chang: 2009, p. 11).

The district governments worked in coordination with the communities, represented by Advisory councils, which represent the various sensitivities and segments of local communities.

To ensure the effective implementation of the fund, the Mozambican government approved in In 2009, regulatory instruments were developed with a view to improving existing guidelines on FIIL. Among other things... Among the approved instruments, the following stand out: Official Letter No. 101/GM/MF/2006 of May 12, 2006. Issued by the Ministry of Finance, sent to all Provincial Governors, with full knowledge. of all Provincial Directors and District Administrators (Cf. Chang: 2009, p.15). This letter Establishes Methodological Guidelines for the Execution of a Fund for Investment Expenses. Local Initiative, 2006.

With a view to enabling community participation in the development process. Local economic authorities, through Circular No. 002/MPD/GM/2009, established the obligations of the councils. Advisory bodies, partners of district governments in the implementation of the fund.

Regarding the repayment of the loan, it was regulated that this must be done in (i) money or (ii) cash, in the form of delivery of products/means/animals that can be forwarded to other beneficiaries.

Regarding the repayment of the loan, it was established that this should be done in installments, according to the loan repayment plan defined by the local council.

Regarding the beneficiary's obligations, it was emphasized that they must use the loan. only for the approved project, and which must repay the borrowed money with interest in the form agreed upon in the contract. In the case of the Marracuene district, "the required interest rate was 5% per year. for agricultural activities; 8% annually for small animal breeding activities.



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The interest rate is 10% for trade, tourism, and other activities” (Cf. one of the interviewees in 2011).

Also within the scope of implementing the fund, decree no. 90/2009 was approved, "with a view to to ensure the realization of the Government's objectives aimed at the development of the District, specifically in the area of food production and income generation, ensuring the creation of jobs at the local level" (Decree No. 90/2009).

## **PRESENTATION AND DISCUSSION OF RESULTS**

The Marracuene District is located in Maputo Province. It is bordered to the north by the District of Manhica is bordered to the south by the city of Maputo, to the west by the Moamba District, and to the east by the Indian Ocean. The district's surface area is 698.5 km<sup>2</sup>.

The District is divided into two administrative posts and seven localities, which are: Post Administrative Office of Marracuene – headquarters, administrative post of Machubo, locations of Michafitene, Macaneta, Matalane, Nhongonhane, Taula and Macandza and the town of Marracuene – headquarters..

The functioning of the Marracuene government was based on the new organizational structure, in light of... Law No. 8/2003, the law governing local state bodies, and Decree No. 6/2006, of April 12, 2006.

In addition to this structure, the government operated with a technical team that worked on within the scope of the Fund's implementation in the district, which was composed of six elements, indicated in each district service (see the technical team: 2010, in interview).

This team worked under a dual reporting structure. It reported to the Advisory Council. District-level, but each member of the team was also subordinate to their district service. The team had It had its own facilities where it operated and possessed some technical resources, notably the following: a A car, a motorcycle, two computers, two printers, and two lockers for filing documents.

During the period under review, the district had ten Participatory Institutions. Community-based, distributed throughout all Administrative Posts and localities, following the as recommended by law.

This district was one of the first to implement the Fund starting in 2006. Thus, from According to the former permanent secretary of the District, in the first year (2006) the District received 7,000,000.00 Mts (2008, in a 2008 interview) "in the second year 2,280,725.64 Mts, in the third year (2008) 7,262,112.00Mt and in the fourth (2009) the district received 7,497,819.73Mts (ETD Members: 2010, in interview).

From 2006 to 2009, 446 projects were financed through the Fund (See ETD Members: 2010 in interviews). According to the former administrator of the Marracuene District, part of the fund was used for the purchase of an engine for a barge that served as a means of transport for the crossing. from the Incomati River, an electricity generator for the Machubo Administrative Post that

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contributed to the normal functioning of that Administrative Post, with a strong impact on the

local health center and school, in addition to the rehabilitation of some gardens in the District headquarters.

Food production projects were also funded. Within this context, a [unclear - possibly "equipment" or "equipment"] was acquired.

A tractor with its respective implements was acquired for the Machubo administrative post. Goats were also purchased.

for livestock development, in addition to plows and carts. In the fisheries sector, 25 were funded.

fishermen with fishing gear.

The projects were approved by local advisory councils, based at the local level, then

were submitted to the advisory councils of the Administrative posts and finally the projects

Those approved for administrative positions were submitted to the CCD for selection and approval purposes.

and financing.

During the period from 2006 to 2009, within the scope of the implementation of this fund in the District,

Through the funded projects, 446 new jobs were created, 164 of which were for

For women, 98 for young people and 184 for men (2008, in an interview). To that end, the government

It disbursed 24,040,657.37 Mts, of which 774,833.57 Mts were reimbursed, as shown in the table.

below.

**Table 1.** Number of projects funded from 2006-2009

No.	Years	Disbursement in Metals	Projects Funded	Refund in Metals	refund percentage
01	2006	7,000,000.00	131		
02	2007	2,280,725.64	103	326,881.57	1.43
03	2008	7,262,112.00	131	330.290.00	4.54
04	2009	7,497,819.73	81	112,662.00	0.01
Total		24,040,657.37	446	769.833.57	

**Source:** District Government: 2008 and Technical Team of the Marracuene District

Still within the scope of implementing the fund, the government of the Marracuene District was charging...

Interest on loans made by beneficiaries. The interest according to official letter no. s/n/ DPPF/

According to GAB/2009, from the Provincial Directorate of Planning and Finance of Maputo, 5% is allocated to projects of

agriculture and livestock farming, 8% for livestock projects (small species) and 10% for projects

of commerce, industry, tourism and others (Cf. DPPF: 2009, in official letter S/n/DPPF/GAB/ 2009)

However, due to the weak involvement of the district's technical team (Cf. Official Letter no.

11/031.23//RO- DPO-DPPFM/ 2009; ETD in interview), the apparent development that

It was verified in the early years of implementation, in the Marracuene District, that it could be

compromised, considering that repayment by borrowers had been weak given that

Few borrowers were paying off their loans.

According to ETD, there are problems in the sector with a lack of rolling stock.



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They could facilitate the control and monitoring of the implementation of already funded projects.

which could contribute not only to raising awareness among populations that have already benefited from loans to repay their loans, but also to ensure that the funds provided are not misused.

Thus, as an immediate and direct impact of the "seven million" policy, in this second District According to employees interviewed (2008), there was an increase in production areas and improvements in The living conditions of populations through the purchase of goods and payment of tuition fees for their children. in schools, construction of improved houses, etc., according to one of the officials from that district.

Considering that the projects funded throughout the period under analysis generated 755 new jobs... jobs and that the average number per household in Mozambique is five people, It can be inferred that the implementation of the Local Initiative Investment Fund in Marracuene... It directly benefited approximately 3,775 people, which is satisfactory considering that neither... Half of the District's population benefited from the Fund, because the majority did not apply for it. financing for their projects.

Continuing with the interviews conducted with the beneficiaries throughout the research, they stated: The fund transformed our lives and those of our families respectively. It was a consensus among the Beneficiaries who, with the Fund, improved their homes, now have at least two They reduced their daily meals, improved their children's diet, and consequently decreased the rate of Infant mortality at the district level, they managed to buy bicycles for themselves and my children. which allowed them to make it easier for their children to go to school, they managed to get their children to They studied, managed to electrify their homes, etc.

Thus, taking into account the number of families benefited, from the author's perspective, From an ethical standpoint, it can be said that it was satisfactory, since it was not a matter of distribution of It's not about money, but about competing with projects to get funding.

The beneficiaries' responses illustrate that in that district and during the period analyzed There has been development. Because, based on Amaro's definition (2003), development means to **improve the conditions of human capital and social capital** in a given society.

According to the data collected from the district government reports of the years... from 2007, 2008 and 2009, and those provided by the district's technical team and the employees interviewed, This reveals that until 2009, the fund was effectively managed solely by the Government of District. From the researcher's perspective, this was due to problems related to procedures. organizational, especially with regard to planning, organization, direction and control. of the implementation process, which meant that the entire process came under the management of the direction of district.

If you consider that the planning process for the implementation of this fund was not inclusive, especially with regard to the participation of the technical team (See ETD Members)



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and the District reports for the years 2007, 2008 and 2009), then it can be inferred that during

During the period under analysis, communication between ETD and the government was weak. Therefore, communication between  
The ETD and borrowers were also weak.

According to Stoner et al (1999, 388), “communication is very important for  
administrators, because it is through it that they carry out the function of planning, organizing,  
leadership and control, in addition to the fact that communication is an activity in which administrators...  
They dedicate a huge proportion of their time to it because they are not alone when they perform.  
their functions.

The other aspect, in the Marracuene District, despite the technical team being composed of  
The right people with the right qualifications, in addition to the scarce resources available, need to find the right people.  
Overlapping tasks on technical team members, which negatively contributes to the  
their performance, whether in their assigned roles or within the technical team.

To solve the problem, it was only in 2009, with a view to ensuring the realization of the ideals of  
Government-oriented towards the development of the District, specifically in the area of production of  
food and income generation, guaranteeing the creation of jobs at the local level, under the  
as set out in subparagraph f) of paragraph 1 of article 2004 of the Constitution of the Republic, the Council of Ministries  
decreed the creation in each District of the District Development Fund, which is an institution  
public entity endowed with legal personality, administrative and financial autonomy (Diogo: 2009, art.  
1)).

According to the document, all reimbursed amounts are transferred to this fund.  
to reimburse the beneficiaries of projects financed under FIIL (Ibid., art. 4).

In response to a question posed to interviewees (employees) about whether there were any cases...  
acquaintances of borrowers who had been penalized due to non-compliance with the  
commitment honored in the financing contract for projects within the scope of FIIL, all  
They responded negatively. Ethically, this factor shows that there was a lack of responsibility, not...  
not only from those who should enforce the established rules, but also from the beneficiaries, in  
to the extent that one of the criteria used for the selection of projects is the suitability of the applicants.  
of the MAE, MF, MPD projects (2011, p.5), which means that this criterion was not valuable in this  
process.

This problem is also associated with the lack of preparation of the beneficiaries (Cf.  
(beneficiaries interviewed), before the introduction of the Fund. This preparation is for the case of  
Regarding the implementation of the Local Initiative Investment Fund, it should be noted that it was not carried out, resulting in...  
This gives rise to a series of problems related to its implementation, thus compromising the  
objectives for which it was designed.

Examples of projects that were funded under the Fund include...



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Local Initiative Investment, which demonstrated weak technical capacity in its preparation by a

On the one hand, the implementation of the projects was not preceded by a feasibility study, which would allow beneficiaries to choose to develop these projects in that area or another.

There were cases in Marracuene of people whose projects, which were for the creation and Chicken slaughter. This borrower, after starting with the implementation of the project, six months later Their birds died due to the heat/cold, and some were stolen, leaving the borrower without... more resources so that it could continue with its activities.

One of the major difficulties this borrower faced was the location where he was conducting his business. activities within the scope of the Local Initiative Investment Fund (chicken farming and slaughter), not There was electricity and water, and it was an isolated location (an area without many inhabitants) and without security.

The lack of funds or financial resources contributed to the failure of this project. Installation of power and water, and allocation on-site of a specialized guard for the protection of facilities (given that it was not foreseen in your project), which are extremely important resources for This type of project, however, was not foreseen in her original plan. This determined the failure of the project. implementation of this borrower's project.

According to [Mezes \(2008, p. 45\)](#), a project is "a unique undertaking that must present a A clearly defined beginning and end, and which, when led by people, can achieve its objectives. "Respecting the parameters of deadline, cost and quality" Ethically analyzing the implementation of District Development Fund in Mozambique, particularly in the Marracuene District. During the period in question, it can be observed that, regarding its conception, it followed the established standards of development. of public policies following the logic of Pedon (2006) which demonstrates that the professionals of Mozambican central government officials responsible for this area have demonstrated their Responsibility to combat poverty in Mozambique. Loyalty is associated with this virtue. This means that the public servants who took the initiative for the District Development Fund, They were loyal to the Mozambican state, as they sought to defend citizens against poverty. One A loyal employee is one who rejoices when their organization (the State) is successful, he argues. The organization takes action when it is threatened.

Regarding implementation, at the top level, it is noticeable that there has been an effort to do so. Necessary assessments. Refers to the assessment before and during the process, if reflecting on the approach. da Luzia (2025) on the evaluation of public policies.

Following this author's logic, it can be inferred that after starting with the implementation of District Development Fund in Mozambique, and in Marracuene in particular, the Government was evaluating the process which led to the approval of the following documents: (i) *Guidance Methodological guidelines for the execution of funds for locally initiated investment expenditures*, In



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Official Letter No. 101/GM/MF of May 12, Maputo; (ii) *Model for Collecting Information on OILL*,

IN circular n° 002/MPD/GM/ 28 November; (iii) *Ministerial Diploma n° 67/ 2009* of April 17th,

Maputo; *Circular No. 002/MPD/GM on OILL regulatory instruments*, Maputo, and (iv) *circular*

*No. 002/MPD/GM on regulatory instruments of the OILL*, Maputo.

These instruments were intended to ensure that implementation was successful.

succeeded. It is also acknowledged that the Government may have evaluated the results, although not

There must be scientific evidence. This statement arises due to the recent approval of the Fund of

Local Economic Development (FDEL), a policy with characteristics similar to those of

FDD and the Strategic Plan for Urban Poverty Reduction (PERPU) (Decree No. 4/2025 of 5 of

Marco, art. 1.1, art. 4 and art. 2 of the FDEL regulations). If scientifically accepted, then the Government

acted in good faith, since an impact assessment aims, according to Lycia (2025), to verify whether the goals of

Whether the products and results were achieved or not, the study also seeks to identify if the desired effects were achieved.

The political changes were, in fact, caused by the intervention, isolating the effects of the policy from other factors.

And subsequently, the evidence generated serves to inform strategic decisions about the

continuity, expansion, reformulation, or termination of the policy. Therefore, from an ethical and point of view...

Professionally, we acted with responsibility, competence, and professional loyalty.

However, at the district level, particularly in Marracuene, it can be stated that, despite

of the District's public servants (employees) having demonstrated competence and commitment in

In some cases, the process involved a lack of honesty because the information was not assimilated in a timely manner.

guiding instruments for the implementation of the Fund.

According to some interviewees (competitors) at the bottom, this fact contributed to the

Approval of projects without clear criteria known to the majority, which led many to

to inquire about the mechanisms used for the development, approval, and financing of projects.

In that district. That's why there was talk of corruption and cronyism in the process, in exchange.

of favors.

In addition to this virtue, it can be considered that at the local level, some employees and others

Local actors responsible for managing the fund, although willing, demonstrated a lack of...

professional skills.

One example is the approval of projects without prior study of...

viability, which led to the approval of projects without taking into account the rainy season, for example,

In the case of agricultural and livestock projects, physical security was a concern, which harmed many beneficiaries (The

(interviewees with failed projects). These factors, as well as scarce means of transport that

would allow the technical team to carry out its monitoring activities, which according to team members

The District Technical Office at the time only had two motorcycles for the entire District, due to a lack of transportation.

For beneficiaries to transport their products to marketing areas, there is a lack of roads.



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Improved access, lack of refrigerators in the District's markets, which would allow freezing of

Products from beneficiaries engaged in the raising and slaughter of chickens and cattle, lack of energy.

electricity, weak coverage from banking institutions; at the time, only two institutions were operating.

banking services forced beneficiaries to travel long distances to deposit funds.

According to [source], monetary resources for the reimbursement of the fund did not contribute sufficiently to its implementation.

The technical team and some beneficiaries.

However, the research assumes that the weaknesses identified throughout the implementation of FDD at the district level, and in Marracuene in particular, does not constitute irresponsibility.

professionalism on the part of the fund managers at the District level. Insofar as the weaknesses

The above-listed matters fall under the jurisdiction of not only the District Government but also the Government of the District Government.

Central. Therefore, it could constitute a challenge for the Central Government in implementing the

The recently approved Local Economic Development Fund necessarily involves

Capacity building for the actors involved in the implementation, allocation of transportation for the team.

technical aspects, provision of means of transporting people and goods, for the transportation of people,

including beneficiaries, to facilitate the marketing of their production, allocation of cold storage facilities.

to facilitate the preservation of beneficiaries' products, improvement of access roads and

Reformulation of the decree that creates the organizational structure of the Public Administration.

## CONCLUSION

From the research, carried out in the Marracuene District between 2006 and 2009 using inductive, comparative, and implicitly philosophical methods, operationalized

Through documentary, bibliographic, interview and observation techniques, it was concluded that the Government of

Mozambique, during the period analyzed, disbursed 24,040,657.37 Mts for the financing of

projects within the scope of the implementation of FILL in the District, of which 769,833.57 Mts constitutes the

Reimbursement made by borrowers, which corresponds to 3.20% of the total amount disbursed.

From the ethical evaluation carried out, it was determined that the conception and implementation of the fund followed... as recommended by various sources of literature.

Regarding the impact, it was concluded that this fund contributed ethically to the combating poverty at the district level. It directly and indirectly benefited approximately 3775 people.

people from 446 projects, which corresponds to the number of successful applicants.

The funding of these projects has brought about changes at the local level, through improvements.

of living conditions in the communities. However, several constraints occurred that are not

This is not only the responsibility of the Fund managers at the District level, but also of the Government.

Central, but when analyzed, these serve as challenges for the Government, in the sense of creating conditions



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that allow for the implementation of other future policies.

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