



1. Project Data :
OEDID: C2065
Project ID: P001770
Project Name: Beira Transport Corridor Project
Country: Mozambique
Sector: Other Transportation
L/C Number: C2065-MOZ
Partners involved: CIDA, OECF, Spain
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Date Posted: 06/04/1998

2. Project Objectives, Financing, Costs and Components :

Objectives: The primary objective of the project was to assist the Government of Mozambique to rehabilitate and upgrade the Beira Transport Corridor in order to restore its cost efficient transit functions . The secondary objectives were to: (i) help the Government achieve its objective of providing cheap transport for the agricultural, productive areas along the Beira Corridor, and (ii) facilitate capacity building by developing semi-skilled, skilled, and managerial staff with a view to gradually replacing the technical assistance program, and introduce effective financial management in the Mozambique Central Railways (CFM(C)).

Components: (a) Capacity building, (b) Removing operational capacity constraints, and (c) Improving financial performance.

Cost: Total project cost: Appraisal, US\$ 74 million; Actual, US\$ 64 million. IDA Credit: US\$ 40 million, of which 9.8 million is canceled. Co-financed by Canada, Japan, and Spain .

3. Achievement of Relevant Objectives :

The project achieved its primary and secondary objectives . The Corridor was rehabilitated and upgraded and its transit functions have been largely restored . Small farmers and herders along the Corridor also benefited from the rehabilitation. The objective of developing local semi-skilled, skilled and managerial capacities was also substantial achieved. The training program was successfully carried out and at project closing all expatriate technical assistance experts have been replaced by local staff .

4. Significant Achievements :

The project substantially achieved its institutional development and public sector management objectives by undertaking focused and well-designed measures including organizational restructuring, training, staged technical assistance program, and upgrading of operating and management system . These measures greatly increased the institutional capacity of the targeted agencies and the technical skills of the railway and port staff .

5. Significant Shortcomings :

The project came short of achieving (i) the staff rationalization program as planned, in part due to the demobilization of the armies that followed the peace agreement, and (ii) fully delegating power from CFM headquarters in Maputo to CFM(C) office in Beira.

6. Ratings :	ICR	OED Review	Reason for Disagreement /Comments
Outcome:	Satisfactory	Satisfactory	
Institutional Dev .:	Substantial	Substantial	
Sustainability:	Likely	Uncertain	(i) the railways have inadequate capacity to maintain locomotives and derailments have been increasing, (ii) the Port of Beira has not yet been able to attract large percentage of neighboring countries'

			international traffic of goods, and (iii) future donor and private sector participation in the Corridor is uncertain .
Bank Performance :	Satisfactory	Satisfactory	
Borrower Perf .:	Satisfactory	Satisfactory	
Quality of ICR :		Satisfactory	

7. Lessons of Broad Applicability :

The key lesson from this project is that institutional development through multi-pronged measures are likely to be more effective if they are well sequenced and adapt to changing circumstances .

8. Audit Recommended? ☐ Yes ☒ No

9. Comments on Quality of ICR :

The ICR is of satisfactory quality and covers all aspects of project implementation experience and achievement of objectives. It exercised fair judgment and identified useful lessons .