Memorandum of Understanding
(MoU)

Between

Ordem dos Contabilistas e Auditores de Moçambique (OCAM)

AND

National Board of Accountants and Auditors
(NBAA), Tanzania

"To Establish Mutual Co-operation in the areas of Support in IPSAS adoption and implementation process, conduct of conferences and workshops, evaluation of the legislation and* Evaluation of *assets"

MEMORANDUM OF UNDERSTANDING

BETWEEN

Ordem dos Contabilistas e Auditores de Mozambique (OCAM), which is a member body and regulator of the accountancy profession in Mozambique. It is a non- profit organization, created by the law n° 8/2012 dated 8 February by the National Parliament. Having its registered office at 1ª Rua Projectada à Base N'Tchinga n° 26, Coop - Maputo in Mozambique hereinafter called **FIRST PART** ;

AND

National Board of Accountants and Auditors (NBAA), established under the Accountants and Auditors (Registration) Act, Cap [286 RE 2002], having its registered Office at National Audit Office, Audit House, Ukaguzi Road P.o Box 1271 Dodoma and its Branch at Mhasibu House, Bibi Titi Mohamed Street, P.O. Box 5128, Dar Es Salaam, Tanzania (herein after referred to as `**NBAA** ') which expression shall, wherever the context so admits, mean and include its successors in office, assignees, etc. of the **SECOND PART.**

Article 1
(Objective)

The objective of this MoU is to establish mutual co-operation between these two institutions for the areas of support in IPSAS adoption and implementation process, conduct conferences, workshops and evaluation of the legislation in Mozambique in support upon implementation of this MoU.

(Article 2)
Scope of Co-operation

2.1. The parties agree to share their experience on the accounting profession both Nationally and Internationally, and more effort being directed on professional accountancy training, Evaluation of assets, and conduct of conferences, workshops and evaluate the current OCAM legislation to accommodate International Public Sector Accounting Standard (IPSASs) in Mozambique.

2.2. The parties shall cooperate and conduct seminars, conferences and various activities for the purpose of sharing relevant knowledge and technicalities for enhancing IPSAS accrual adoption and implementation in Mozambique. This includes NBAA providing a technical team and speakers in various conferences and workshops in accordance with the manner as both parties/ institution will agree upon it.

2.3. The parties will create a road map, for the implementation of this MoU that might be revised and agreed by both parties accordingly.

2.4. Parties agreed that the implementation of this MoU shall be executed with official support from the Government of Tanzania officials who shall include but not limited to Controller and Auditor General (CAG), Accountant General (ACGEN) and other essential officials as the case may be.

2.6. NBAA agrees to provide OCAM with updates on the development of the accountancy profession in Tanzania and the world in general, help OCAM to upgrade the profession in Mozambique and learn from international good professional practices and especially in the area of IPSASs updates.

2.7. The parties will continue to ensure that such support as mutually agreed to be appropriate and relevant will be given to each other vis a vis Regional and International Professional Accounting Bodies, Institutes and Authorities.

Article 3
(Implementation of the MoU)

3.1 NBAA shall set up a technical team to implement the provisions of this MoU. The team will be responsible for assessing and providing a road map towards implementation of this MoU to be approved by both the parties.

3.2 Parties agreed that implementation of this MoU will be into phases which are:

i. Evaluation include gap analysis of the current situation and expectation;
ii. Preparation of opening Statement of Financial Position;

iii. Updating the accounting policies;
iv. Updating the accounting manual;
v. Review and finalization of the Chart of Account;
vi. Reviewing and updating the list of Government controlled entities (Including identification of entities which have not been consolidated);
vii. Preparation of fixed assets register and revaluation of PPE;
viii. IPSAS Training – Benefits, Challenges & Way Forward;
ix. IPSAS Training – Updates / Follow-ups (To prepare training plan, enhancement of political will through training to Embassies, Parliamentary Oversight Committees, etc.)
x. Training on change Management;
xi. Coordination with other departments on migration process e.g. National Audit Office, Accountant General Office, Revenue Authority etc.

3.3 Each phase expects to have different costs upon its implementation, NBAA shall submit the expected budget for OCAM to review and approve.

3.4 The costs of implementation of the MoU will be supported by both parts.

3.5 Parties agreed to have an addendum agreement concurrently on implementation of each phase in terms of mode, manner and cost of its implementation.

Article 4
(Binding of the MoU)

4.1 This MoU is not intended to create a legal relationship and its provisions are not intended to give rise to legal rights, obligations or liabilities.

4.2 Each Party shall undertake to observe the confidentiality and secrecy of documents, information and other data received from or given to the other Party during the period of the implementation of this MoU or any other agreements made pursuant to it. Both the Parties agree that the provisions of this Article shall continue to be binding between the Parties for a period of one year, after termination of this MoU.

4.3 Either Party shall submit in writing any revision, modification or amendment of all or any part of this MoU , and any revision, modification or amendment agreed to by the Parties shall be presented in writing and shall form part of this MoU.

4.4 Any difference or dispute between the Parties concerning the interpretation and/or implementation and/or application of any of the provisions of this MoU shall be settled amicably through mutual consultation and/or negotiation between the Parties, without recourse to any third party or court.

Article 5
(Duration and Termination)

5.1. The term of this MoU shall be 5 years from the date hereof.

5.2. This MoU shall be terminated by either party giving 90 days writen notice to the other party of its intention to terminate this MoU.

Article 6
(Amendment and Extension)

This MoU shall be amended or extended upon the written mutual agreement of both the parties.

Article 7
(Commencement)

This MoU shall take effect from the date the MoU signing by the respective parties.

Maputo, November, 2021.

ON BEHALF OF NBAA	**ON BEHALF OF OCAM**
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(NBAA President)	**(President of OCAM)**
(Pius Maneno)	**(Mário Vicente Sitoe, PhD)**