AFRICAN DEVELOPMENT BANK GROUP

# MULTINATIONAL

# PROGRAMME POST CYCLONE IDAI AND KENNETH EMERGENCY RECOVERY AND RESILIENCE PROGRAMME FOR MOZAMBIQUE, MALAWI AND ZIMBABWE – (PCIREP)

**RDGS/AHAI/RDRI/RDTS/COZW/COMZ/COMW DEPARTMENTS**

May 2019

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## Currency Equivalents

*April 2019*

| | | |
|---|---|---|
| 1 UA | = | 86.90693 MZN (Mozambique Meticais) |
| 1 UA | = | 1,024.25780 MWK (Malawi Kwacha) |
| 1 UA | = | 1.38825 USD (US Dollar) |
| 1 UA | = | 1.23565 EUR (European Euro) |

## Fiscal Year

Mozambique: 1st January to 31st December
Malawi: 1st July to 30th June
Zimbabwe: 1st January to 31st December

## Weights and Measures

| | | |
|---|---|---|
| 1metric tonne | = | 2204 pounds (lbs) |
| 1 kilogramme (kg) | = | 2.200 lbs |
| 1 metre (m) | = | 3.28 feet (ft) |
| 1 millimetre (mm) | = | 0.03937 inch (“) |
| 1 kilometre (km) | = | 0.62 mile |
| 1 hectare (ha) | = | 2.471 acres |
| 1 square kilometre (m2) | = | 100ha |

## Acronyms and Abbreviations

| | | |
|---|---|---|
| ADF | = | African Development Fund |
| AfDB | = | African Development Bank |
| ARC | = | Africa Risk Capacity |
| CB | = | Country Brief |
| CPIA | = | Country Policy and Institutional Assessment |
| CSOs | = | Civil Society Organisations |
| CSP | = | Country Strategy Paper |
| DPs | = | Development Partners |
| DRC | = | Democratic Republic of Congo |
| EA | = | Executing Agency |
| EIRR | = | Economic Internal Rate of Return |
| ESAP | = | Environmental and Social Assessment Procedures |
| ESMF | = | Environmental and Social Management Framework |
| ESMP | = | Environmental and Social Management Plan |
| EU | = | European Union |
| FIRR | = | Financial Internal Rate of Return |
| GBV | = | Gender Based Violence |
| GHG | = | Greenhouse Gases |
| ha | = | Hectare |
| IA | = | Implementing Agency |
| IMF | = | International Monetary Fund |
| ISS | = | Integrated Safeguard Systems |
| MDBs | = | Multilateral Development Banks |
| MoU | = | Memorandum of Understanding |
| NPV | = | Net Present Value |

| | | |
|---|---|---|
| PAR | = | Programme Appraisal Report |
| PBA | = | Performance Based Operation |
| PCU | = | Programme Coordination Unit |
| PDNA | = | Post Disaster Needs Assessment |
| PIT | = | Project Implementation Team |
| PIU | = | Programme Implementation Unit |
| PSC | = | Programme Steering Committee |
| RDPRS | = | Regional Disaster Preparedness and Response Strategy |
| RMCs | = | Regional Member Countries |
| RO | = | Regional Operation |
| SADC | = | Southern Africa Development Community |
| SESA | = | Strategic Environmental and Social Assessment |
| TSF | = | Transition Support Facility |
| UA | = | Unit of Account |
| UN | = | United Nations |
| UNOPS | = | United Nations Office for Project Services |
| USD | = | United States Dollars |

# Grant Information

## Client's information

**GRANT RECIPIENTS:**
1. Republic of Mozambique,
2. Republic of Malawi
3. Republic of Zimbabwe.

**EXECUTING AGENCIES:**
1. Mozambique (Ministry of Public Works, Housing and Water Resources)
2. Malawi (Ministry of Finance, Economic Planning and Development)
3. Zimbabwe (Ministry of Local Government, Public Works and National Housing)

**IMPLEMENTING AGENCIES:**
1. Mozambique (Post Cyclone Idai Reconstruction Cabinet)
2. Malawi (Department of Disaster Management Affairs)
3. Zimbabwe (United Nations Office for Project Services)

## Financing plan (Amounts in UA and USD million)

| Country | PBA | TSF | | RO | Government Contributions | TOTAL | TOTAL |
|---|---|---|---|---|---|---|---|
| | | Pillar I | Pillar III | | | | |
| | UA (Million) | UA (Million) | UA (Million) | UA (Million) | UA (Million) | UA (Million) | USD (Million) |
| Mozambique | | 10.00[1] | 5.00 | 17.00 | 1.6 | **33.60** | **46.97** |
| Malawi | 10.68 | | | 5.66 | 1.00 | **17.34** | **24.24** |
| Zimbabwe | | 7.00 | 5.00 | 5.67 | 2.25 | **19.92** | **27.85** |
| **TOTAL** | **10.68** | **17.00** | **10.00** | **28.33** | **4.85** | **70.86** | **99.06** |

## ADB's key financing information

| | |
|---|---|
| Grant currency | Unit of Account (UA) |
| Interest type* | Not Applicable (N/A) |
| Interest rate spread* | N/A |
| Commitment fee and other fees | N/A |
| Tenor | N/A |
| Grace period | N/A |
| FIRR, NPV | (18%, $44.9 million) |
| EIRR | (22%) |

## Timeframe - Main Milestones (expected)

| | |
|---|---|
| Concept Note approval | N/A[2] |
| Programme approval | June 2019 |
| Effectiveness | June 2019 |
| Physical Completion | June 2023 |
| Closing Date | 31 December 2023 |

[1] The UA10.00 million TSF Pillar I comprise UA7.00 million that is being requested from the TSF Pillar I unallocated resources under this programme and UA3.00 million is part of the TSF that Mozambique had already received and wishes to utilise it under the programme.
[2] PCN: Refer to waiver in Appendix I

# PROGRAMME SUMMARY

1.1 **Programme Overview: Southern Africa Region's climate is highly variable, with frequent floods, droughts, cyclones and related natural disasters.** Floods and droughts have increased in frequency and intensity, particularly in Mozambique, Malawi and Zimbabwe. Tropical Cyclone Idai made landfall in Beira, Mozambique in March 2019 and its continuation to Zimbabwe and Malawi, wreaked greater havoc and destruction leading to loss of lives, injuries, displacements and damage to infrastructure and property. Cyclone Kenneth that soon followed and made landfall in northern Mozambique destroying crops in the remote province of Cabo Delgado exacerbated the situation. Nearly, three million people have been affected, mostly those with the least capacity to cope with the impact of disasters. The Post Cyclone Idai and Kenneth Emergency Recovery and Resilience Programme (PCIREP) aims to restore livelihoods, wellbeing and build resilience of the communities in the three affected countries with the emphasis of *'reaching the furthest behind first'*. The Program proposes solutions to tackle recovery and resilience processes in a medium to long-term perspective through a multi-sectoral and build-back-better approach to infrastructure reconstruction/rehabilitation, restoration of agricultural livelihoods and promotion of resilience to climate shocks, disasters, and extreme weather events in order to enhance the adaptive capacities and preparedness of institutions and communities. The proposed programme is part of a multi-pronged approach of the Bank to the natural disaster, which includes also support to the immediate life-saving activities; a long term effort to provide structural solutions to manage climate risks as well as technical support and a resource mobilisation and partnerships drive in support of the affected countries. The Programme will be implemented over a period of 4 years. The total cost is UA 70.86 million of which UA 66.01million is paid by the Bank and the remaining being the respective governments' counterpart contributions. An estimated one million affected people will directly benefit from the Programme. The Programme has three components namely: (i) Enhanced agriculture productivity and resilience; (ii) Sustainable socio-economic infrastructure; (iii) Institutional strengthening and programme coordination.

1.2 **Needs Assessment: Each of the three affected countries has been facing a challenging economic situation.** Their fragile economic situation has been compounded by the impact of Cyclone Idai. The destruction and resultant displacement has also created a humanitarian crisis in the region with over three million people having been affected and in need of humanitarian assistance and over 800,000 hectares of crops and land destroyed, raising concerns over food security. A Post Disaster Needs Assessment supported by the AfDB, EU, World Bank and the UN assessed reconstruction needs at $3bn in Mozambique, $368m in Malawi and $600m in Zimbabwe for cyclone Idai only, with cyclone Kenneth adding $100 million in Mozambique. The scale of devastation by the Tropical Cyclone Idai and Kenneth is clearly beyond the capacity of the Governments of Mozambique, Malawi and Zimbabwe to handle alone. More importantly, the nature of the economic impact is eminently regional in nature. The transport corridor is at the epicenter of the cyclone and flood damage, linking the port of Beira with Zimbabwe and Malawi is a key growth pole for the region. Beira port has become the most active gateway to serve the Central Mozambique and landlocked countries of Malawi, Zambia, DRC and Zimbabwe. The destruction of roads, rail and port infrastructures in Mozambique has had an effect on the balance of payments and price levels in Malawi and Zimbabwe. In addition, Mozambique is an energy hub exporting electricity into the Southern Africa Power Pool, and the disruption to the transmission lines in Mozambique caused by the cyclone, led to blackouts as far as South Africa. The regional impact of the cyclone shows that building early warning systems and meteorological forecasting capacity in any one country is a regional public good.

1.3 **Value added for the African Development Bank: The regional nature of this emergency and its response play on the Bank's strengths and mandate.** The Bank has significant experience in implementing multinational and regional operations, and has a ground presence with a full country office in each of the affected countries. Moreover, the Bank has considerable experience in regional integration, support to fragile states, capacity development, building climate resilience and improvements to sustainable socioeconomic infrastructure. All these elements are consistent with the CSPs adopted in the three countries. In addition, the Bank has also effectively supported a number of emergency interventions related to floods and droughts in the three affected countries and other regions. These operations have generated important technical information and lessons that have informed the design of the proposed PCIREP. The Bank also acknowledges that there are forms of fragility in a member country that can result in spill over effects in other countries hence such regional drivers of fragility cannot be addressed only through a national state, but only through a region-wide response. The Bank has a comparative advantage in using this approach to regional fragility including during the Ebola crisis in West Africa and the drought crisis in East, West and Southern Africa.

1.4 **Knowledge Management: The extent of the devastation caused by Tropical Cyclone Idai requires comprehensive outreach and engagement with relevant stakeholders.** This will require strengthening of capacities at decentralized, central and regional level, sharing of data, knowledge and lessons from similar crises, in order to ensure that right knowledge contributes to the restoration of livelihoods and economic activity of the affected population. This operation aims, among other things to strengthen systems and knowledge sharing across the SADC region natural disaster responsiveness and preparedness.

## RESULTS-BASED LOGICAL FRAMEWORK (PROGRAMME MATRIX)

| | |
|---|---|
| **Countries and programme name:** | Multinational (Mozambique, Malawi and Zimbabwe) - Post Cyclone Idai and Kenneth Emergency Recovery and Resilience Programme (PCIREP) |
| **Purpose of the programme :** | To contribute towards socio-economic recovery and resilience to climatic shocks through reconstruction of productive and social infrastructure and strengthening of disaster preparedness systems in Mozambique, Malawi and Zimbabwe. |

| RESULTS CHAIN | | PERFORMANCE INDICATORS | | | MEANS OF VERIFICATION | RISKS/MITIGATION MEASURES |
|---|---|---|---|---|---|---|
| | | Indicator (including CSI) | Baseline | Target | | |
| IMPACT | 1. Ensure improved household income and rural livelihoods, for Cyclone Idai affected communities. | 1.1 Average annual household income (USD per year) in (i) Malawi, (ii) Mozambique, and (iii) Zimbabwe.<br><br>1.2 Percentage (%) of affected people with improved livelihoods, post Cyclone Idai (in all 3 countries). | **2019**<br>1.1 (i) Malawi = 500; (ii) Mozambique = 100; and (iii) Zimbabwe = 1,900.<br><br>1.2 (<10%) | **By 2026**<br>1.1 (i) Malawi = >700; (ii) Mozambique = >250; and (iii) Zimbabwe = 3,500.<br><br>1.2 (>90%) | Demographic and Health Survey Report | |
| OUTCOMES | 2.1 Improved household food security within programme areas (affected households) in Malawi, Mozambique and Zimbabwe | 2.1.1 Average months per year of household food scarcity (in all 3 countries).<br><br>2.1.2 Percentage (%) of malnutrition (stunting) among children under 5 years (in all 3 countries). | **2019**<br>2.1.1 (5 months)<br><br>2.1.2 (45%) | **2023**<br>2.1.1 (3 months)<br><br>2.1.2 (40%) | Household Survey Reports.<br><br>Programme beneficiary impact assessment (BIA) report<br><br>Demographic and Health Survey Report | Assumptions:<br>• Favourable climatic conditions.<br>• Political and economic stability.<br>• Affected communities' cooperation. |
| | 2.2: Reduced (i) incidences of water borne diseases; and (ii) travel time by rural roads, within programme areas (affected communities) in Malawi, Mozambique and Zimbabwe | 2.2.1 Proportion (%) of affected people with access to potable water and improved sanitation (in all 3 countries).<br><br>2.2.2 Percentage (%) cases of water borne related diseases (affected population).<br><br>2.2.3 Percentage (%) reduction of travel time, by rural roads. | 2.2.1 (<35%)<br><br>2.2.2 (>80%)<br><br>2.2.3 (0%) | 2.2.1 (>85%)<br><br>2.2.2 (<10%)<br><br>2.2.3 (<40%) | | |
| | 2.3. Reduced flood damage and disaster relief costs within programme areas | 2.3.1 Cost of flood damage and disaster relief in programme areas per year | 2.3.1. (0%) | 2.3.1. (<25%) | Traffic reports.<br>(Disaster Risk Management Reports) | |

| | | | | | | |
|---|---|---|---|---|---|---|
| OUTPUTS | | ***Component 1 : Enhanced Agricultural Productivity and Resilience (Note, for all outputs, Target Year = 2023)*** | | | | |
| | Output 1.1 : Irrigation infrastructures in affected districts rehabilitated. | 1.1 Area under existing irrigation scheme rehabilitated | Malawi | 0 ha | 1,200 ha | Programme Progress Reports | <u>Risk 1</u>. Poor identification of the Cyclone Idai affected beneficiaries<br><u>Mitigation</u>: The Programme will use the guidelines developed by respective Disaster Units in beneficiary identification.<br><br><u>Risk 2</u>. Coordination and consultation challenges, with affected communities.<br><u>Mitigation</u>: The program will use the coordination structures already in place for disaster response. |
| | | | Mozambique | 0 ha | 920 ha | | |
| | | | Zimbabwe | 0 ha | 100 ha | | |
| | Output 1.2 : New mini/small irrigation systems installed (<10ha each) under the climate smart agriculture. | 1.2 (i) Number of off-shelf irrigation kits distributed, and (ii) area (ha) covered by irrigation kits | Malawi | (i) 0, and (ii) 0 | (i) 600 (50% to Women) and (ii) 6,000 ha | | |
| | | | Mozambique | (i) 0, and (ii) 0 | (i) 4,000 (50% to Women) and (ii) 40,000 ha | | |
| | | | Zimbabwe | (i) 0, and (ii) 0 | (i) 200 (50% to Women) and (ii) 2,000 | | |
| | Output 1.3 : Affected households supported with farm inputs | 1.3 Number of affected households that receive farm inputs (rainfed or irrigation) | Malawi | 0 | 2,000 (50% Female heads) | | |
| | | | Mozambique | 0 | 4,000 (60% Female heads) | | |
| | | | Zimbabwe | 0 | 2,000 (50% Female heads) | | |
| | Output 1.4 : Livestock pass on schemes (i) small ruminants and (ii) poultry | 1.4 Number of livestock pass on schemes for (i) small ruminants, and (ii) poultry | Malawi | (i) 0, and (ii) 0 | (i) 1, and (ii) 1 | | |
| | | | Mozambique | (i) 0, and (ii) 0 | (i) 1, and (ii) 1 | | |
| | | | Zimbabwe | (i) 0, and (ii) 0 | (i) 1, and (ii) 1 | | |
| | | **Component 2 : Sustainable Socio-economic Infrastructure** | | | | | |
| | Output 2.1: Rural Transportation network improved | 2.1 Number of (i) resilient kilometers (km) of roads, and (ii) bridges rehabilitated or constructed and (iii) jobs created for local population. | Malawi | (i) 0, and (ii) 0 and (iii) 0 | (i) 50km and (ii) 10 and (iii) 70 | Programme Progress Reports | |
| | | | Mozambique | (i) 0, and (ii) 0 and (iii) 0 | (i) 500km and (ii) 2 and (iii) 200 | | |
| | | | Zimbabwe | (i) 0, and (ii) 0 and (iii) 0 | (i) 57 km and (ii) 2 and (iii) 60 | | |
| | Output 2.2: Rural electricity network improved | 2.2 Set (package) of resilient power systems rehabilitated including transformers, substations and distribution lines and (ii) number of jobs created for local population | Malawi | (i) 0 and (ii) 0 | (i) N/A and (ii) N/A | | |
| | | | Mozambique | (i) 0 and (ii) 0 | (i) 4 and (ii) 10 | | |
| | | | Zimbabwe | (i) 0 and (ii) 0 | (i) 150 and (ii) 15 | | |
| | Output 2.3: Access to domestic water supply and improved | 2.3.1 Number of (i) resilient boreholes, and (ii) sanitation facilities constructed or rehabilitated and (iii) jobs created for local population | Malawi | (i) 0, and (ii) 0 and (iii) 0 | (i) 200, and (ii) 30 and (iii) 40 | | |
| | | | Mozambique | (i) 0, and (ii) 0 and (iii) 0 | (i) 170, and (ii) 60 and (iii) 45 | | |
| | | | Zimbabwe | (i) 0, and (ii) 0 and (iii) 0 | (i) 40, and (ii) 50 and (iii) 30 | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| | 2.3.2 Number of (i) resilient town/rural-water supply systems or tanks rehabilitated and (ii) jobs created for local population | Malawi | (i) 0 and (ii) 0 | (i) 6 and (ii) 10 | | |
| | | Mozambique | (i) 0 and (ii) 0 | (i) 5 (tanks) and (ii) 6 | | |
| | | Zimbabwe | (i) 0 and (ii) 0 | (i) 2 and (ii) 10 (temporary jobs) | | |
| | **Component 3 : Institutional Strengthening and Program Management** | | | | | |
| Output 4.1 : Capacity & skills of farmers strengthened | 4.1 Number of Farmers trained and supported in climate resilient agriculture | Malawi | 0 | 4,000 (50% women) | Programme Progress Reports | |
| | | Mozambique | 0 | 8,000 (50% women) | | |
| | | Zimbabwe | 0 | 2,400 (50% women) | | |
| Output 4.2: Early warning systems installed | 4.2 Number of early warning systems installed | 4.2 Malawi | 0 | 1 per District (5) | | |
| | | 4.2 Mozambique | 0 | 6 | | |
| | | 4.2 Zimbabwe | 0 | 1 (provincial) | | |
| Output 4.3: Capacity of institutions to implement operations in risk prevention, risk management and recovery situations strengthened | 4.3 (i) Number of implementing agency staff trained (50% women), and (ii) number of policies and implementation manuals elaborated and in practice | 4.3 Malawi | (i) 0 and (ii) 0 | (i) 30 and (ii) 2 | | |
| | | 4.3 Mozambique | (i) 0 and (ii) 0 | (i) 40 and (ii) 0 | | |
| | | 4.3 Zimbabwe | (i) 0 and (ii) 0 | (i) 10 and (ii) 2 | | |

**KEY ACTIVITIES**

**COMPONENTS**

Component 1 : Enhanced Agricultural Productivity & Resilience (UA 10.19 million, 15.1%)

Component 2 : Sustainable Socio-economic Infrastructure Development (UA 41.4 million, 63.0%)

Component 3 : Institutional Strengthening and Programme Management (UA 14.42 million, 21.9%)

| Programme Source of Financing | Total | |
|---|---|---|
| | UA million | % |
| ADF Grant (PBA + RO) | 39.01 | 55 |
| TSF Pillar I | 17.00 | 24 |
| TSF Pillar III | 10.00 | 14 |
| Government | 4.85 | 7 |
| **Total** | **70.86** | **100** |

**INPUTS**

**Mozambique**

| | |
|---|---|
| TSF Pillar I: | UA 10.00 Million |
| TSF Pillar III : | UA 5.00 Million |
| RO: | UA 17.00 Million |
| Government | UA 1.60 Million (in kind) |
| **Total:** | **UA 33.60 Million** |

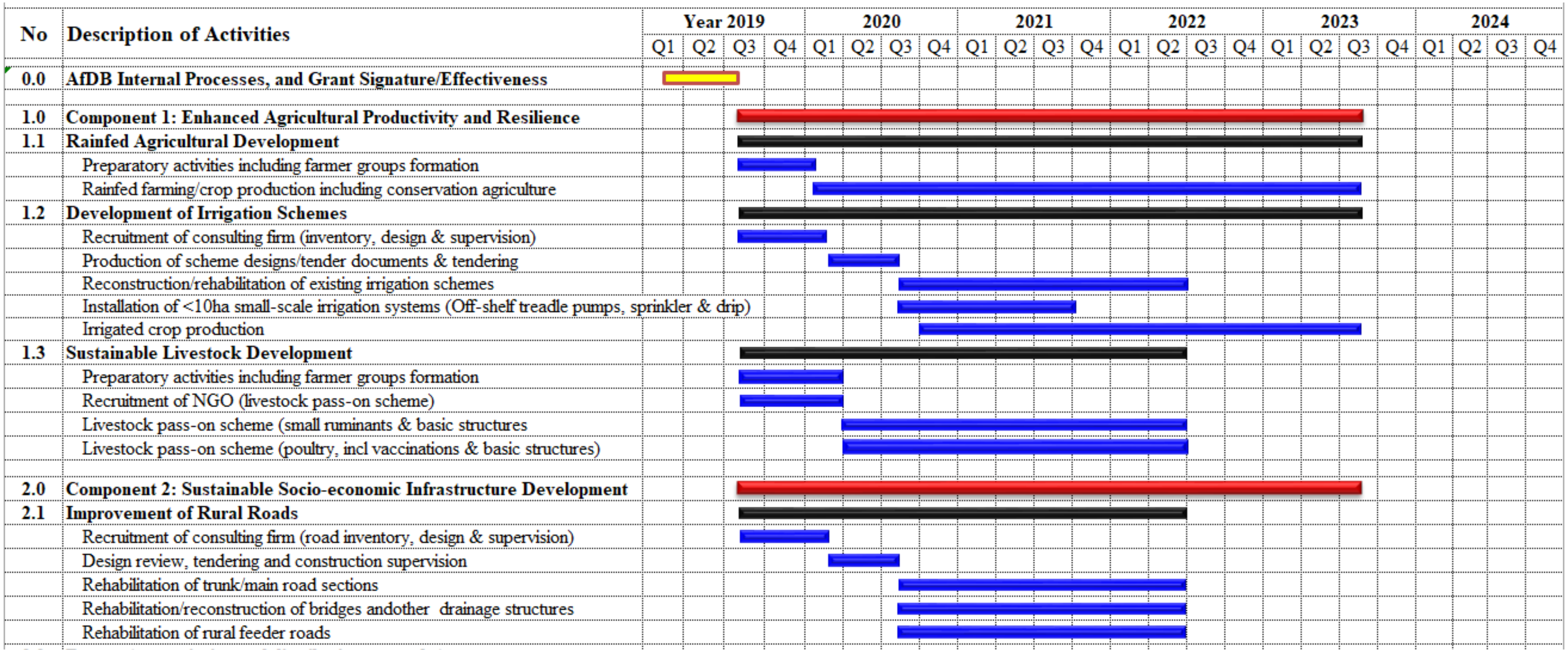
**Malawi**

| | |
|---|---|
| ADF (PBA): | UA 10.68 Million |
| RO | UA 5.66.00 Million |
| Government : | UA 1.00 Million (in-kind) |
| **Total:** | **UA 17.34 Million** |

**Zimbabwe**

| | |
|---|---|
| TSF Pillar I: | UA 7.00 Million |
| TSF Pillar III | UA 5.00 Million |
| RO: | UA 5.67 Million |
| Government | UA 2.25 million (in-kind) |
| **Total:** | **UA 19.92 Million** |

<u>Programme Timeframe (General Implementation Schedule)</u>[3]




[3] *This is a general implementation schedule. Detailed annual work-schedule shall be development before the beginning of each Programme Year (PY).*

| No | Description of Activities | Year 2019 | | | | 2020 | | | | 2021 | | | | 2022 | | | | 2023 | | | | 2024 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| **2.2** | **Energy (transmission and distribution networks)** | | | | | | | | | | | | | | | | | | | | | | | | |
| | Scoping, detailed design, tendering and supervision | | | | | | | | | | | | | | | | | | | | | | | | |
| | Installation of transformers and distribution lines | | | | | | | | | | | | | | | | | | | | | | | | |
| **2.3** | **Water Supply and Sanitation** | | | | | | | | | | | | | | | | | | | | | | | | |
| | Reconstruct/repair boreholes & install handpumps | | | | | | | | | | | | | | | | | | | | | | | | |
| | Rehabilitation of town/rural-water supply systems | | | | | | | | | | | | | | | | | | | | | | | | |
| | Support sanitation systems | | | | | | | | | | | | | | | | | | | | | | | | |
| **3.0** | **Component 3: Institutional Strengthening and Programme Management** | | | | | | | | | | | | | | | | | | | | | | | | |
| **3.1** | **Programme Coordination** | | | | | | | | | | | | | | | | | | | | | | | | |
| | PIU-Programme physical implementation | | | | | | | | | | | | | | | | | | | | | | | | |
| | Annual Financial Audit | | | | | | | | | | | | | | | | | | | | | *(final audit)* | | | |
| | Annual Procurement Audit | | | | | | | | | | | | | | | | | | | | | | | | |
| | Bank Supervision Missions | | | | | | | | | | | | | | | | | | | | | | | | |
| **3.2** | **Monitoring and Evaluation** | | | | | | | | | | | | | | | | | | | | | | | | |
| | Development and Operation of M&E system | | | | | | | | | | | | | | | | | | | | | | | | |
| | Annual Work Plans and Budgets | | | | | | | | | | | | | | | | | | | | | | | | |
| | Programme Steering Committee Meetings | | | | | | | | | | | | | | | | | | | | | | | | |
| | Mid-Term Review (MTR) | | | | | | | | | | | | | | | | | | | | | | | | |
| | Beneficiary Impact Assessment (BIA) | | | | | | | | | | | | | | | | | | | | | | | | |
| | Programme Completion Report (PCR) | | | | | | | | | | | | | | | | | | | | | | | | |
| **3.3** | **Capacity Building** | | | | | | | | | | | | | | | | | | | | | | | | |
| | Community sensitisation and mobilisation (general) | | | | | | | | | | | | | | | | | | | | | | | | |
| | Staff and community/farmer training | | | | | | | | | | | | | | | | | | | | | | | | |
| | Community nutrition education/outreach | | | | | | | | | | | | | | | | | | | | | | | | |
| | Environmental and social management activities | | | | | | | | | | | | | | | | | | | | | | | | |
| | Support to Government institutions (*for disaster management*) | | | | | | | | | | | | | | | | | | | | | | | | |
| **3.4** | **Disaster Risk Governance and Preparedness** | | | | | | | | | | | | | | | | | | | | | | | | |
| | Strengthening disaster risk reduction and preparedness capacities | | | | | | | | | | | | | | | | | | | | | | | | |
| | Strengthening risk governance systems | | | | | | | | | | | | | | | | | | | | | | | | |
| | Supporting community level preparedness and resilience building | | | | | | | | | | | | | | | | | | | | | | | | |
| | Support Meteorological Services | | | | | | | | | | | | | | | | | | | | | | | | |
| | Support to Post Cyclone Idai Reconstruction Unit (Cabinent) - Mozambique | | | | | | | | | | | | | | | | | | | | | | | | |

**REPORT AND RECOMMENDATION OF THE MANAGEMENT TO THE BOARDS OF DIRECTORS ON A PROPOSED GRANT TO MOZAMBIQUE, MALAWI AND ZIMBABWE FOR THE POST CYCLONE IDAI AND KENNETH EMERGENCY RECOVERY AND RESILIENCE PROGRAMME (PCIREP)**

Management submits the following Report and Recommendation on a proposed grant for UA 66.01million to finance the Post Cyclone Idai and Kenneth Emergency Recovery and Resilience Programme for Mozambique, Malawi and Zimbabwe (PCIREP).

## I – Strategic Thrust & Rationale

### 1.1. Programme linkages with countries and regional integration strategies and objectives

**1.1.1. The impact of destruction wreaked by tropical cyclone Idai and Kenneth was felt beyond the three affected countries.** The nature of the economic impact is eminently regional in nature. The transport corridor is at the epicenter of the cyclone and flood damage, linking the port of Beira with Zimbabwe and Malawi is a key growth pole for the region. Beira port is the main gateway to serve the central Mozambique and landlocked countries such as Malawi, Zambia, DRC and Zimbabwe. The destruction of roads, rail and port infrastructures in Mozambique has had an effect on the balance of payments and price levels in Malawi and Zimbabwe. In addition, Mozambique is an exporter of energy into the Southern Africa Power Pool, and the disruption to the transmission lines in Mozambique caused by the cyclone, led to blackouts as far as South Africa. The affected Beira corridor is the home of a vibrant agribusiness base (20% of formal businesses in Mozambique only are based in the affected areas) with value chains straddling borders and often with mixed capital. The severity of the climate change driven crisis is also worsened by high levels of pervasive poverty, inequality and food insecurity of the affected countries, contributing to low development indicators in the region. The affected zones are mostly rural and agricultural, where women are estimated to represent at least 60% of the farmers. The proposed Post Cyclone Idai and Kenneth Emergency Recovery and Resilient Programme for Mozambique, Malawi and Zimbabwe (PCIREP) aims to restore livelihoods and build resilience of the vulnerable communities and build back better socio-economic infrastructure devastated by cyclone Idai in the three affected countries to enhance disaster risk reduction, regional integration, connectivity and restoration of free movement of people, goods and services. Investment will also target institutional strengthening of the institutions leading the reconstruction efforts.

1.1.2. **Importantly, the programme is closely aligned with the participating countries' CSPs – Mozambique CSP (2018-2022), Malawi CSP (2018-2022) and Zimbabwe Country Brief (2018-2020), (the latter under preparation) and** the Bank's Ten Years Strategy (2013-22) twin strategic objectives of inclusive growth and transition towards green growth. The Programme also responds to four of the Bank's High-5 institutional priorities (namely Improve Quality of Life of the people of Africa, Light up and power Africa, Feed Africa and Integrate Africa). Furthermore, the programme responds to the core priorities of the TYS (infrastructure development and regional integration, *inter alia*) as well as the three areas of special emphasis - agriculture and food security, gender and fragility. It also aligned with sector and crossing cutting strategies (Feed Africa, Energy, Transport, Gender, Climate Change, Water and Sanitation).

1.1.3. **Finally, the Programme fits firmly with the Strategy for Addressing Fragility and Building Resilience in Africa** (2014-2019). The strategy focuses on three main areas: (i) strengthening state capacity and support effective institutions; (ii) promoting resilient societies through inclusive and equitable access to employment, basic services and shared benefits from natural resources endowments; and (iii) enhancing Bank's leadership role in policy dialogue, partnership and advocacy around issues of fragility. The Programme will also strengthen strategic capacity of governments and communities to integrate response to climate change and management of current and future natural hazard risks to achieve climate resilient development.

## 1.2. Rationale for Bank's involvement

1.2.1. **The Southern Africa region is becoming increasingly vulnerable to natural hazards and climatic changes, with impacts across the region even for localized events.** Over the past decades, the region has had an increase in the incidences and severity of extreme climatic events such as floods, high winds and droughts. These occurrences impede development by damaging infrastructure, service delivery, food security and disrupt economic integration. The tropical cyclone Idai landed in Mozambique on the 14th March 2019 and spread to Zimbabwe and Malawi. The cyclone brought heavy winds and rains which raised levels of major rivers creating flood water that submerged entire villages, flattened homes resulting in several deaths, and even damaged farming areas, roads, electricity and telecommunication systems. This was immediately followed by cyclone Kenneth that hit landfall in Northern Mozambique – the first registered occurrence of two tropical cyclones making landfall in the same season. Almost three million people in Mozambique, Malawi and Zimbabwe are affected, left with no housing, electricity or running water, and in dire need of urgent humanitarian assistance. In Mozambique alone, 306,221 families and 1.5 million people were affected, 3,500 classrooms and 93 health centers were notably destroyed, and 715,378 cultivable hectares were devastated[4] by Idai alone, with Kenneth adding around 370,000 people to the count. Displaced people have been sheltered in temporary sites with limited access to basic facilities, leaving women and children particularly vulnerable to gender-based insecurities and diseases. The trail of destruction and the aftermath is beyond the capacity of the Government of Mozambique, Malawi and Zimbabwe to deal with without external assistance.

1.2.2. **The damage to infrastructure and crops has also set back economic growth prospects for the medium term, disrupting trade patterns and supply chains for businesses (retail, industry and crucially agriculture in a fertile region.** Disruption to the key port of Beira, that supplied landlocked Malawi, Zambia and Zimbabwe, caused increases in prices and losses to crops at the peak of the agricultural season that could cause an acute food crisis and impact on the region economic growth and food security if producers are not supported in time for the next rainy season.

1.2.3. **Rapid restoration of livelihoods and reconstruction of socioeconomic infrastructure to withstand the impacts of future disasters is at the core of preliminary results from the needs assessments carried out**. A sustainable strategy for reconstruction will also need to embed the principle of climate resilient planning and designs, and build institutional strength to respond to future occurrences. Inter-agency rapid and post disaster needs assessments carried out by respective countries recommend for restoration of livelihoods and reconstruction of socioeconomic infrastructure in order to bring back the affected areas and communities to normalcy. Over $282 million for Mozambique, $45 million for Malawi and $291 million for Zimbabwe was requested on the emergency appeal only for the life-support operations. The assessments have also emphasized the need to strengthen strategic capacity of governments and communities in the areas of integrated rapid response to natural disasters, disaster preparedness, community resilience and adaptation to climate change and evidence based decision-making capacity that promotes disaster and climate resilient investment across sectors and at a community level.

1.2.4. While the emergency phase of managing shelter, food provision and relocation continues to be managed, attention of respective Government are moving towards early reconstruction efforts, and supporting affected community to re-start their lives. A Post Disaster Needs Assessment (PDNA) are being finalized in Malawi and Mozambique, with the support of the AfDB, UN, World Bank and European Union. These assessments cover all key sectors of priority interventions including comprehensive crosscutting analysis (environment and gender among other). Top down assessment put the overall cost of reconstruction at around $4billion in the three countries, of which $3billion is for Mozambique, $368 million for Malawi and $600 million for Zimbabwe. The preliminary PDNA for cyclone Kenneth is estimated to add at least $100m in needs for Mozambique.

[4] Mozambique National Institute of Disaster Management (INGC), 17 April 2019

1.2.5. On the basis of this and the Bank's own assessments, the key identified areas for Bank intervention in supporting the restoration efforts are: (i) restoration of electricity networks, (ii) rehabilitation of main feeder roads, (iii) recovery of agricultural activities, and (iv) water supply and sanitation to curb outbreak of waterborne diseases. The Bank's added advantage and experience in the agriculture, transport, energy and social sectors shall play a major role in providing technical and financial assistance to the three countries in order to enhance socio-economic recovery post cyclone Idai. Apart from investment interventions/Programmes, within the said sectors, the Bank had previously supported the three Governments in dealing with flood-related disasters and drought recovery programmes through emergency relief assistance, which assisted to restore social and economic livelihoods of the affected communities. The Bank's experience in dealing with such situations will be vital in the re-establishment of socio-economic activities within the three countries.

1.2.6. **The proposed Programme focuses on infrastructure, one of the Bank Strategy's five core operational areas and support to agriculture as one of the areas of special emphasis.** The Programme through integration of climate resilience (and low carbon solutions) will also promote green growth through rehabilitation of the damaged structures in the affected areas, while ensuring inclusiveness of vulnerable and poor people, affected by the floods including women and children. The Programme will significantly contribute to food security and nutrition through agricultural interventions, restore and enhance integration through a joint operation for the three countries to respond to the effects of tropical cyclone Idai. The Bank's active portfolio, in Mozambique, Malawi and Zimbabwe, is presented in the respective country reports (PAR Volume II of II, Technical Annexes), which has prompted the continued support to the said sectors.

1.2.7. **The Bank Group has adopted a multi-pronged response plan to cyclone Idai.** The immediate response was to restructure existing operations in the affected countries that freed up over UA4.5million (USD6.26million) to cater for humanitarian and emergency needs, crucially to help re-establish power supply in Beira city and to avert a food crisis in the affected areas by supplying inputs for the last two usable weeks of the current planting season. This was followed with an approval of emergency operation of USD1.5 million for the three countries financing food and shelter for displaced populations. Alongside the financial resources, the Bank Group is also leading on the Afro champion's initiative, which is designed to bring leading businesses and philanthropists in Africa to participate in business roundtable to create and support a funding mechanism to deal with post cyclone Idai and Kenneth economic recovery efforts. The Bank also deployed technical experts to participate in preparation of the Post Disaster Needs Assessments (PDNA) for the affected countries to provide a roadmap for recovery in the short-, medium- and long- term. The Bank Group also engaged with the affected countries on longer-term development plan for Beira corridor and on the possibilities of getting climate risk insurance as part of the response to the cyclone. The early dialogue on climate risk insurance has resulted into Memorandum of Understanding (MoU) being signed between the Africa Risk Capacity (ARC) and Government of Mozambique. The signing of MoU will allow ARC to start the technical work around developing a cyclone product and disaster risk management. This approach has been developed in dialogue with the authorities and development partners in the three countries, with several technical mission and a high level mission led by a Vice-President visited the three countries.

## 1.3. Donors coordination

1.3.1. **The Bank Group is among the first movers in the reconstruction and restoration of livelihoods phase post cyclone Idai destruction.** The focus of the Development Partners (DP) has been currently on early response emergency phase, providing emergency and relief items such food, shelter, medical kits, provision of clean water, relief transportation, specialized search and rescue personnel and medical teams. Some donors are helping to support mobile clinics in hard-to-reach areas, and providing enough reproductive health kits and working with partner non-governmental organizations to distribute information about gender-based violence, human rights and support services for survivors including psycho-social support services. However, even the emergency phase is at the moment underfunded, with about 30% of the UN emergency appeal currently matched by pledges.

1.3.2. **Discussions around post emergency reconstruction are starting,** although the reconstruction phase are likely to attract a relatively limited number of donors. The World Bank has activated the International Development Association (IDA) Crisis Response Window (CRW) to provide up to $545 million in total for the three affected countries of which $350 million will be provided to Mozambique, $120 million to Malawi and $75 million to Zimbabwe. The European Union and European Investment Bank pledged €200 million to Mozambique. The IMF has approved access to a $118m concessional line of credit to Mozambique under its Rapid Credit Facility to offset the economic impact of the cyclone on the balance of payments. Intense dialogue is ongoing on partnerships to increase donor coordination, hence, avoiding duplication of efforts and increasing efficiency, and good cooperation among some of the leading agencies around exercises such as the PDNA, which is expected to provide the key platform for donor coordination. In Mozambique, the Post Disaster Needs Assessment, to which the Bank led support to together with the World Bank, the UN, and the European Union, provided an early platform for coordination to identify needs and put together an early, synchronized strategy for the response. The PDNA was structured in 11 pillars, with the Bank leading in the agriculture pillar and participating in energy, transport and gender pillars. In Mozambique, the four institutions mentioned constituted an advisory Board for the preparation of the International Pledging Conference in Beira, which took place on 1 June 2019 and discussed among other issues the implementation modalities for the recovery programme. The recent Beira pledging conference reached pledges of around $1.2bn over the next four years for Mozambique. This is still short of the $3.0bn of needs identified in the PDNA. In Malawi, the Post Disaster Needs Assessment for the 2019 Floods was commissioned by the Government of Malawi with major support from the World Bank, United Nations Development Programme, European Union and African Development Bank. The PDNA focuses on 11 areas with the Bank's support earmarked for five areas which include agriculture, irrigation, water supply and sanitation, water resources, and road transport.In Zimbabwe, the Bank participated and continues to play a role, in the UNOCHA convened early recovery program for the Post Cyclone Idai devastation.

1.3.3. **However, there is strong development partners' collaboration in agriculture, transport, energy, water and sanitation sectors in the three affected countries and these are the focus areas of this programme.** DPs regularly meet to discuss sector related issues and are mainly engaged in policy dialogue, financing projects and programmes, and economic sector work. The Bank Group has strong presences in these sectors in all the affected countries and works collaboratively with all key development partners. More donor coordination details for each of the participating country are discussed in the Technical Annexes (Volume II of II).

# II – Programme Description

## 2.1. Programme Objectives and Components

2.1.1. The goal of the Programme is to restore and improve sustainable livelihoods of the affected vulnerable groups of the population, enhance disaster risk reduction, early warning preparedness, support inclusive social and economic recovery empowerment, and enhance post recovery adaptive capacity. The specific objectives include: (i) revitalization of economic activities in the affected areas by providing small scale farm equipment and inputs to enhance agriculture productivity and food security; (ii) rehabilitation of power systems, rural access roads and bridge infrastructures to restore accessibility to support service delivery and connectivity; (iii) reconstruction of water and sanitation facilities in the affected areas and conduct hygiene promotion campaigns to prevent occurrence and spread of diseases and provide psycho-social support particularly trauma counselling and care to rebuild social structures, (iv) building of people's and institutions' resilience and adaptive capacity to climate-related hazards by increasing their incomes and raising awareness of the environment and climatic variability.

2.1.2. The Programme has three components, namely: (i) Enhanced agricultural productivity and resilience, (ii) Sustainable socioeconomic infrastructure and (iii) Institutional strengthening and programme management. The Programme components and major activities are summarised in Table 2.1. Details of the planned specific activities are provided in Countries respective PARs (Volume II of II).

### Table 2.1: Programme Components, Sub-components and Major Activities

| No | Component name | Cost (UA million) & %age | Component description |
|---|---|---|---|
| 1 | **Enhanced Agricultural Productivity & Resilience** | **10.19 (15.4%)** | **SC 1.1: Rain-fed Agriculture Development**<br>• Preparatory activities including farmer groups formation, female farmers' voice and participation, and training on value chain production beyond traditional roles.<br>• Rain-fed farming/crop production including conservation agriculture.<br>• Promote climate-smart Good Agricultural Practices (including training and provision of start-up inputs to male/female farmers)..<br>• Promote post-harvest handling.<br>• Promote production of nutrition dense crops.<br><br>**SC 1.2: Development of Irrigation Schemes**<br>• Recruitment of consulting firm (inventory, design & supervision).<br>• Production of scheme designs/tender documents & tendering<br>• Reconstruction/rehabilitation of existing irrigation schemes.<br>• Installation of <10ha small/mini-scale irrigation systems (off-shelf treadle pumps, sprinkler & drip systems).<br>• Promote irrigated crop production in irrigation schemes and wetlands (including training and start-up inputs) to male/female farmers).<br><br>**SC 1.3: Sustainable Livestock Development**<br>• Preparatory activities including farmer groups formation.<br>• Recruitment of NGO (livestock pass-on scheme).<br>• Livestock pass-on scheme (small ruminants & basic structures)<br>• Livestock pass-on scheme (poultry, including vaccinations & basic structures). |
| 2 | **Sustainable Socio-economic Infrastructure** | **41.40 (62.8%)** | **SC 2.1: Rural Roads**<br>• Recruitment of consulting firm (road inventory, design & supervision).<br>• Design review, tendering and construction supervision.<br>• Community outreach and skills training of male and female workers on climate resilient road construction and maintenance work<br>• Rehabilitation of damaged trunk/main road sections.<br>• Rehabilitation/reconstruction of bridges and other drainage structures.<br>• Rehabilitation of rural feeder roads.<br>• Employment for local male/female/youth population<br><br>**SC 2.2: Energy**<br>• Scoping, detailed design, tendering and supervision.<br>• Community outreach and skills training of male and female workers on climate resilient energy installation and maintenance work<br>• Installation of transformers.<br>• Development of transmission networks, distribution networks, and substations<br>• Employment for local male/female/youth population<br><br>**SC 2.3: Water Supply and Sanitation**<br>• Community outreach and skills training of male and female workers on climate resilient WSS construction and maintenance work<br>• Reconstruction/repair boreholes & install hand-pumps.<br>• Rehabilitation of town/rural-water supply systems.<br>• Employment for local male/female/youth population<br>• Support sanitation systems including outreach. |
| 3 | **Institutional Strengthening and Programme** | **14.42 (21.8%)** | **SC 3.1: Programme Coordination**<br>• PIU-Programme physical implementation. |

| | | | |
|---|---|---|---|
| | **Management** | | • Annual Financial Audit.<br>• Annual Procurement Audit.<br>• Bank Supervision Missions<br>• Procurement of works, goods and services.<br><br>**<u>SC 3.2: Monitoring and Evaluation (M&E)</u>**<br>• Development and operation of M&E system.<br>• Development and Monitoring of site specific ESMPs<br>• Preparation of Annual Work Plans and Budgets.<br>• Programme Steering Committee (PSC) meetings.<br>• Mid-Term Review (MTR).<br>• Beneficiary Impact Assessment (BIA).<br>• Programme Completion Report (PCR).<br><br>**<u>SC 3.3: Capacity Building</u>**<br>• Community sensitisation and mobilisation campaigns on health, safety, hygiene, community development and gender (women's rights, GBV, economic empowerment).<br>• Staff and community, male/female farmers' associations training on disaster risk prevention and management.<br>• Support community nutrition education/outreach including utilisation of nutrition dense food-stuff, proper feeding pattern, school feeding programme, and creation of child feeding centres/under-5.<br>• Environmental and social management activities.<br>• Training and support to Government institutions and implementing agency staff on E&S, climate change and gender considerations in policy and legal frameworks for emergency and recovery situations; spacial planning and climate proofing of designs.<br><br>**<u>SC 3.4: Disaster risk governance and preparedness</u>**<br>• Strengthening disaster risk reduction and preparedness capacities<br>• Strengthening risk governance systems at national and sub-national levels,<br>• Establishing early warning systems,<br>• Supporting community level preparedness and resilience building.<br>• Support to Post Cyclone Idai Reconstruction Unit (Cabinet) and Support to the implementation of the Ministry of Public Works' Strategy to Address Environmental and Social Concerns during the Emergency Works and its Best Practices Procedure Manual – Mozambique.<br>**<u>Meteorological Services (Mozambique)</u>**<br>• Construction of Office block to house meteorological equipment<br>• Procurement of meteorological equipment and early warning systems<br>• Installation of early warning systems and meteorological systems<br>• Capacity building of meteorological staff |
| **Programme Total** | | **66.01** | |

## 2.2. Technical Solution Retained and Other Alternatives Explored

2.2.1 Technical solutions, which were retained, include: (i) Reconstruction of existing irrigation schemes, (ii) support winter cropping with farm inputs; (iii) drilling of boreholes for domestic household use; and (iv) reconstruction of socioeconomic infrastructures such roads, bridges and electricity networks. **Table 2.2** indicates alternatives, which were explored.

**Table 2.2: Programme Alternative Considered and Reason for Rejection**

| Alternative name | Brief Description | Reasons for Rejection |
|---|---|---|
| Construction of new large scale (>500ha) irrigation schemes | Construction of new large-scale irrigation schemes in potential areas as identified in the Irrigation Master Plan | The cost estimates and time required may not be consistent with the emergency situation |
| Reconstruction of pavements to design | Rehabilitation and reconstruction of road links sections in entirety. | The full-length reconstruction not justifiable given the localised failures and the residual strength of the road pavements being adequate for the medium term with regards to traffic levels. |
| Gravity fed domestic water system | Construction of gravity fed water points. | The option for gravity fed water system may not be suitable for the area since most of the affected areas are flat lands and bringing water by gravity from far could be costly. |
| Farmers to acquire inputs through loans | Requesting the affected farmers to acquire farm inputs on their own | The targeted people for this operation are those who have lost most of their economic capacity through the floods and they can therefore not afford to acquire inputs on their own. |

## 2.3. Programme Type

2.3.1 The **PCIREP** is a regional grant investment operation using ADF-14 resources from the Performance Based Allocation (PBA), Regional Operation (RO) and Transition Support Facility (TSF) windows (Pillar I & Pillar III). The RO financing is fully in form of grants and exempted from cost-sharing principle application. The TSF Pillar III is the Targeted Support Window that complements the Bank's engagement at country and regional level and provide grant resources to support capacity building and technical support activities that addresses drivers of fragility and build resilience, and have potential for high impact.

## 2.4. Programme Cost and Financing Arrangements[5]

2.4.1. The total Programme cost (exclusive of tax and customs duty)[6] and including physical contingencies and price escalation is estimated at UA 70.86 million, comprising of (i) UA 66.01 million from ADF-14 resources, and (ii) the Government in-kind contribution of UA 4.85 million through monetising of the existing Government staff salaries linked to Programme activities, office space including utilities, and vehicles. Mozambique project costs are inclusive of taxes and duties, in line with recent approach and consistent with the Bank Policy on Eligible Expenditures. A waiver justification is provided in the Appendix IV. The ADF-14 resources come from the non-cost sharing Regional Operations envelope (UA 28.33 million), the countries' PBA (UA 10.68. million) and TSF (Pillar I UA 10.00 million for Mozambique and UA 7.00 million for Zimbabwe and Pillar III UA5.00 million each for Mozambique and Zimbabwe) as detailed in financing plan below. The price contingencies were based on projected local and foreign inflation rates of 5% and 2% per annum, respectively. The physical contingencies ranged from 0% (Government staff salaries) to 8% (works) based on (i) common technical practices, and (ii) available Engineer's cost estimates. Summary of the Programme costs by components, sources of financing, expenditure categories and schedule by component are presented in Tables 2.3 to 2.6 and the details are in Programme Appraisal Report (PAR) of the respective Countries (Volume II of II).

[5] Detailed financing costs for Mozambique, Malawi and Zimbabwe are provided in their respective Country's Appraisal reports (Technical Annexes Volume II of II).
[6] Mozambique project costs are inclusive of taxes and duties. A waiver justification is provided in the Appendix IV.

**Financing plan (Amounts in UA and USD million)**

| Country | PBA | TSF | | RO | Government Contributions | TOTAL | TOTAL |
|---|---|---|---|---|---|---|---|
| | | Pillar I | Pillar III | | | | |
| | UA (Million) | UA (Million) | UA (Million) | UA (Million) | UA (Million) | UA (Million) | USD (Million) |
| Mozambique | | 10.00[7] | 5.00 | 17.00 | 1.6 | **33.60** | **46.97** |
| Malawi | 10.68 | | | 5.66 | 1.00 | **17.34** | **24.24** |
| Zimbabwe | | 7.00 | 5.00 | 5.67 | 2.25 | **19.92** | **27.85** |
| **TOTAL** | **10.68** | **17.00** | **10.00** | **28.33** | **4.85** | **70.86** | **99.06** |

2.4.2. In accordance with *the Strategic and Operational Framework for Regional Operations - 2008* (Section 4.13), countries in arrears with the Bank Group such as Zimbabwe can access RO resources if the project is structured in such a way that the financial and implementation responsibilities for the project are not with the sanctioned country, but are undertaken by another participating country or a regional organization.

2.4.3. To comply with this requirement, the PCIREP has been designed in such a way that all of the financial resources (TSF and RO) and implementation responsibilities will be undertaken by UNOPS on behalf of Zimbabwe and no financial resources from the Bank Group will go directly to Zimbabwe government. Two tripartite agreements; one for the TSF grant and another for the ADF RO grant will be entered into among (a) Zimbabwe, (b) UNOPS and (c) the Bank and the Fund, in the case of the TSF grant and the ADF in the case of the ADF RO grant. In addition, the tripartite protocols of agreement will spell out the implementation and financial management arrangements. UN agencies have a long history of implementing Bank funded projects in the Bank Group's regional member countries. There is a signed Fiduciary Principles Agreement between the Bank Group and UNOPS, which provides a basis for assurances of sound fiduciary framework, accountability and oversight framework. In addition, UNOPS has a strong field presence in the region and capacity to move its staff around which makes it uniquely qualified to implement this project.

**Table 2.3: Programme Cost Estimates by Component [UA million]**

| Component Name | UA million | | | % Foreign Cost |
|---|---|---|---|---|
| | Local | Foreign | Total | |
| 1. Enhanced Agricultural Productivity and Resilience | 4.99 | 4.31 | **9.3** | 46.3 |
| 2. Sustainable Socioeconomic Infrastructure Development | 5.83 | 31.87 | **37.7** | 84.5 |
| 3. Institutional Strengthening and Programme Management | 6.76 | 6.37 | **13.13** | 48.5 |
| **Total Base Costs** | **17.58** | **42.55** | **60.13** | 71.1 |
| Physical Contingencies | 2.28 | 1.72 | **4** | 43 |
| Price Contingencies | 0.9 | 0.98 | **1.88** | 52.1 |
| **Total Programme Cost** | **20.76** | **45.25** | **66.01** | 68.8 |

**Table 2.4: Sources of Financing (UA million)**

| Source of Financing | Total Amount (UA million) and Percentage Contribution (%) | | | | | |
|---|---|---|---|---|---|---|
| | Foreign | | Local | | Total | |
| | UA million | % | UA million | % | UA million | % |
| ADF Grant (PBA + RO) | 24.77 | 51 | 14.24 | 6389 | 39.01 | 55.05 |
| TSF Pillar I | 13.2 | 27.18 | 3.80 | 17.05 | 17.00 | 23.99 |
| TSF Pillar III | 8.00 | 16.47 | 2.00 | 8.97 | 10.00 | 14.12 |
| Government | 2.60 | 5.35 | 2.25 | 10.09 | 4.85 | 6.84 |

[7] The UA10.00 million TSF Pillar I comprise UA7.00 million that is being requested from the TSF Pillar I unallocated resources under this programme and UA3.00 million is part of the TSF that Mozambique had already received and wishes to utilise it under the programme.

| Total | 48.57 | 68.82 | 22.29 | 31.18 | 70.86 | 100 |
|---|---|---|---|---|---|---|

### Table 2.5: Programme Cost by Category of Expenditure[8] [UA million]

| Category of Expenditure | Total Amount (UA million) | | | % Foreign Cost |
|---|---|---|---|---|
| | Foreign | Local | Total | |
| **A. Investment Costs** | | | | |
| 1. Goods | 9.95 | 3.2 | 13.15 | **76** |
| 2. Works | 17.73 | 6.55 | 25.96 | **68** |
| 3. Services | 11.65 | 5.89 | 17.54 | **66** |
| **Total Investment Costs** | **39.33** | **15.64** | **56.65** | **69** |
| **B. Recurrent Costs** | | | | |
| 1. Operating Costs | 0.9 | 1.68 | 2.58 | **35** |
| **Total Recurrent Costs** | **0.9** | **1.68** | **2.58** | **35** |
| **Total Base Costs** | **41.13** | **19.00** | **61.81** | **67** |
| Physical Contingencies | 1.72 | 2.28 | 4.00 | **43** |
| Price Contingencies | 0.98 | 0.9 | 1.88 | **52** |
| **Total Programme Cost** | **43.83** | **22.18** | **66.01** | **66** |

[8] Detailed items which will be procured under each Category of Expenditure for Mozambique, Malawi and Zimbabwe are provided in their respective Country's Appraisal reports (Technical Annexes Volume II of II).

**Table 2.6: Expenditure Schedule by Component [UA million]**

| Item Description | Amount (UA million) | | | | |
|---|---|---|---|---|---|
| | PY1 | PY2 | PY3 | PY4 | Total |
| 1. Enhanced Agricultural Productivity and Resilience | 5.38 | 2.35 | 0.82 | 0.75 | 9.30 |
| 2. Sustainable Socioeconomic Infrastructure Development | 13.70 | 12.37 | 8.67 | 2.96 | 37.70 |
| 3. Institutional Strengthening and Programme Management | 4.18 | 4.68 | 2.92 | 1.35 | 13.13 |
| **Total Base Costs** | **23.26** | **19.40** | **12.41** | **5.06** | **60.13** |
| Physical Contingencies | 0.30 | 2.10 | 1.12 | 0.48 | 4.00 |
| Price Contingencies | 0.12 | 0.96 | 0.50 | 0.30 | 1.88 |
| **Total Programme Cost** | **23.68** | **22.46** | **14.03** | **5.84** | **66.01** |

### 2.5. Programme's Target Area and Population

2.5.1. **Programme Areas: The Programme covers three countries (Mozambique, Malawi and Zimbabwe) devastated by cyclone Idai and cyclone Kenneth.** Due to severity of the damage, degree of vulnerability to climate change, and the level of concentration of vulnerable persons, a limited number of regions, prefectures, or provinces or districts were selected per country. In Mozambique, the Programme will be implemented along the Beira Development Corridor in two most affected provinces of Sofala and Manica focusing in Nhamatanda district (317,538 inhabitants) and Buzi district (177,384 inhabitants), Beira City (500,000 inhabitants) and Cyclone Kenneth affected provinces of Cabo Delgado and Nampula (along the Pemba-Lichinga Corridor) in Northern Mozambique. In Zimbabwe the Programme will cover Manicaland Province particularly the most hard hit districts of Chipinge (298,841 inhabitants) and Chimanimani (134, 940 inhabitants). In Malawi, the Programme will support five most severely affected districts in Southern Region; Chikwawa (564,684 inhabitants), Nsanje (299,168 inhabitants), Machinga (735,438 inhabitants), Phalombe (429,450 inhabitants) and Zomba (851,827 inhabitants).

2.5.2. **Programme Beneficiaries: It is estimated that about one million people will directly benefit from the programme.** Given the demographic and economic distributions in the affected zones, the intended interventions will invariably benefit women and youth in building their post-disaster resilience and the programme will specifically target 50% women and 40% young people in the Programme area. Other direct beneficiaries include Governments of Mozambique, Malawi and Zimbabwe whose capacities will be strengthened to better integrate response to climate and disaster risks, enhance community resilience and adaptation in order to promote smart agriculture, disaster and climate resilient investments across sectors and at national and community level. The Programme is expected to restore livelihoods and wellbeing of the affected communities and increase access to productive resources through agriculture productivity and resilience and rehabilitation of socioeconomic infrastructure to facilitate integration, connectivity and economic activities in the region as well as strengthen capacity of governments and communities on disaster risk management and preparedness.

## 2.6. Participatory Process for Programme Identification, Design and Implementation

2.6.1 Governments' led Inter-agencies conducted rapid and post disaster field assessments which have informed the Programme design. The design is also informed by consultations with the development partners, Regional/Provincial and District officials, traditional leaders and affected beneficiaries. The task teams also interacted with the beneficiaries among whom were women groups and the youth whose views and suggestions are fully considered in the Programme design. Through these assessments and consultations, the task teams were able to establish the extent of damages and the needs of the affected people and how the needs could be addressed. The information gathered assisted the Government to develop a response plan for the short, medium and long-term interventions. Senior Management further supplemented and validated the design by providing overall value leadership through a high level Bank delegation that visited affected countries, met senior Government officials, and interacted with development partners. Programme implementation will be carried out through the existing Government structures. However, the Programme implementation capacity of the countries will be enhanced through recruitment of five local experts (Programme Coordinator, Procurement Specialist, Financial Management Officer, Monitoring and Evaluation and Infrastructure Specialist) who will be part of in-house Programme management staff. In line with the Programme's capacity building, beneficiaries (rural men, women and youth) will be fully involved during implementation of planned activities including participatory Monitoring and Evaluation (M&E).

### 2.7. Bank Group Experience, Lessons Reflected in Programme Design

2.7.1. **The proposed Programme design was strongly informed by the success of similar socio-economic recovery interventions the Bank has financed in a number of countries.** The Bank has been supporting the Regional Members Countries in crises and disaster issues in the various sectors since its establishment through a number of projects/programmes and studies. Based on this, the Bank has gained adequate experience during design and implementation of projects and programmes in Mozambique, Malawi and Zimbabwe. Taking into account that this is multi-national recovery Programme, it also builds on the lessons learned to effectively strengthen the capacities of the member countries in implementation of Regional operations thereby improving the performance of the portfolio. The overall performance of the three countries' portfolio including objectives and development outcomes scores are indicated in their respective PARs (Volume II of II). The lessons learnt, from previous interventions, and actions which have been taken during design of this Programme are tabulated below:

| No | Lessons Learnt | Actions incorporated in the Project design |
|---|---|---|
| 1. | Lack of drawings at project start-up resulted in delay in implementation of infrastructure development. | Due to the emergency nature of the Programme, inventory and reconstruction/rehabilitation drawings and associated tender documents will be prepared during PY1. |
| 2. | Role played by implementation unit in expediting project execution after a delay in start-up when implementation was entrusted to Government Department | Programme implementation capacity of the countries will be enhanced through recruitment of five local experts (Project Coordinator, Procurement Specialist, Accountant, M & E and Infrastructure Specialist) who will be part of in-house project management staff. |
| 3. | Inadequate consultation with stakeholders in selection of sites results in poor siting of the infrastructure. | Although this is an emergency response, adequate consultations with key stakeholders (responsible Government Departments), including beneficiaries, were undertaken during Project appraisal phase. |
| 4. | Failing to address gender and social dimensions in post-disaster recovery programs | Participatory process, local economic opportunities and restoration of basic infrastructure in the affected areas ensures sustainability of livelihoods and inclusive recovery. |
| 5. | Weak M&E system results in poor assessment of implementation progress | M&E activities with adequate financial allocation have been included in Project design |

2.7.2. The design of this Programme has been informed by assessments of the needs of the affected people in the target areas, and will be fine-tuned in Programme Year 1 since some target sites were not accessible during the appraisal mission. The Programme will be implemented through existing structures of the Government thereby creating the capacity for implementing similar projects, in future, which will also ensure sustainability of the investments.

2.7.3. To ensure Programme implementation readiness and in accordance with PD 02-2015, the following activities have been agreed on: (i) the executing and sectoral implementing agencies in Mozambique and Malawi have nominated focal persons to adapt designs and project preparations and (ii) UNOPS as IA for Zimbabwe has agreed to assign interim Program Manager, Procurement Specialist and Accountant from its existing staff until substantive positions have been filled.

## 2.8. Key Performance Indicators

**The key performance indicators identified and the expected outcomes on program completion are set out in the Logical Framework, and Results Monitoring Framework**. A summary of the expected outcomes and related outputs for each program component is summarised below:

**Table 2.8: Key Performance Indicators (KPIs)**

| **Impact – Level 1** |
|---|
| Average annual household incomes improve from USD 500 (2019) to USD 700 (2026) (Malawi); (Mozambique); (Zimbabwe) |

| **Outcome - Level 2** | |
|---|---|
| Component 1: Enhanced agriculture productivity and resilience | Component 2: Sustainable socio-economic infrastructure |
| • Average months per year of household food scarcity (in all 3 countries) reduced from 5 months (2019) to 3 months (2024)<br>• Percentage (%) of malnutrition (stunting) among children under 5 years (in all 3 countries) reduced from 45% (2019) to 40% (2024).<br>• Number of men and women benefitting from distributed inputs and thus increased production | • Proportion (%) of men and women with access to potable water and improved sanitation (in all 3 countries) increased from 35% (2019) to 85% (2024))<br>• Travel time by rural roads reduced by 40% by 2024<br>• Number of men and women with increased access to basic services through rehabilitated infrastructure |

| Output Indicators targets– Level 3 (by 2021) | |
|---|---|
| Comp. 1: Enhanced agriculture productivity and resilience | Comp. 2: Sustainable socio-economic infrastructure |
| • 1,200ha (Malawi) and 920ha (Mozambique) under irrigation schemes rehabilitated<br>• 2000 (Malawi) and 4000 (Mozambique) affected households (% female heads) receive farm inputs<br>• 4000 (Malawi) and 8000 (Mozambique) farmers (% women) trained and supported in climate resilient agriculture | • 200 boreholes constructed in Malawi<br>• 30 sanitation facilities constructed in schools and health centres in Malawi<br>• 50km (Malawi) and 500km (Mozambique) of roads rehabilitated<br>• 4 power systems rehabilitated in Mozambique<br>• Number of jobs created for local men, women and youth |
| Component 3: Institutional Strengthening and Programme Coordination | |
| Quarterly Progress Reports, Audit Reports, M&E Reports prepared and submitted in a timely manner. | |

## III – Programme Feasibility

### 3.1. Economic and Financial Performance

3.1.1 The analysis for the agriculture sector at the project level has been carried out by comparing with and without project costs and benefits for rain-fed and irrigated crop production and livestock (cattle, goats and poultry). In Malawi about 1,200 ha was targeted for irrigation, while in Mozambique 920 ha and Zimbabwe 400 ha in addition to additional ha for rain-fed. In all the three countries livestock was also affected by the cyclone and the affected people will be targeted with support to restock livestock and improve on the management. Thus, the benefits realized from the crops and livestock and the associated costs have been assessed by comparing the production before and the expected production after program intervention.

3.1.2 In the water and sanitation sector, the financial analysis was undertaken by comparing “with project” and “without project” of the various costs and benefits that will accrue to the beneficiaries of the improved water supply and sanitation services in the targeted sites in Malawi and Zimbabwe affected by the cyclone. The proposed project will promote environmental health, which will enhance the quality of life and well-being of the beneficiary population. The financial returns are measured in terms incremental benefits realized through time gained due to easy access of water, reduced cost of treatment for water borne related diseases and time gained by parents from reduced sickness.

3.1.3 On the transport sector, comparison have been made on the savings made in time by repairing the damaged road infrastructures, which has been converted into monetary values as project benefits. Thus comparison has been made between the time taken to travel on the road before the infrastructures were repaired and after rehabilitation. All costs and benefits are considered net of duties and taxes. In addition, the economic life of the investment is estimated at 20 years.

3.1.4 In Mozambique, the cyclone caused a lot of damage to the power stations and transmission lines thereby necessitating reconstruction of the power stations and the transmission lines. An analysis was also carried out and with an opportunity cost of 10%, the internal rate of return was 12.74 % with a net present value of US$ 297,300. Refer to annex for the details.

3.1.5 **Economic Analysis:** The economic values for the cost and benefit analysis were arrived at using a standard conversion factor of 0.95 for goods and services. The DCF analysis carried out on the net cash-flow gave the Financial Internal Rate of Returns (FIRR) and Economic Internal Rate of Return (EIRR) at an opportunity cost of 12 % as well as the FNPV & ENPV as summarized in the table below for each sector.

| Sector | FIRR (%) | EIRR (%) | FNPV (US$) | ENPV (US$) |
|---|---|---|---|---|
| **Agriculture** | 17% | 22% | 24,330.26 | 39,265.26 |
| **Water and Sanitation** | 13% | 14% | 1213.38 | 1,945.76 |
| **Transport** | 22% | 24% | 18,622.87 | 20,706.64 |
| **Overall program** | 18% | 22% | 44,176.20 | 61,934.67 |

3.1.6 Sensitivity analysis on the effect of increasing capital cost of the program resulted into decrease in the overall economic internal rate of return from 22% to 16% and the economic net present value also declined from ENPV US$ 44,888,000.00 to US$ 19,237.00 and a decrease in the capital cost increased the EIRR from 22% to 28% and ENPV from US$44,888,000.00 to US$ 70,539. Thus the change in production cost and capital investment is highly sensitive to the benefits being realized in the program. Details on the calculations of the EIRR and FIRR are presented in the technical annexes of Volume II of II in section B7. The overall assessment of the program at an opportunity cost of 12%, shows an FIRR of 18% and EIRR of 22%. This confirms that the program is technically feasible and economically viable.

***Table C.1: key economic and financial figures***

| | |
|---|---|
| FIRR, NPV | (18%, $44.9 million) |
| EIRR | (22%) |

NB: detailed calculations are available in Technical Annexes Volume II of II (Annex B6)

### 3.2. Environmental and Social impacts

3.2.1. **Environment Aspects: This is an emergency multisector investment recovery programme that has been classified as a category 2.** This emergency intervention is planned to be implemented in cyclone Idai and Kenneth affected countries of Mozambique, Malawi and Zimbabwe and cyclone Kenneth affected areas of Northern Mozambique. Given the emergency-recovery nature of the undertaking, and the necessity to rapidly provide relief to the affected persons, management is seeking a waiver on the application of the Bank's Environmental and Social Assessment Procedures (ESAP) particularly in terms of preparing and disclosing the Environmental and Social Management Framework (ESMF) and Environmental and Social Management Plan (ESMP) summaries for 30 days before Board consideration in accordance with the Integrated Safeguards System (ISS) Policy.

3.2.2. The nature of the operation is such that it will involve implementation of small-scale subprojects whose specific prioritization of locations, scope and designs were ongoing at the time of the appraisal. Therefore, management of environmental and social impacts on the program will be guided by country specific ESMFs accompanied by sub-sector ESMPs. These will establish a unified process that will address all environmental and social safeguard issues for subprojects by the time of commencing with works related activities. Preparations of the respective ESMFs and ESMPs is underway and once completed shall be disclosed in-country for 30 days prior to implementation of activities as is stipulated in the ISS.

3.2.3. From the rapid assessments conducted during the processing stage, and considering the types and nature of interventions, it is expected that some limited impacts on water, soil destabilization, habitat fragmentation and disturbance; loss of fauna and flora; and social, health and safety shall occur. These will, however, be limited and site specific and managed by applying measures stipulated in the ESMPs. Envisaged activities include (i) irrigation scheme rehabilitation; (ii) construction works to improve water supply and sanitation; (iii) works to improve district and access roads; (iv) works to rehabilitate distribution and supply power lines; and (v) construction of the climate resilient meteorological office building. Since the activities will mostly be rehabilitation and reconstruction of existing access roads and power distribution lines, no new land shall be required nor displacement of people and assets needed. A provisional sum for implementing the ESMPs has been incorporated in the project cost estimates based on experience with similar operations and Bank knowledge in the concerned countries. Moreover, the envisaged activities shall enhance benefits to communities through (i) enhancement of agricultural productivity and resilience, (ii) promotion of sustainable socioeconomic infrastructure and (iii) strengthening institutions and their ability to timely supply farm inputs, small scale irrigation equipment, farmer training in climate resilient agriculture; and installation of early warning systems.

3.2.4 **Climate Change Aspects:** It is expected that climate change will continue to increase the frequency and intensity of hazards such as floods, storms (including cyclones) and droughts. Disasters occur when a hazard event affects an exposed, vulnerable and ill-prepared system (country, institution, community, household, and ecosystem). This programme, focused on reconstruction after a cyclone event, is identified as climate risk Category 1, potentially highly vulnerable to climate risk; requiring the integration of climate risk reduction measures in programme design. The core Programme components provide opportunities to enhance resilience to climate and disaster occurrences, and to increase the adaptive capacity and preparedness of Programme beneficiaries. Component 1, *Enhanced Agriculture Productivity and Resilience*, will support the implementation of climate smart agriculture practices such as promoting water-efficient irrigation, introducing drought-resistant crop varieties and providing extension training on climate change. Component 2, *Sustainable Socio-economic Infrastructure*, will ensure climate informed choice of location for new infrastructure, adopt appropriate engineering standards and building norms to make new infrastructure more resilient to adverse weather conditions and natural disasters – climate proofing, and retrofit existing infrastructure, and re-design operating systems and processes, to make them more resilient to adverse weather conditions and natural disasters. Component 3, Sub-Component 3.4: *Disaster Risk Governance and Preparedness*, will: promote community based early-warning and response systems; enhance the capacity of key stakeholders (including local government) to prepare evacuation plans and risk maps; promote land-use planning that better incorporates risk of flooding; and support the design and building of contingency mechanisms for coping with storms, such as building cyclone shelters (which double as school or medical facilities). The programme provides a critical opportunity to "build-back-better' and will also take advantage of opportunities to reduce GHG emissions. A medium to long-term indicator for resilience would be reduced flood damage and disaster relief costs within programme areas.

### 3.2.5 Gender Aspects:

The area affected by Cyclone Idai is primarily a rural and agricultural area. It is estimated that at least 60% of all the women in the affected area play a central role in all the various aspects of agriculture and off-farm activities. Across the three countries, women are mainly involved in subsistence farming and men proportionally active in commercial agriculture. While playing a central role, particularly in small-scale agriculture, women are still discriminated against and excluded from the means of production, extension services, leadership positions in (mixed) rural associations and access to productive and financial resources. In Mozambican affected Provinces where patrilineal lineages are prevalent, socio-cultural factors are a major challenge in achieving gender equality and gender-based violence (GBV) is another expression of unequal power relations between men and women. In Zimbabwe, almost one third of rural households are women-headed and while 67% of population is employed in agriculture, forestry and fishing sector, almost 80% of these, mostly women and youth, are unskilled, with low and precarious incomes. In the three countries, despite the institutional mechanisms and favourable political and legal framework including respective Land Laws and Gender Policies, the countries remain low on the Gender Inequality Index[9] and among the main challenges is women's access to productive resources, in particular land, finance, employment, water and sanitation and food. In Malawi, youth constitute a significant proportion of the population (48%) but similarly to challenges faced by women, they lack basic opportunities that would enable them develop to their full potential, including lack of appropriate skills and training, limited access to land, lack of modern farming equipment and lack of financial support. Mozambique and Malawi have started gender mainstreaming in the transport sector with some good practices with the national road policies establishing a 25% women quota in the construction workforce. With the increased level of unemployment due to the related loss of business, the potential of local employment and job creation will be determinant in the economic recovery and resilience for the population. This element has a strong women's empowerment impact, as beyond agriculture, women are active in trade and services, which are part of the mostly affected small industries. With exacerbated vulnerabilities (notably GBV and risks of forced early marriage), as a result of displacement and losses, addressing social inclusion in the reconstruction efforts is key with safety measures for women and girls in the relocation process to mitigate GBV, sexual harassment and any Sexually Transmitted Infections (STI) and unwanted pregnancies.

3.2.6. **The PCIREP Project is categorized as GEN II under the Bank's Gender Marker System, with the development outcome of improving access to resources resilient to disaster risks and impact.** The supporting national gender action plans and analysis are provided in the technical annexes. The Project will address some of the gaps identified and target the promotion of women's empowerment across its three components. An average of 50% of direct beneficiaries will be women (and youth) and receive farm inputs, small-scale irrigation, livestock and training on climate resilience to recover from the thousands of hectares affected by the Cyclone, the loss of land crop and other sources of revenues. The Programme will ensure that farmer participation will be based on 50% male/50% female heads of household rather than on individuals. In order to mitigate the cases of GBV and vulnerabilities, the infrastructure rehabilitation shall leverage traditional support systems through self-organized women's groups and include priority reconstruction of supporting facilities for women and children. Attention will be given to the allocation of land and distribution of equipment; the effective involvement of women's groups will be key to ensure their voice and participation in the related activities and against traditional systems. As for the institutional support, capacitation of implementing agencies at national and provincial levels is provisioned to enhance gender considerations in policy and legal frameworks for emergency and recovery institution support. To increase community-based resilience, several campaigns on food security, health and hygiene, and

[9] Malawi places 171 out of 189 on the Human Development Index (2018) and 148 in the Gender Inequality Index (2017), Mozambique 180th and 138th, Zimbabwe 156th and 128th respectively.

other community-based issues related to distressed living conditions will play an important role and all affected people shall be targeted, with specific interventions for vulnerable groups. The Programme design is participatory by nature and is driven by the principle of '*reaching the furthest behind first*' particularly women, children and persons with disabilities who are most affected and with least capacity to cope with the impact of disasters.

3.2.7. **Social Aspects: The Programme will support climate smart agriculture initiatives and climate proofing infrastructure.** Use of mobile small scale irrigation, ability to use climate resilient farm inputs, conservation farming, restoration of rural roads and bridges for market access will help to restore and generate increased agricultural productivity, reduce human and asset losses, increase climate resilience, improve income and create job opportunities particularly for women who have lost their livelihoods in agriculture as a results of the cyclone induced high winds and floods. Restoration works on the existing rural roads and bridges will entail upgrading of drainage systems to climate proofed design standards, dredging and erosion control measures that will provide embankment stabilization with earthworks and vegetative approaches. In addition, rehabilitation of socioeconomic infrastructure such as electricity networks and water and sanitation facilities will ensure adoption of appropriate engineering standards and building norms to make new infrastructure more resilient to adverse weather conditions and natural disasters. The Programme is expected to generate significant social benefits through restoration of agriculture productivity, reduced vulnerability to flooding and limiting land degradation trends. Use of mobile small-scale irrigation systems will help communities to move their equipment and farm upland and hence mitigate against food insecurity due to the effects of floods and other extreme events and provide a more secure social environment for targeted populations. Reconstruction of water and sanitation facilities and improvements in drainage as a result of restoration of rural roads and bridges will help to reduce water-borne diseases and a reduction in the frequency and impact of flooding on households and businesses. There will be positive expected socioeconomic benefits for the communities in the Programme areas where climate adaptation practices will be introduced including reduction to impact on climate change. Overall, the Programme is expected to restore livelihoods and normalcy and contribute positively to employment and livelihood opportunities.

3.2.8. **Nutrition: In general, malnutrition remains high in all the three countries with stunting at more than 45% in under-5 children beyond the desirable cut-off point of 20%.** Above that, most of under-5 children have vitamin A, iron and iodine deficiencies. The Programme will respond to malnutrition situations through (a) food based approach, and (b) nutrition education. It will also promote women in achieving food and nutrition security which will contribute to reduction of stunting, among under-5 children, from >45% to 40% by 2023. The food based approach will involve (a) distribution of appropriate food to selected under-5 children, (b) production (under rain-fed conditions) of orange/yellow fleshed sweet potatoes, legumes, dark green vegetables, and groundnuts to meet nutritional requirements, and (c) training of women groups in processing, storage and utilisation of crops in order to provide nutrition knowledge in food access and utilization. The nutrition education will involve (i) promotion of nutrition programmes through selected school clubs or churches which is a viable way of reaching the entire household, (ii) infant feeding training sessions targeting parents (husband and wife) on best feeding practices, and (iii) training of community based nutrition facilitators for sustainability of the said interventions. The Programme will also develop and distribute appropriate nutrition technical/training messages (leaflets/flyers) which will be used by community based nutrition facilitators.

3.2.9. **Involuntary resettlement: The implementation of this programme does not induce any involuntary resettlement.** The agriculture activities and small farm equipment and inputs provided under the Programme will be utilised in the existing and located areas already under use by the local communities requiring no resettlement. The restoration of socio-economic infrastructures such as rural roads, bridges, electricity networks, water and sanitation and small scale mobile irrigation networks will follow existing alignments and footprints without requiring any adjustments.

## 3.3 Regional Integration

3.3.1. **The Beira corridor has huge agricultural potential and is the gateway to South East Africa providing links to neighbouring countries, Malawi, South Africa, Zambia and Zimbabwe.** With its regional strategic location and huge arable land that could be put under irrigation, Beira offers significant opportunity for investments in commercial agriculture that could generate major direct and indirect benefits for smallholder farmers and the rural community in generally with potential yields and crops sold profitably in domestic, regional and international markets. However, with rural poor population is almost entirely reliant on subsistence, poor access to agriculture supporting infrastructure, particularly irrigation, grid-connected electricity and all-weather feeder roads, lack of suitable finance and insufficient experienced agricultural entrepreneurs and private sector inhibits this potential. These constraints have been made worse with devastation caused by cyclone Idai.

3.3.2. The Corridor is also critical to regional electricity integration and sustainable energy development and security in the region. A transmission line that carries power from Cahora Bassa to South Africa and into the Southern Africa Power Pool, which is dependent on power imports from neighbouring countries was damaged by the cyclone disrupting power and causing load shedding. The affected countries have also been hard hit by blackouts due to destruction of their respective electricity networks affecting rescue plans and making the operation of medical facilities extremely difficult. The high mortality rates as a result of the cyclone as well as the high risk of spreading the diseases such as cholera make it imperative to have a regional approach in order to benefit from economies of scale and synergies to strengthen infrastructure and health systems in the affected countries. Consequently, the Programme aims to rehabilitate regional connectivity through reconstruction of rural roads, bridges, water and sanitation and electricity networks to support the countries recovery and improve energy security and restore livelihoods of the rural communities and agriculture productivity. The effect will be to catalyze trade and investment in agriculture and support financial integration and value chain development, and increase connectivity impacts to Zimbabwe, South Africa, Malawi and Zambia through movement of people, goods and services. Although SADC has adopted a Regional Disaster Preparedness and Recovery Strategy in 2016, the devastation of Cyclone Idai in the three countries indicates the low level of preparedness and weak response mechanism both at national and regional level. Therefore, there is a need to strengthen the regional coordination mechanism while building capacity for early warning systems, risk management and response mechanisms at national level.

## 3.4 Rationale for Eligibility and Access to TSF Pillar I Unallocated Resources

3.4.1. **The affected countries face varying degrees of pressure and vulnerability that affect their capacity to manage them.** The climatic risks faced by Mozambique, Malawi and Zimbabwe are exacerbated with inadequate economic and social infrastructure, relatively high but non-inclusive economic growth and increasing debt which worsen economic vulnerability. On the social front, high population growth, low levels of urbanization and low population density, economic inequality along education spatial and gender lines, and high unemployment and dependence ratio. These pressures are even higher in the cyclone devastated areas, which have limited social or institutional capacity to cope to such pressures.

3.4.2. **Such instances of fragility however do not just affect countries, as they have regional and cross-border spill over effects beyond national boundaries.** While a key area of the Bank's operations is support to regional economic integration, development and integration cannot take place in regions of high fragility risks especially when the fragility destroys trade, livelihoods, infrastructure and social welfare. For this reason the Bank's strategy takes regional fragility to refer to "systemic, structural, political or endemic social factors arising from one or more states in a region that either have or pose a risk of generating negative multi-country effects in that region, in either social, environmental, economic or political sectors, which cannot be addressed effectively or successfully through a single country approach".

3.4.3. **Extreme climatic events such as cyclone Ida causes economic and social distress**, displacement, lost livelihoods, destroyed infrastructure etc which invariably affects neighbouring countries, job losses across a region, reduced economic prospects, connectivity and food insecurity. Consequently, the Bank has taken the approach of having regional operations when responding to such crises in order to ensure that such crises are effectively and comprehensively addressed at the subnational, national and regional levels.

3.4.4. **Combating fragility requires, inter alia, higher levels of development assistance targeted at specific drivers of fragility.** Countries facing fragility require more attention and resources in order to achieve sustainable development. The Bank's new development and business delivery model builds on the progress made on the resilience agenda to respond even more effectively and flexibly and to develop operations that are more relevant to the needs of the RMCs. The Bank intends to enhance its provision of a country and regional-tailored program of assistance that responds to the unique development challenges in each fragile and regional situation.

3.4.5. **Increasing the effectiveness and responsiveness by the Bank Group through the PBA and the TSF remains critical in helping Mozambique, Malawi and Zimbabwe address the drivers of fragility identified in the assessment and worsened by the cyclone.** The Bank needs to have the ability to provide flexible and quick assistance in these volatile environments. It requires a flexible resource allocation mechanism and nimble institutional processes to respond timely to ever-changing fragility dynamics, while also focusing on impact and considerations of the cost of non-action.

3.4.6. **Both Mozambique and Zimbabwe are on the MDB's harmonized list of fragile situations with their respective CPIA score being below the fragility threshold of 3.2.** In addition, both countries, and based on adaptation of the Bank's business model and flexible approach introduced in ADF-13 for resource allocation mechanism are eligible to TSF resources (ref. ADF/BD/WP/2017/123/Rev.1 dated 18/10/2017 approved by the Board). The allocation of UA 7.00 million from TSF Pillar I for each country and UA5.00 million from TSF Pillar III resources for each country is justified on the basis that devastation caused by cyclone Idai coupled with other vulnerabilities that destroyed livelihoods and infrastructure have created emerging needs and were unanticipated or changing situations (i.e. sudden changes for which the facility resources were not programmed). The Qualitative eligibility assessments (Technical Annex Volume II of II -Annex II) conducted for each country provide a strong justification to allow Mozambique and Zimbabwe access to unallocated reserve of TSF Pillar I resources and TSF Pillar III to build their institutional capacity to better respond to disaster risks when they strike.

### 3.5 Exceptional Support to Countries Under Sanctions (In Arrears with the Bank Group)

3.5.1 **The sanctions policy[10] and its relationship with TSF resources.** The Sanctions Policy prescribes the rules and sanctions applicable to borrowers/guarantors, who fail to pay the principal and capital costs on loans borrowed from any of the lending windows of the Bank Group, including the Fund. It applies to borrowers and guarantors in arrears on Bank Group loans and prescribes sanctions including the prohibition of: (i) the approval of new loans or guarantees; (ii) the signing of new loan or guarantee agreements; and (iii) the disbursement of the proceeds of any loan. The Policy is applied in the context of Bank Group operations to deter the accumulation of arrears as well as reduce the Bank Group's exposure to financially challenged borrowers/guarantors. Zimbabwe has been in arrears with the Bank since 2002. In accordance with the Operational Guidelines for the Implementation of the Bank Strategy for Addressing Fragility and Building Resilience and TSF, it is important to recall the initial premise that the TSF is a special initiative of the Bank Group, and is both operationally and financially autonomous. Furthermore, its activities are separate from the regular operations of the Bank Group. Accordingly, the Sanctions Policy, which is applied in the context of Bank Group

[10] See Bank Group Policy on Loan Arrears Recovery (the "Sanctions Policy")

operations, would not necessarily be applicable to TSF. Furthermore, an analysis of the underlying principles of the Sanctions Policy further corroborates the exemption of the TSF from the application of the Policy. The operational and financial autonomous nature of the TSF has facilitated countries such as Zimbabwe that are in arrears with the Bank Group to benefit from these resources.

3.5.2 Regarding transitional countries such as Zimbabwe that are in chronic arrears, the Bank can allow TSF-supported operations in such countries as long as the countries show a commitment to regularize their debt. Following the elections of July 2018 and the protests of January 2019 in Zimbabwe, bilateral partners have continued to review some of the provisions and terms for full re-engagement to include, not only economic (including presence of an IMF Staff Monitored Programme – SMP), but also political and legal reforms. Various elements of an arrears clearance program are in place including:

i. An IMF staff monitored program was agreed and adopted in April 2019;
ii. Ongoing work on political reforms, including the work on repealing of several laws as requested by bilateral donors. These key legislations are (a) Access to Information and Protection of Privacy Act, (b) Public Order and Security Act (c) alignment of laws to the constitution;
iii. Provision in the 2019 Budget of payments to farmers who had their lands expropriated, by initially setting aside USD 53 million. The Government and Commercial farmers Unions have separately completed evaluations for farm improvements in 9 of the 10 provinces, with the intention to settle the outstanding claims to the farmers; and
iv. Attempts being made by the Government to bring together all political parties through national dialogue, to address some of the political differences that impede economic development.

## IV – Implementation

### 4.1. Implementation arrangements

**Mozambique**

4.1.1. **Executing and Implementing Agencies:** The Ministry of Public Works, Housing and Water Resources (MOPHRH) will be the Executing Agency (EA). The newly created Post-Cyclone Idai Recovery Cabinet under Presidential Decree will be the implementing agency. The Cabinet will be headed by the Director, reporting to MOPHRH and to the Prime Minister's office, and will be responsible for coordination of nationwide post cyclone Idai reconstruction efforts. Its main office will be based in Beira with a satellite office in Maputo. A National Project Coordination Unit (NPCU) will be established in the Cabinet within three months after the Board approval. The NPCU will consist of national experts, who will be recruited competitively and on performance based contracts, namely Programme Coordinator (PC), Procurement Specialist, M&E Specialist, Infrastructure Specialist and Financial Management Specialist. The project coordination team will be in place within three months after Board approval, reporting to the Director of the Cabinet and would be charged with the management and coordination of the day to day Programme's activities. The cost of these positions shall be funded by the Project resources. The NPCU will oversee all donor funds overseen by the Recovery Cabinet and will coordinate with the sectors through sectoral focal persons at Electricidade de Mozambique (EDM), National Roads Administration (ANE), National Irrigation Institute (INIR) and NIMS. The ANE will be implementing agency for road rehabilitation and reconstruction, EDM will lead the rehabilitation of the electricity and transmission lines, INIR at Ministry of Agriculture and Food Security's (MASA) will be responsible for rehabilitation of irrigation schemes and agriculture inputs programme. The National Institute for Meteorological Services under the Ministry of Transport and Communication will be responsible for implementing construction of meteorological office, weather forecasting services and rehabilitation of the earlier warning systems along the Buzi and Pungue rivers. Each of the sector agencies mentioned will be responsible for the relevant procurement processes, with the Cabinet having a role of coordination, oversight and financial consolidation and reporting of the programme. The respective institutions shall appoint the relevant staff to work with the National Project Coordination Unit for the effective implementation of the Programme by the end of May 2019.

**Financial Management, Auditing and Disbursement for Mozambique**

4.1.2. **Financial Management:** The overall conclusion of the Financial Management (FM) assessment is that MOPHRH as executing agency has capacity to handle the FM aspects of the program and satisfies the Bank's minimum requirements as per Bank FM guidelines. The EA's previous management of donor funded projects has been found to be satisfactory. The NPCU will be set up within the Cabinet and will be responsible for the overall day to day programme implementation with the Financial Management Specialist as part of the NPCU be responsible for financial management issues including accounting, financial reporting, disbursement and auditing. The NPCU will coordinate all the participating sectors to ensure smooth flow of funds, consolidation of financial reporting and timely audit reporting. The sectors involved in the programme implementation have experience in managing Bank and donor funded projects.

4.1.3. **Auditing:** A computerized accounting system will be utilized to process and maintain the financial transaction and also for reporting purposes. The EA's budgeting process (from formulation, preparation, and approval, execution, monitoring and reporting) has been found to be adequate and shall be adopted for the proposed Program. The NPCU will be required to prepare interim financial reports (IFRs) to form part of the interim progress report and submit to the Bank not later than 45 days after end of each calendar quarter. In addition, the NPCU will be required to prepare annual financial statements to be subjected to annual audit. The EA in consultation with the *Tribunal Administratico*, shall appoint an independent external auditor under Bank approved terms of reference to audit the program annually. The cost of the audit shall be borne by the grant. The audited financial statements together with the associated management letter shall be submitted to the Bank not later than 6 months after end of each financial period. The detail analysis and financial management arrangement are contained in Mozambique PAR (Volume II).

4.1.4. **Disbursement:** Due to the nature of the operations, the disbursements shall be fast tracked. Disbursement methods available for the program include direct payment, special account and re-imbursement. Direct payments shall be mainly for large contracts for suppliers and consultancies. Special account will mainly be used for small contracts/works and operating costs. The NPCU will open a special account denominated in USD or Euro to receive the grant funds from the Bank. An associated project operating account denominated in MZN may also be opened in a reputable bank acceptable to the Bank for paying local currency denominated expenditures. The special account shall be operated as per the disbursement guidelines (2012). The Bank shall issue a disbursement letter.

**Malawi**

4.1.5. **Executing and Implementing Agencies:** Ministry of Finance, Economic Planning and Development will be Executing Agency. The Programme will be implemented over a period of four (4) years (2019 to 2023). The Ministry will designate a Focal Person to oversee the overall Programme execution. The Department of Disaster Management Affairs (DoDMA) in the Ministry of Homeland Security will be an Implementing Agency. Government has established institutional arrangements that coordinate the implementation of disaster risk management programmes. The National Disaster Preparedness and Relief Committee, guides the Department of Disaster Management Affairs and supporting technical committees and sub-committees to coordinate the implementation of disaster risk management at national level. Apart from DoDMA, other sectoral Implementing agencies are (i) The Ministry of Agriculture, Irrigation and Water Development which will be responsible for reconstruction of irrigation schemes, agriculture inputs and water and sanitation (ii) Ministry of Transport and Public Works which will be responsible for rehabilitation of road networks (iii) Environmental Affairs Depart which will be responsible for environmental and climate change related activities and (iv) the Department of Meteorological and Climate Change which will be responsible for early warning systems. Based on past implementation experiences of similar operations, the Programme will be implemented using the Programme Coordination Unit (PCU), through the existing Government structures, which will be responsible for day to day coordination of the Programme activities. The PCU will be based in Blantyre in order to be closer to the Programme Districts. The PCU will consist of national experts, who will be recruited competitively and on performance based contracts, namely Programme Coordinator (PC), Procurement Specialist, M&E Specialist, Infrastructure Engineer and Accountant. The cost of these positions shall be funded by the Programme resources. The PC will report directly to the Secretary and Commissioner of Disaster Management Affairs (DoDMA). The IEs will nominate Sector Experts who will be the Programme's Desk Officers (Focal Points) and work closely with the PCU. Pending recruitment of key PCU staff, the Government will designate by end May 2019, the PC and other Sector Experts, from the IEs, to manage the preparatory Programme activities. The Government will set up a Programme Steering Committee (PSC) which will (i) have oversight responsibility and oversee Programme compliance with sub-sector National Policies and Strategies, and (ii) approve the annual work-plans and budget. The PSC will meet twice in a year and shall consists of (1) Secretary to Treasury (MoFEPD), Chairperson, (2) Secretary and Commissioner of Disaster Management Affairs (DoDMA) and (3) Principal Secretaries for (i) MoAIWD, (ii) MoTPW, (iii) Ministry of Natural Resources, Energy and Mining, and (iv) Ministry of Local Government and Rural Development. The PCU shall be the Secretariat of PSC. The Bank's Country (COMW) and Regional (RDGS) Offices will support the Programme through interaction, implementation support, regular supervision missions (at least twice per year), informal meetings, and processing of all fiduciary documents.

**Financial Management, Auditing and Disbursement for Malawi**

4.1.6. **Financial Management:** The overall conclusion of the assessment is that DoDMA has capacity to handle all the FM aspects of the Programme and satisfies Bank minimum requirements as laid out in the Bank's FM guidelines. DoDMA has prior experience in implementing projects financed by different partners. However, the Department is constrained with management of various resources from different partners especially when large-scale disaster like cyclone Idai hit. This is mitigated with PCU that will be established within DoDMA to coordinate the day to day implementation of the project, staffed with all key personnel including Financial Management Specialist. The residual FM risk for the Programme is assessed as Moderate.

4.1.7. **Auditing:** At the end of each fiscal year, PCU will prepare annual financial statements, which will be audited by the Auditor Generals (AGs) or his appointee, or an independent External Auditor selected competitively using the Bank's Procurement rules and procedures. The audit will be carried out in accordance with International Standards on Auditing (ISA) using the Bank's Terms of

Reference (TORs) for external auditors. When the AG or its appointee does the audit, the governments will cover the Audit fee. However, if the auditor is selected competitively, the audit fee will be covered by the Programme funds and each recruited firm's contract term will be one year renewable based on service quality and for a period not exceeding three years. The audit report complete with a Management letter and management responses will be submitted to the Bank no later than six (6) months after the end of the fiscal year.

4.1.8. **Disbursement:** Bank's rules and procedures as laid out in the Disbursement Handbook will be used for the disbursement of the grant. The Four disbursement methods will be used as need arises. In addition, the Bank shall issue a Disbursement Letter of which the content will be discussed and agreed during negotiations. Specifically, among the four disbursement methods of the Bank, the following three methods: (i) the special account method; (ii) the direct payment method; and (iii) the reimbursement method will be used. The special account method will require the opening of a special account or special accounts, as appropriate, in banks acceptable to the ADF, and will be used to finance eligible expenses. The direct payment method will be used to pay expenses related to goods, works and consultancy services. Lastly, the reimbursement method will used for ADF eligible expenses pre-financed by the executing agency with the prior approval of the Bank.

**Zimbabwe**

**Implementation Arrangements, Disbursement, Financial Management (FM) and Procurement**

4.1.9. **Executing and Implementing Agencies:** Ministry of Local Government, Public Works and National Housing (MoLGPWNH) will be the executing agency (EA). The Ministry will designate a focal person within the Department of Civil Protection (DCP) by end of May 2019 to oversee the overall execution of the Programme. DCP is tasked with the setting up emergency management plans and coordination of disaster management and recovery. In line with the Strategic and Operational Framework for Regional Operations - 2008 (Section 4.13), United Nations Office for Project Services (UNOPS) will be the implementing agency (IA). The Government of Zimbabwe through the Ministry of Finance and Economic Development has endorsed the selection of United Nations Office For Project Services (UNOPS) as implementing agency to implement the Zimbabwe component of the PCIREP. UNOPS, as UN agency has a successful track-record of implementing Bank funded projects in the Bank Group's regional member countries, more specifically in emergency situations. UNOPS also has strong field presence in the region and capacity to rapidly mobilize resources and respond to emergency and peculiar needs. The Bank has signed Fiduciary Principles Agreement with UNOPS on the basis of the unique role of UNOPS providing development as well as humanitarian assistance and its comparative advantages in particular aspects of such assistance. Furthermore, the agreement has sound fiduciary framework, accountability and oversight framework.

4.1.10. The FPA on component 3 states that, 'the project design or preparation and implementation are transparent and publicly available; they are developed through a process that includes as appropriate participation by and consultation with relevant stakeholders including government counterparts and others'. Some of the stakeholders include: Ministry of Transport and Infrastructure Development which will responsible rehabilitation and reconstruction of roads; Ministry of Energy and Power development, with ZEDTC which will be responsible for rehabilitation of electricity networks; Ministry of Lands, Agriculture, Water, Climate and Rural Resettlement which will be responsible for water and sanitation, rehabilitation of irrigation schemes and agricultural input programmes; Department of Civil Protection (DCP) which will be responsible for disaster risk governance and management and institutional strengthening.

4.1.11. **Procurement Arrangements:** Accordingly, UNOPS shall use the organization's procurement policies and procedures as established and governed by the signed Fiduciary Principles Agreement (FPA), dated September 2017, which provides assurances for sound fiduciary framework and accountability and oversight framework. UNOPS has sound procurement systems and appropriate procedures which are based on economy and efficiency, value for money, is transparent to the maximum extent possible and consistent with procurement best practices. The system provides appropriate processes and structures for monitoring and evaluation of procurement actions and performance, and enable reporting of problems and complaints to officials with authority to address such problems based on appropriate mechanisms and in a timely manner and, where appropriate, provide for remedies. Furthermore, the FPA provides for addressing fraud and corruption activities.

4.1.12. All procurement to be undertaken is entailed (Annex II of the Program Description) in the signed Tripartite Funding and Implementation Agreement, binding the Bank, the Republic of Zimbabwe and UNOPS, which outlines the purpose of the cooperation between the three parties, the role of each of the party, and the modalities for implementation of the project.

4.1.13. **Disbursement, Auditing and Financial Management:** UNOPS will be responsible for the FM of the project in line with the Tripartite Agreement to be signed between the Government of Zimbabwe, UNOPS and the Bank based on the agreed upon project implementation arrangements. The UNOPS Harare Office will assign a PM and a PSO who will be based at the MoLGPWNH under Department of Civil Protection to oversee the day-to-day implementation of the project. The UNOPS-Harare office will offer FM support services under the overall supervision of the Finance Manager and Head of Support Services in addition to the support that will come from UNOPS Headquarters in Copenhagen. The Internal Audit and investigation Department which carry out the assurances using a risk-based methodology will include this project in their annual work plans. The project will also comply with the existing internal control rules and regulations prescribed in UNOPS's Financial Regulations and Rules.

4.1.14. The annual project financial statements will be prepared by the IA in accordance with the International Public Sector Accounting Standards (IPSAS) accrual basis, with a financial year end of 31 December. In addition, the IA will provide an update on financial performance of the project as part of the quarterly progress report as required by the Bank not later than 45 days after the end of the quarter.

4.1.15. **Auditing arrangement:** UNOPS, which subscribes to the Single Audit Principle, is audited by the External Auditors (Board of Auditors) for the UN comprised of a team of auditors from one of the member states appointed by the UN. The audited financial statements prepared by the Board of Auditors are approved by the General Assembly and then posted on the UN website which is open to public. These audit arrangements will apply to the Programme. UNOPS will provide the Fund with copies of UNOPS' audited financial statements, which shall have been audited in accordance with UNOPS' financial rules and regulations. Such audit of the Financial Statements shall cover the entire period of utilization of the Grant proceeds. The audited Financial Statements for such period shall be furnished to the Fund not later than six months after the end of such period.

4.1.16. **Disbursement:** All disbursements to the project will be made to UNOPS throughout the entire project timeframe. The disbursements shall be made using the Special Account Method and shall be in accordance with the provisions of the Bank's Disbursement Handbook. The funds will be disbursed by the Bank to the project using the Special Account Method; However, as a UN agency, instead of requiring the Implementing Agency (UNOPS) to open a separate and dedicated bank account, the disbursement arrangement is that grant proceeds shall be disbursed to a UNOPS designated USD pooled account to be specified by UNOPS prior to first disbursement.

4.1.17. The Bank will issue a disbursement letter, which will provide specific guidelines on key disbursement procedures and practices.

4.1.18. **Procurement Arrangements for Mozambique and Malawi:** Procurement of goods, works and the acquisition of consulting services, financed by the Bank for the Programme, will be carried out in accordance with the "Procurement Policy and Methodology for Bank Group Funded Operations" (BPM), dated October 2015 and following the provisions stated in the Financing Agreement. Specifically, procurement will be carried out using the following:

- **Borrower Procurement System (BPS):** Specific Procurement Methods and Procedures (PMPs) under BPS comprising its Laws and Regulations, Procurement Act of 2015 and Public Procurement Regulation (no. 2016), using the national Standard Solicitation Documents (SSDs) or other Solicitation Documents agreed during Programme negotiations" for various group of transactions to be entailed under the Programme.
- **Bank Procurement Methods and Procedures (Bank's PMPs):** The Programme will use Bank standard PMPs, using the relevant Bank Standard Solicitation Documents SDDs, for contracts that are either: (i) Contracts procurement under Open Competitive Bidding (OCB)– international; Limited Competitive Bidding (LIB) and Consultancy services of firms; (ii) in case BPS is not relied upon for a specific transaction or group of transactions; and (iii) in case Bank's PMPs have been found to be the best fit for purpose for a specific transaction or group of transactions.

**Procurement Risks and Capacity Assessment (PRCA):** the assessment of procurement risks at the Country, Sector, and Programme levels and of procurement capacity at the Executing Agency (EA), were undertaken for the Programme and the outputs have informed the decisions on the procurement regimes (BPS or Bank's PMPs) being used for specific transactions or groups of similar transactions under the Programme. The appropriate risks mitigation measures have been included in the Country's PAR. Various items under different expenditure categories and related procurement arrangements have been developed for goods, works and consultancy services, as reflected in Country's PAR.

## 4.2. Monitoring

4.2.1. **The Programme will develop an M&E system, which will be linked to the respective EA's M&E system.** The Programme's indicators will be harmonized with sector indicators to ease their integration in the national database. The Government's M&E Officer will document and report the physical implementation progress, facilitate knowledge building, and share knowledge with key stakeholders. A monitoring plan will be developed based on the LogFrame, which will have gender disaggregated indicators. While some baseline data is available, based on the Governments' rapid assessments of the affected areas, and presented in the LogFrame, a detailed baseline survey will be conducted in PY1 to confirm the available data and, if need be, develop additional LogFrame indicators to capture unforeseen pertinent outputs, outcomes, and even impacts.

4.2.2. The Programme will provide financial resources to facilitate training, data gathering, processing and reporting as well as dissemination tools to enhance participatory monitoring of the reconstruction effort by CSOs and communities. The respective Governments will submit to the Bank the quarterly progress reports (QPRs) and annual work plans & budgets using Bank's formats. The QPRs will be submitted to the Bank, within forty-five calendar days after the end of the reporting period. The Bank will supervise the Programme implementation through regular Supervision Missions, at least twice per year, in order to verify progress and ensure that key verifiable indicators are being monitored. The Programme reports/key milestones are tabulated below.

| Time-Frame | Reports/Key Milestones | Monitoring Process |
|---|---|---|
| Year 1 | Baseline Survey Report | PIU and Consultant. |
| Years 1 to 4 | Quarterly Progress Reports | PIU |
| | Financial Audit Reports | PIU and Consultant. |
| Year 2 | Mid-Term Review (MTR) Report | PIU, Beneficiaries and Consultant. |
| | Gender and Nutrition Audit Report | PIU, Beneficiaries and Consultant. |
| Year 4 | Beneficiary Impact Assessment Report | PIU, Beneficiaries and Consultant. |
| | Programme Completion Report (PCR) | PIU, Beneficiaries and Consultant. |

### 4.3. Governance

4.3.1. Robust governance arrangements have been put in place to manage the implementation, monitoring, review and audit of this Program, as outlined in sections 4.1 and 4.2 above. The implementing entities have been assessed as having adequate capacity to implement the Program utilizing the existing country systems and the Bank's procedures where applicable. The proposed Program will benefit from the improvement of the governance environment brought about by the implementation of the Bank supported governance Programs such as the Governance and Institutional Strengthening Program (GISP) in Zimbabwe. These governance Programs have contributed towards strengthening the transparency and accountability practices in public procurement and increasing effectiveness in internal audit, which are critical in improving governance and tackling corruption in these countries.

4.3.2. Risks to program governance could arise in procurement decisions and the use of program assets. These risks will be mitigated through the preparation of a detailed procurement plan, robust processes for selection of service providers and suppliers and application of the agreed procurement rules and procedures. Furthermore, training will be provided to Program Implementation Management staff, during the program launching mission, to ensure that they are fully aware of all requirements and regulations. Compliance with these controls will be reviewed during supervision missions. An independent audit of program financial reports and a procurement audit will be undertaken every year as part of the governance arrangements of the Program.

### 4.4. Sustainability

4.4.1. Important contributing factor to the sustainability of the proposed program include the measures taken to strengthen environmental disaster resilience systems in Mozambique, Malawi and Zimbabwe as well the Program's alignment to the long-term development strategies of the countries. Significant attention has been paid to sustainability in the program design by ensuring that the initiatives supported are regional priorities for the three countries in particular. Schemes implemented under the Program will receive continuous monitoring and support from the existing structures of the concerned sector Ministries in the three countries beyond the program's timeframe, thus contributing to sustainability and positive long-term development outcomes. Also, the program includes training of beneficiaries in climate adaptation, climate resilience and business and technical skills to enable them grow their agribusinesses sustainably and also benefit from economic opportunities identified in the private sector.

4.4.2. The Governments of Mozambique, Malawi and Zimbabwe have been committed to the Programme from the inception phase and has displayed strong political support. PCIREP will build on emergency support provided by the Bank and various initiatives to enhance sustainability. PCIREP will support a number of government initiatives, including the strengthening of institutional capacity for livelihoods, disaster risk reduction, recovery and resilience building and mainstreaming of resilience across sectors in which the Bank is intervening. PCIREP will support transformational adaptation investments and policies that will require long-term engagement and capacity building. PCIREP will support continuous engagement, commitment and leadership at the highest level of government and across a range of relevant ministries, communities and civil society organizations to sustain advocacy for climate and disaster resilient development. Another important element of the Programme's sustainability is the focus at the community, district and provincial levels, where the impact of natural hazards is felt strongly, and where climate change impacts occur.

4.4.3. The Programme will encourage strong participation of communities, in particular traditional groups and women's associations, through awareness and outreach efforts. It will also build on the technical expertise and community experience from other existing investments, and consolidate local and national governments' experience and knowledge of community-based planning and implementation of local-level investments. The Programme will help communities to better understand risks and identify their priorities. As a result, it is expected that the innovation and technologies provided by the Programme will be sustained once communities understand and experience Programme benefits. Measures to mitigate any potentially negative social or environmental impact will also be implemented to foster the best social and environmental management practices in the affected countries.

## 4.5. Risk Management

Weak overall governance in the three countries is a risk in the implementation of the operation. This risk is mitigated through Bank financed governance programs in the countries, which addresses overarching governance strengthening in the countries. The potential risks and mitigation measures, within the scope of the Programme are summarized in Table 4.5.

**Table 4.5: Potential Risks and Mitigation Measures**

| No | Potential Risks | Rating | Mitigation Measures |
|---|---|---|---|
| 1 | Poor-identification of the Cyclone Idai affected beneficiaries | Low | The program will use the guidelines developed by country specific disaster management institutions in beneficiary identification |
| 2 | Disaster response coordination and consultation challenges | Medium | The program will use the coordination structures already in place for disaster response. |

## 4.6. Knowledge Building

This is an innovative programme financed by the Bank for medium to long-term recovery of the affected countries and communities devastated by climatic disaster. The Bank previous responses to emergency and humanitarian crises in the affected countries demonstrates its commitment to integrate humanitarian and development nexus in helping the affected countries speedily recover while continuing to make concrete progress in their development trajectory. Thus, knowledge learnt from the previous operations and the interaction with different agencies operating in the same area, will be an opportunity for the Bank to learn different approaches in mitigating such a devastating disaster. The Programme will also generate considerable knowledge on building climate change resilience and adaptation options for government and local communities and help to inform design and management of similar future interventions. During implementation, the Programme will also closely work with gender related organizations and relevant key stakeholders to share information and learning materials on gender and women empowerment in relation to climate adaptation and resilience. Experiences, opportunities and good practices documented at national and regional level during implementation of the program through program progress, monitoring and evaluation, ESMP monitoring, audit, mid-term review, and completion reports would remain a main sources of valuable lessons and knowledge. This routinely collected information will feed into the monitoring and evaluation process for further diagnosis and improvement. Discussion and interaction with Programme beneficiaries during implementation will also be a valuable sources of local knowledge climate adaptation and resilience that will be captured and shared within the Bank and with other development partners as well as with RMCs.

## V – Legal Instruments and Authority

### 5.1. Legal Instruments

5.1.1 ADF Protocol of Agreement to be executed between the Fund and the Republic of Mozambique (the "Recipient"); TSF (Pillar 1), Protocol of Agreement to be executed amongst the Bank, Fund (together the Fund) and the Republic of Mozambique (the "Recipient"); and TSF Pillar III, Letter of Agreement to be executed amongst the Bank, Fund (together the Fund) and the Republic of Mozambique ( "the Recipient").

5.1.2 ADF Protocol of Agreement to be executed between the ADF and with the Republic of Malawi.

5.1.3 Tripartite Funding and Implementation Agreement amongst the ADF, the Republic of Zimbabwe, and the United Nations Office for Project Services (UNOPS), in respect of the ADF and TSF Grants to the Republic of Zimbabwe.

### 5.2. Conditions Associated with the Fund's Intervention

5.2.1 **Conditions precedent to Entry into Force of the agreements::** Each of the agreements ( mentioned in para 5.1.1, 5.1.2 and 5.1.3 above) shall enter into force on the date of signature by the parties..

5.2.2 **Conditions precedent to first disbursement of the Grants:** The obligation of the Fund to make the first disbursement of each Grant with respect to each agreement shall be conditional upon the entry into force of the agreement.

**5.2.3** **Other Conditions (Mozambique and Malawi):** Each Recipients shall:

- Within three (3) months of signing of the Protocol of Agreement, submit to the Fund evidence, in form and substance satisfactory to the Fund, confirming the appointment of a Programme Coordinator, Programme Accountant, Programme Monitoring and Evaluation, Programme Infrastructure Specialist, and Programme Procurement Specialist, each with terms of reference, skills and qualifications acceptable to the Fund.

### 5.3. Undertakings (Mozambique and Malawi)

Each Recipient shall submit to the Fund a withdrawal request with a Special Account denominated in foreign currency, opened at a bank acceptable to the Fund, in the name of the Project, for deposit of the proceeds of the Grant, and a corresponding local currency operating account at a local commercial bank acceptable to the Fund.

### 5.4 Compliance with Bank Group Policies

This Programme complies with all applicable Bank Group policies except the requirement under the Bank Group's ISS policy with regards to the disclosure of the ESMF and ESMP summaries thirty (30) days prior to Board consideration, as explained in paragraph 3.2 above.

## VI – Recommendation

Management recommends that the Boards of Directors:

(A) Waive exceptionally the application of the Bank's Environmental and Social Assessment Procedures (ESAP) particularly with regards to the preparation and disclosure of the Environmental and Social Management Framework (ESMF) and Environmental and Social Management Plan (ESMP) summaries thirty (30) days prior to Board consideration of the programme in accordance with the Integrated Safeguards System (ISS) Policy;

(B) Approve the following for Mozambique:

(i) To allow the Republic of Mozambique access to the unallocated resources of the Transition Support Facility 's Supplemental Support Window (Pillar 1) of UA 7 million;
(ii) a grant from the resources of the TSF's Supplemental Support Window ( Pillar 1) for UA 10 million;
(iii) a grant from the resources of the TSF's Technical Assistance and Capacity Building Window (Pillar III) for UA 5 million; and
(iv) a grant from the resources of the ADF's Regional Operations envelope for UA 17 million to the Republic of Mozambique to finance the Post Cyclone Idai and Kenneth Recovery and Resilience Programme (PCIREP) under the terms, conditions and modalities stipulated in this report

(C) Approve the following for Malawi:

(i) an ADF grant of UA 16.34 million to the Republic of Malawi (comprising of UA 10.68 million ADF PBA, and UA 5.66 million ADF RO envelope), under the terms, conditions and modalities stipulated in this report.

(D) Approve on an exceptional basis the following for Zimbabwe:

(v) To allow the Republic of Zimbabwe access to the unallocated resources of the Transition Support Facility 's Supplemental Support Window (Pillar 1) for UA 7 million;
(vi) a grant from the resources of the TSF's Supplemental Support Window ( Pillar 1) for UA 7 million;
(vii) a grant from the resources of the TSF's Technical Assistance and Capacity Building Window (Pillar III) for UA 5 million; and
(viii) a grant from the resources of the ADF's Regional Operations envelope for UA 5.67 million to the Republic of Zimbabwe to finance the Post Cyclone Idai and Kenneth Recovery and Resilience Programme (PCIREP) under the terms, conditions and modalities stipulated in this report.

## Appendix 1. Programme Processing's Waiver Memo (Scanned)

URGENT

**AFRICAN DEVELOPMENT BANK - BANQUE AFRICAINE DE DEVELOPPEMENT**
**SOUTHERN AFRICA REGIONAL DEVELOPMENT AND BUSINESS DELIVERY OFFICE (RDGS)**

OFFICE OF THE SENIOR VICE PRESIDENT
03 MAI 2019
AFRICAN DEVELOPMENT BANK

Approved
6/5/19

**INTER-OFFICE MEMORANDUM**

**Ref: RDGS/2019/03/0110/kk**
**Date: 24 ~~May~~ April 2019**

| | | |
|---|---|---|
| FROM ~~**TO**~~ | : | **Mr. Charles BOAMAH,**<br>Senior Vice President, SVP |
| TO **THROUGH** | : | **Khaled F SHERIF,**<br>Vice President, RDVP |
| **FROM** | : | **Kapil KAPOOR**<br>Director General, RDGS |
| **SUBJECT** | : | **MULTINATIONAL PROGRAMME: POST CYCLONE IDAI BUILD BACK BETTER EMERGENCY PROGRAMME FOR MOZAMBIQUE, MALAWI AND ZIMBABWE (PCIB3): REQUEST FOR FAST-TRACKING PROCESS (WAIVERS)** |

Tropical cyclone Idai, made landfall in Beira, Mozambique, on the night of 14-15 March 2019, continuing on to Zimbabwe and Malawi in the ensuing hours. It was one of the worst weather-related disasters in Africa' history. The cyclone brought heavy winds and rains creating floods that destroyed villages and flattened homes resulting in numerous deaths and injuries. The destruction of infrastructure and properties such as hospitals, electricity and telecommunication systems, schools, farms and agricultural land, roads and bridges left thousands of people isolated in difficult to reach areas, some only accessible by helicopter or boat. Almost three million people in Mozambique, Malawi and Zimbabwe are affected and in dire need of urgent humanitarian assistance.

The full scale of the cyclone is still unfolding. Countries are finalizing their respective post disaster needs assessment to determine the exact scope of damage and economic costs. The World Bank estimates that the affected countries will need over US$2 billion to recover. The scale of devastation caused by the cyclone is clearly beyond the capacity of the Governments of Mozambique, Malawi and Zimbabwe to handle alone. The rehabilitation and reconstruction costs will be high and of significant concern given challenging economic environment that was already in existence in the three affected countries.

Although full assessments are pending, some of the ramifications of the disaster on the sub-regional and cross-border are already very apparent. Beira has key infrastructure and hosts key corridors for trade, agricultural commodities, transport and energy. The cyclone damaged a transmission line from Cobora Bassa in Mozambique, affecting energy transmission to South Africa and Zambia. South Africa, is particularly dependent on power imports from neighboring countries and damaged power systems caused load shedding in South Africa. Malawi, Zimbabwe and Mozambique were worst hit with blackouts occurring due to destruction of their respective national electricity grid rendering rescue plans and operating medical facilities extremely difficult. The effects of cyclone Idai have once again proven that there is a need for a coordinated regional approach to disaster risk management and response as part of wider regional integration agenda.

The Bank Group has adopted a multi-pronged response plan to cyclone Idai. The immediate response was to restructure existing operations in the affected countries that freed up over UA4.5million (USD6.26million) to address humanitarian and emergency needs. This was followed with an approval of emergency operation of USD1.5 million. Alongside the financial resources, the Bank Group is also leading on the Afro-champion's initiative, which is designed to bring leading businesses and philanthropists in Africa to participate in business roundtable to create and support a funding mechanism to deal with post cyclone Idai economic recovery efforts and its effects. A team of technical experts have also been deployed to participate in preparation of the Post Disaster Needs Assessments (PDNA) for the affected countries which will provide a roadmap for recovery in the short, medium and long- term. The Bank Group will also dialogue with the affected countries on the possibilities of getting climate risk insurance.

A high-level Bank delegation, led by the Vice President, CHVP has visited the affected countries to convey its condolence, demonstrate solidarity and commitment to accompany them in their recovery efforts. Following the visit, the Bank announced setting up of a response and reconstruction programme, committing up to US$100 million for Mozambique, Malawi and Zimbabwe to allow them kick-start economic recovery and rehabilitation. The regional economic recovery programme (Post Cyclone Idai Build Back Better Emergency Programme for Mozambique, Malawi and Zimbabwe – PCIB3) is expected to go to the Board by 23 May 2019. This is an innovative programme financed by the Bank for medium to long-term recovery of the affected countries and communities devastated by climatic disaster hence it requires record time to turnaround and secure the Board approval.

Based on the aforementioned commitment and to synchronize with the Bank internal processes, it has become important that we seek your approval to waive the Project Concept Note (PCN) processes and reduce the amount of time required in each of the process steps as detailed in the attached processing schedule and summarized in the table below:

OK, this is an emergency.

**Shortened Processing Schedule for PCIB3**

| | Activity/Step | Date | Time | Action Required |
|---|---|---|---|---|
| 1 | Project Concept Note | 0 | 0 | Waiving all PCN steps -OPsCOM |
| 2 | Field Appraisal Mission (Mozambique) | 15 to 18 April 2019 | 5 days | |
| 3 | Field Appraisal Mission (Zimbabwe) | 23 to 26 April | 4 days | |
| 4 | Field Appraisal Mission (Malawi) | 2 to 8 May 2019 | 4 days | |
| 5 | Country Team meeting | 10 May 2019 | 3 day | RR and CT done concurrently |
| 6 | DG PAR Clearance | 13 May 2019 | 1 day | Submission to VP by 13 May 2019 |
| 7 | VP PAR Clearance | 14 May 2019 | 1 day | VP clearance before OPsCOM |
| 8 | OPsCom PAR clearance | 16 May 2019 | 3 days | Submission to OPSCOM on 14 May 2019 |
| 9 | Negotiation | 20 May 2019 | 1 day | |
| 10 | Board distribution | 17 May 2019 | 5 Days | Waiver to shorten Board distribution time |
| 11 | Board Approval | 23 May 2019 | 1 day | Board Approval |
| 12 | Loan /Grant Agreement signature | 23 May 2019 | 1 day | |
| 13 | Effectiveness – Grants | 23 May 2019 | 1 day | On signature |
| 14 | Conditions for First Disbursements | 23 May 2019 | 1 day | |

The proposed programme will enhance the Bank's leadership role in the region and use its convening power to catalyze support around recovery, resilience and long-term development planning for the affected countries.

Your favorable consideration and approval of this request is highly appreciated.

Thank you.

<u>**Copy**</u>

**Mr. Pietro TOIGO**, Country Manager, COMZ
**Mr. Damoni KITABIRE**, Country Manager, COZW
**Ms. Eyerusalem FASIKA**, OIC Country Manager, COMW
**Ms. Timothy MKANDAWIRE**, Principal Financial Analyst, RDGS
**Ms. Motselisi LEBESA,** Chief Regional Operations Coordinator, RDGS

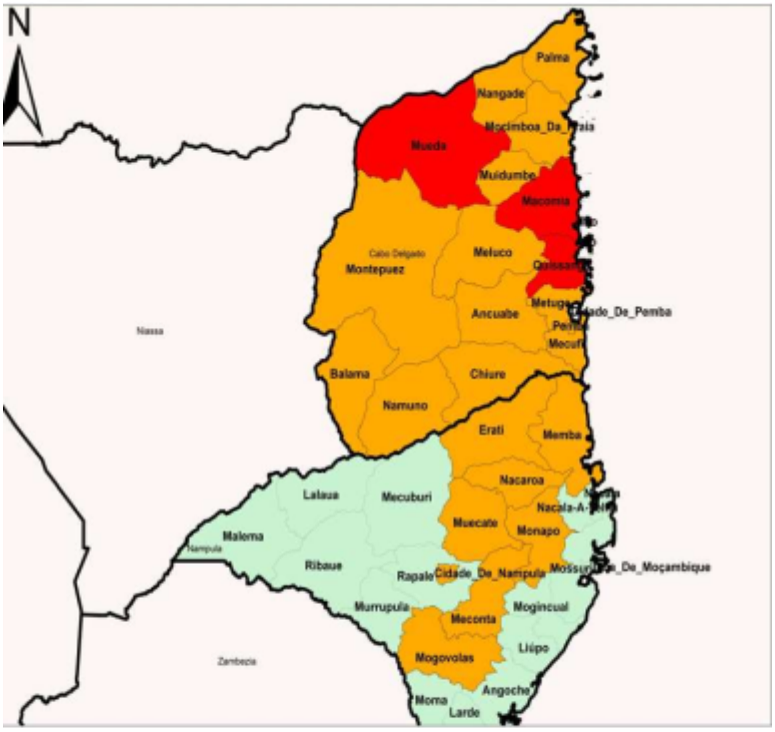
**POST CYCLONE IDAI BUILD BACK BETTER EMERGENCY PROGRAMME FOR MOZAMBIQUE, MALAWI AND ZIMBABWE**

**Processing Schedule**

| | Activity/Step | Date | Time | Action Required |
|---|---|---|---|---|
| 1 | Project Concept Note | 0 | 0 | Waiver from OPsCOM for all the PCN steps |
| 2 | Consent Letters from respective Governments | 0 | 0 | Country Managers to secure consent/request letters from governments |
| 3 | Individual Appraisal Report preparation | 1 April 2019 | 5 days | Team working on the PARs submission to Regional Coordinator |
| 4 | Preparation of the Regional PAR | 8 April 2019 | 4 days | Consolidation of individual PARs into a Regional PAR |
| | Field Appraisal Mission (Mozambique) | 15 to 18 April 2019 | 5 days | PAT to split into 3 groups and undertake field visits to project sites and consultations with government, beneficiaries and key stakeholders in Mozambique, Malawi and Zimbabwe. Country based experts to participate in needs assessments exercises. Field visits will be complimented with further consultations with government and with development partners through Country Offices. |
| | Field Appraisal Mission (Zimbabwe) | 23 to 26 April | 4 days | PAT to split into 3 groups and undertake field visits to project sites and consultations with government, beneficiaries and key stakeholders in Mozambique, Malawi and Zimbabwe. Country based experts to participate in needs assessments exercises. Field visits will be complimented with further consultations with government and with development partners through Country Offices. |
| | Field Appraisal Mission (Malawi) | 2 to 8 May 2019 | 4 days | PAT to split into 3 groups and undertake field visits to project sites and consultations with government, beneficiaries and key stakeholders in Mozambique, Malawi and Zimbabwe. Country based experts to participate in needs assessments exercises. Field visits will be complimented with further consultations with government and with development partners through Country Offices. |
| | Peer Reviewers | 25 April 2019 | 5 days | Documents shared by 25 April 2019 |
| | Country Team and Readiness Review | 8 May 2019 | 3 days | Documents shared by 8 May 2019 |
| | | | | |
| 4 | Country Team meeting | 10 May 2019 | 1 day | PR, RR & CT meeting 10.00am. Comments/inputs/improvements to the documents to be done during discussions. |
| | DG PAR Clearance | 13 May 2019 | 1 day | Minutes will be submitted by 10 May for clearance. Submission to VP by 13 April |
| 5 | VP PAR Clearance | 14 May 2019 | 1 day | VP clearance before submission to OPsCOM by 14 May 2019 |
| 6 | OPsCom PAR clearance | 16 May 2019 | 3 days | Submission to OPSCOM on 14 May 2019 |

## Appendix II. Map of the Programme Area (Cyclone Idai and Kenneth)


PLEASE NOTE – The boundaries and the names shown on this map do not imply official endorsement or acceptance by the African Development Bank.



## APPENDIX III: JUSTIFICATION FOR 100% PROJECTS' COST FINANCING, INCLUDING VAT AND DUTIES

The Government of Mozambique has submitted a request to the Bank Group to finance 100% of the projects' costs, including VAT and duties, for projects approved in 2018 and 2019. This would bring the practice of the Bank in line with other development partners such as the World Bank and address some emerging project implementation issues.

The Policy on expenditure eligible for Bank financing[11] (2008) allows the Bank Group to waive the principle that its projects are exempt from duties and taxes on a case-by-case basis,  in cases where (para 4.2.1 of the mentioned policy):

*(i) The country's tax system has a reasonable level of tax and duty rates; and (ii) the taxes and duties do not constitute a significant proportion of project costs or are not specifically directed at Bank-financed projects, activities or expenses*

This annex considers the justification to accede to this request on grounds of improved project implementation during a period of tight fiscal space and shrinking departmental budgets.

**The fiscal context**. Mozambique is facing a difficult fiscal outlook, with the suspension of direct budget support by the donor group G-14 and the IMF financing programme going-off track in April, 2016. The suspension of these financing programmes were partly a consequence of the discovery of previously undisclosed commercial debt obligations, putting public debt on an unsustainable path and requiring fiscal consolidation of the public budget, as well as contributing to a weakening of the exchange rate.

In January 2017 the country defaulted on part of its commercial debt service, which led to a downgrade of Mozambique's credit rating to "selective default", in turn affecting investment flows into the country. The default was on its commercial severing guaranteed loss, and the Government of Mozambique remains committed to honoring its financial obligations with DFIs.

Moreover, delays in start-up of the natural-resources based mega-projects in Mozambique mean that expected revenues and signature bonuses are moved further out in the future. As seen in Table 1 below, income tax and VAT collection have steadily fallen between 2014 and 2016 as a percentage of GDP.

Policy response and implications. The Government undertook a gradual fiscal consolidation in 2016 and 2017, expected to continue into 2018, implementing expenditure cuts on targeted areas.  The investment budget fell by 7 percentage points of the GDP between2014 and 2016. Budget reductions means that there will be continued uncertainty over the quarterly budget transfers to sector ministries, including for compensating for foregone taxes and duties for projects funded by development partners. It is estimated that in August 2017 total public arrears to the private sector has surpassed USD 500 million.

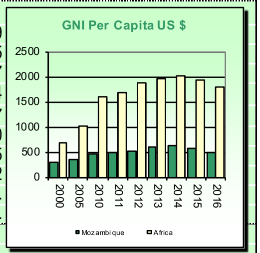
[11] BD/WP/2007/106/Rev.2

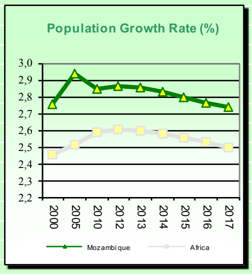
# Appendix IV. Country's comparative socio-economic indicators – Mozambique

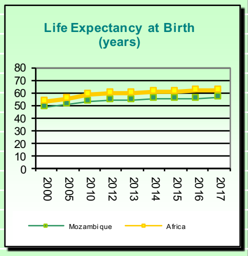
## Mozambique

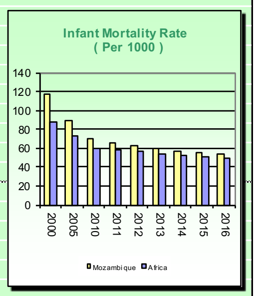
### COMPARATIVE SOCIO-ECONOMIC INDICATORS

| | Year | Mozambique | Africa | Developing Countries | Developed Countries |
|---|---|---|---|---|---|
| **Basic Indicators** | | | | | |
| Area ( '000 Km²) | 2017 | 799 | 30 067 | 80 386 | 53 939 |
| Total Population (millions) | 2017 | 29,5 | 1 184,5 | 5 945,0 | 1 401,5 |
| Urban Population (% of Total) | 2017 | 31,6 | 39,7 | 47,0 | 80,7 |
| Population Density (per Km²) | 2017 | 37,6 | 40,3 | 78,5 | 25,4 |
| GNI per Capita (US $) | 2016 | 480 | 2 045 | 4 226 | 38 317 |
| Labor Force Participation *- Total (%) | 2017 | 79,3 | 66,3 | 67,7 | 72,0 |
| Labor Force Participation **- Female (%) | 2017 | 82,5 | 56,5 | 53,0 | 64,5 |
| Sex Ratio (per 100 female) | 2017 | 95,9 | 0,801 | 0,506 | 0,792 |
| Human Develop. Index (Rank among 187 countries) | 2015 | 181 | ... | ... | ... |
| Popul. Living Below $ 1.90 a Day (% of Population) | 2008 | 68,7 | 39,6 | 17,0 | ... |
| **Demographic Indicators** | | | | | |
| Population Growth Rate - Total (%) | 2017 | 2,7 | 2,6 | 1,3 | 0,6 |
| Population Growth Rate - Urban (%) | 2017 | 3,4 | 3,6 | 2,6 | 0,8 |
| Population < 15 years (%) | 2017 | 44,9 | 41,0 | 28,3 | 17,3 |
| Population 15-24 years (%) | 2017 | 20,3 | 3,5 | 6,2 | 16,0 |
| Population >= 65 years (%) | 2017 | 3,4 | 80,1 | 54,6 | 50,5 |
| Dependency Ratio (%) | 2017 | 93,5 | 100,1 | 102,8 | 97,4 |
| Female Population 15-49 years (% of total population) | 2017 | 23,1 | 24,0 | 25,8 | 23,0 |
| Life Expectancy at Birth - Total (years) | 2017 | 56,1 | 61,2 | 68,9 | 79,1 |
| Life Expectancy at Birth - Female (years) | 2017 | 57,3 | 62,6 | 70,8 | 82,1 |
| Crude Birth Rate (per 1,000) | 2017 | 38,0 | 34,8 | 21,0 | 11,6 |
| Crude Death Rate (per 1,000) | 2017 | 10,9 | 9,3 | 7,7 | 8,8 |
| Infant Mortality Rate (per 1,000) | 2016 | 53,1 | 52,2 | 35,2 | 5,8 |
| Child Mortality Rate (per 1,000) | 2016 | 71,3 | 75,5 | 47,3 | 6,8 |
| Total Fertility Rate (per woman) | 2017 | 5,2 | 4,6 | 2,6 | 1,7 |
| Maternal Mortality Rate (per 100,000) | 2015 | 489,0 | 411,3 | 230,0 | 22,0 |
| Women Using Contraception (%) | 2017 | 20,5 | 35,3 | 62,1 | ... |
| **Health & Nutrition Indicators** | | | | | |
| Physicians (per 100,000 people) | 2013 | 5,5 | 46,9 | 118,1 | 308,0 |
| Nurses and midwives (per 100,000 people) | 2013 | 40,1 | 133,4 | 202,9 | 857,4 |
| Births attended by Trained Health Personnel (%) | 2011 | 54,3 | 50,6 | 67,7 | ... |
| Access to Safe Water (% of Population) | 2015 | 51,1 | 71,6 | 89,1 | 99,0 |
| Access to Sanitation (% of Population) | 2015 | 20,5 | 51,3 | 57 | 69 |
| Percent. of Adults (aged 15-49) Living with HIV/AIDS | 2016 | 12,3 | 39,4 | 60,8 | 96,3 |
| Incidence of Tuberculosis (per 100,000) | 2016 | 551,0 | 3,8 | 1,2 | ... |
| Child Immunization Against Tuberculosis (%) | 2016 | 95,0 | 245,9 | 149,0 | 22,0 |
| Child Immunization Against Measles (%) | 2016 | 91,0 | 84,1 | 90,0 | ... |
| Underweight Children (% of children under 5 years) | 2011 | 15,6 | 76,0 | 82,7 | 93,9 |
| Prevalence of stunding | 2011 | 43,1 | 20,8 | 17,0 | 0,9 |
| Prevalence of undernourishment (% of pop.) | 2015 | 26,6 | 2 621 | 2 335 | 3 416 |
| Public Expenditure on Health (as % of GDP) | 2014 | 3,9 | 2,7 | 3,1 | 7,3 |
| **Education Indicators** | | | | | |
| Gross Enrolment Ratio (%) | | | | | |
| Primary School - Total | 2015 | 106,3 | 106,4 | 109,4 | 101,3 |
| Primary School - Female | 2015 | 101,7 | 102,6 | 107,6 | 101,1 |
| Secondary School - Total | 2015 | 32,9 | 54,6 | 69,0 | 100,2 |
| Secondary School - Female | 2015 | 31,5 | 51,4 | 67,7 | 99,9 |
| Primary School Female Teaching Staff (% of Total) | 2015 | 43,1 | 45,1 | 58,1 | 81,6 |
| Adult literacy Rate - Total (%) | 2009 | 50,6 | 61,8 | 80,4 | 99,2 |
| Adult literacy Rate - Male (%) | 2009 | 67,4 | 70,7 | 85,9 | 99,3 |
| Adult literacy Rate - Female (%) | 2009 | 36,5 | 53,4 | 75,2 | 99,0 |
| Percentage of GDP Spent on Education | 2013 | 6,5 | 5,3 | 4,3 | 5,5 |
| **Environmental Indicators** | | | | | |
| Land Use (Arable Land as % of Total Land Area) | 2015 | 7,2 | 8,6 | 11,9 | 9,4 |
| Agricultural Land (as % of land area) | 2015 | 63,5 | 43,2 | 43,4 | 30,0 |
| Forest (As % of Land Area) | 2015 | 48,2 | 23,3 | 28,0 | 34,5 |
| Per Capita CO2 Emissions (metric tons) | 2014 | 0,3 | 1,1 | 3,0 | 11,6 |




*Sources : AfDB Statistics Department Databases; World Bank: World Development Indicators; UNAIDS; UNSD; WHO, UNICEF, UNDP; Country Reports.* *last update : May 2018*

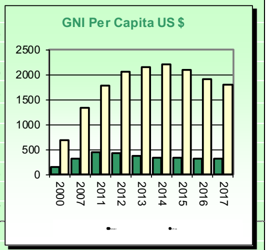
*Note : n.a. : Not Applicable ; ... : Data Not Available. * Labor force participation rate, total (% of total population ages 15+)*
*** Labor force participation rate, female (% of female population ages 15+)*

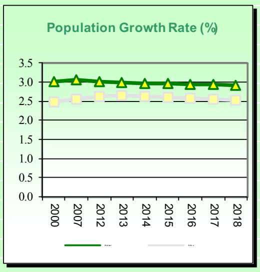
# Appendix V. Country's comparative socio-economic indicators - Malawi

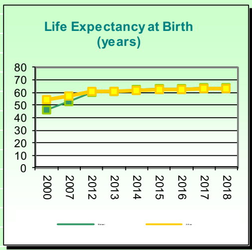
## Malawi

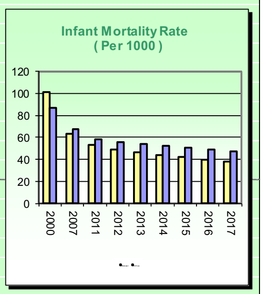
### COMPARATIVE SOCIO-ECONOMIC INDICATORS

| | Year | Malawi | Africa | Developing Countries | Developed Countries |
|---|---|---|---|---|---|
| **Basic Indicators** | | | | | |
| Area ( '000 Km²) | 2018 | 118 | 30,067 | 92,017 | 40,008 |
| Total Population (millions) | 2018 | 19.2 | 1,286.2 | 6,432.7 | 1,197.2 |
| Urban Population (% of Total) | 2018 | 16.9 | 42.5 | 50.4 | 81.5 |
| Population Density (per Km²) | 2018 | 200.1 | 43.8 | 71.9 | 31.6 |
| GNI per Capita (US $) | 2017 | 320 | 1 767 | 4 456 | 40 142 |
| Labor Force Participation *- Total (%) | 2018 | 81.1 | 65.9 | 62.1 | 60.1 |
| Labor Force Participation **- Female (%) | 2018 | 81.5 | 55.5 | 47.6 | 52.2 |
| Sex Ratio (per 100 female) | 2018 | 98.2 | 99.8 | 102.3 | 99.3 |
| Human Develop. Index (Rank among 189 countries) | 2017 | 171 | ... | ... | ... |
| Popul. Living Below $ 1.90 a Day (% of Population) | 2007-2017 | 71.4 | ... | 11.9 | 0.7 |
| **Demographic Indicators** | | | | | |
| Population Growth Rate - Total (%) | 2018 | 2.9 | 2.5 | 1.2 | 0.5 |
| Population Growth Rate - Urban (%) | 2018 | 4.3 | 3.6 | 2.3 | 0.7 |
| Population < 15 years (%) | 2018 | 43.7 | 40.6 | 27.5 | 16.5 |
| Population 15-24 years (%) | 2018 | 20.8 | 19.2 | 16.3 | 11.7 |
| Population >= 65 years (%) | 2018 | 2.9 | 3.5 | 7.2 | 18.0 |
| Dependency Ratio (%) | 2018 | 92.1 | 79.2 | 53.2 | 52.8 |
| Female Population 15-49 years (% of total population) | 2018 | 24.2 | 24.1 | 25.4 | 22.2 |
| Life Expectancy at Birth - Total (years) | 2018 | 64.1 | 63.1 | 67.1 | 81.3 |
| Life Expectancy at Birth - Female (years) | 2018 | 66.6 | 64.9 | 69.2 | 83.8 |
| Crude Birth Rate (per 1,000) | 2018 | 36.1 | 33.4 | 26.4 | 10.9 |
| Crude Death Rate (per 1,000) | 2018 | 7.0 | 8.3 | 7.7 | 8.8 |
| Infant Mortality Rate (per 1,000) | 2017 | 38.5 | 47.7 | 32.0 | 4.6 |
| Child Mortality Rate (per 1,000) | 2017 | 55.4 | 68.6 | 42.8 | 5.4 |
| Total Fertility Rate (per woman) | 2018 | 4.4 | 4.4 | 3.5 | 1.7 |
| Maternal Mortality Rate (per 100,000) | 2015 | 634.0 | 444.1 | 237.0 | 10.0 |
| Women Using Contraception (%) | 2018 | 60.6 | 38.3 | 61.8 | ... |
| **Health & Nutrition Indicators** | | | | | |
| Physicians (per 100,000 people) | 2010-2016 | 1.9 | 33.6 | 117.8 | 300.8 |
| Nurses and midwives (per 100,000 people) | 2010-2016 | 28.3 | 123.3 | 232.6 | 868.4 |
| Births attended by Trained Health Personnel (%) | 2010-2017 | 89.8 | 61.7 | 78.3 | 99.0 |
| Access to Safe Water (% of Population) | 2015 | 90.2 | 71.6 | 89.4 | 99.5 |
| Access to Sanitation (% of Population) | 2015 | 41.0 | 39.4 | 61.5 | 99.4 |
| Percent. of Adults (aged 15-49) Living with HIV/AIDS | 2017 | 9.6 | 3.4 | 1.1 | ... |
| Incidence of Tuberculosis (per 100,000) | 2016 | 159.0 | 221.7 | 163.0 | 12.0 |
| Child Immunization Against Tuberculosis (%) | 2017 | 89.0 | 82.1 | 84.9 | 95.8 |
| Child Immunization Against Measles (%) | 2017 | 83.0 | 74.4 | 84.0 | 93.7 |
| Underweight Children (% of children under 5 years) | 2010-2016 | 11.7 | 17.5 | 15.0 | 0.9 |
| Prevalence of stunding | 2010-2016 | 37.1 | 34.0 | 24.6 | 2.5 |
| Prevalence of undernourishment (% of pop.) | 2016 | 26.3 | 18.5 | 12.4 | 2.7 |
| Public Expenditure on Health (as % of GDP) | 2014 | 6.0 | 2.6 | 3.0 | 7.7 |
| **Education Indicators** | | | | | |
| Gross Enrolment Ratio (%) | | | | | |
| Primary School - Total | 2010-2017 | 139.9 | 99.5 | 102.8 | 102.6 |
| Primary School - Female | 2010-2017 | 142.4 | 97.4 | 102.0 | 102.5 |
| Secondary School - Total | 2010-2017 | 38.1 | 51.9 | 59.5 | 108.5 |
| Secondary School - Female | 2010-2017 | 37.0 | 49.5 | 57.9 | 108.3 |
| Primary School Female Teaching Staff (% of Total) | 2010-2017 | 42.0 | 48.7 | 53.0 | 81.5 |
| Adult literacy Rate - Total (%) | 2010-2017 | 62.1 | 65.5 | 73.1 | ... |
| Adult literacy Rate - Male (%) | 2010-2017 | 69.8 | 77.0 | 79.1 | ... |
| Adult literacy Rate - Female (%) | 2010-2017 | 55.2 | 62.6 | 67.2 | ... |
| Percentage of GDP Spent on Education | 2010-2015 | 4.7 | 4.9 | 4.1 | 5.2 |
| **Environmental Indicators** | | | | | |
| Land Use (Arable Land as % of Total Land Area) | 2016 | 40.3 | 8.0 | 11.3 | 10.4 |
| Agricultural Land (as % of land area) | 2016 | 61.4 | 38.2 | 37.8 | 36.5 |
| Forest (As % of Land Area) | 2016 | 33.2 | 22.0 | 32.6 | 27.6 |
| Per Capita CO2 Emissions (metric tons) | 2014 | 0.1 | 1.1 | 3.5 | 11.0 |




*Sources : AfDB Statistics Department Databases; World Bank: World Development Indicators; UNAIDS; UNSD; WHO, UNICEF, UNDP; Country Reports.* *last update : Febuary 2019*

*Note : n.a. : Not Applicable ; ... : Data Not Available. * Labor force participation rate, total (% of total population ages 15+)*
*** Labor force participation rate, female (% of female population ages 15+)*

## Malawi Division of Labor Matrix

| Development partners | Agriculture | Integrated Rural Development | Environment, Land and Natural Resources | Tourism, Wildlife | Water, Sanitation & Irrigation | Trade, Industry, & Private Sector Development | Disaster and Risk Management | Health | Education | Gender, Youth and Sports | Roads, Public Works & Transport | ICT & Research and Development | Energy & Mining | Economic Governance | Democratic Governance | Public Administration | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| WB | A | A | A | A | A | L | L | A | A | | A | A | L | A | | | 13 |
| AFDB | A | | A | A | A | A | | | L | | L | A | A | A | | | 10 |
| EU | A | AC | | | A | A | | | FA | | AC | | A | A | A | | 9 |
| OPEC Fund | A | A | | | A | A | | A | A | | A | | A | | | | 8 |
| DFID | A | A | A | | A | A | AC | AC | A | A | A | | A | A | A | A | 14 |
| USAID | L | A | A | | A | A | A | L | AC | | | | | A | A | A | 11 |
| JICA | A | A | A | | A | A | | AC | AC | | A | | A | FA | | | 10 |
| Ireland | A | A | A | | A | | AC | AC | | | | | | A | A | A | 9 |
| Norway | A | | A | A | | | A | A | | A | | | | A | A | | 8 |
| China | A | | | | | | | | | A | FA | FA | FA | | | | 5 |
| Germany | | | | | | | A | A | A | | | | | A | | | 4 |
| UN Agencies | A | A | A | | A | A | A | A | A | A | | A | A | A | A | A | 14 |
| AusAID | | | | | A | | | | | | | | | | | | 1 |
| CDC | | | | | | | | A | | | | | | | | | 1 |
| Global Fund | | | | | | | | A | | | | | | | | | 1 |
| Netherlands | | | | | | | | A | | | | | | | | | 1 |
| Abu Dhabi | | | | | | | | | | | A | | | | | | 1 |
| Kuwait Fund | | | | | | | | | | | A | | | | | | 1 |
| Flanders | A | | | | | | A | | | | | | | | | | 2 |
| Saudi Fund | | | | | | | | A | | | A | | | | | | 2 |
| ICEIDA | | | | | A | | | AC | AC | | | | | | | | 3 |
| India | | | | | A | A | | | | | | | A | | | | 3 |
| BADEA | A | | | | A | | | | | | A | | | | | | 3 |
| **Total** | 13 | 8 | 8 | 3 | 13 | 9 | 8 | 14 | 10 | 4 | 11 | 4 | 9 | 10 | 6 | 4 | |

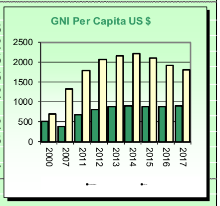
Note: A = active, L = lead, AC = assigned co-chair, and FA = future active engagement

# Appendix VI. Country's comparative socio-economic indicators – Zimbabwe

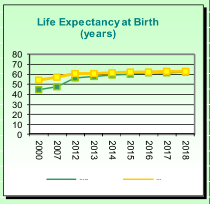
## Zimbabwe

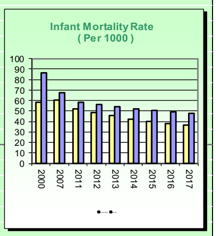
### COMPARATIVE SOCIO-ECONOMIC INDICATORS

| | Year | Zimbabwe | Africa | Develo-ping Countries | Develo-ped Countries |
|---|---|---|---|---|---|
| **Basic Indicators** | | | | | |
| Area ( '000 Km²) | 2018 | 391 | 30,067 | 92,017 | 40,008 |
| Total Population (millions) | 2018 | 16.9 | 1,286.2 | 6,432.7 | 1,197.2 |
| Urban Population (% of Total) | 2018 | 32.2 | 42.5 | 50.4 | 81.5 |
| Population Density (per Km²) | 2018 | 43.2 | 43.8 | 71.9 | 31.6 |
| GNI per Capita (US $) | 2017 | 1 170 | 1 767 | 4 456 | 40 142 |
| Labor Force Participation *- Total (%) | 2018 | 82.8 | 65.9 | 62.1 | 60.1 |
| Labor Force Participation **- Female (%) | 2018 | 78.3 | 55.5 | 47.6 | 52.2 |
| Sex Ratio (per 100 female) | 2018 | 95.1 | 99.8 | 102.3 | 99.3 |
| Human Develop. Index (Rank among 189 countries) | 2017 | 156 | ... | ... | ... |
| Popul. Living Below $ 1.90 a Day (% of Population) | 2007-2017 | 21.4 | ... | 11.9 | 0.7 |
| **Demographic Indicators** | | | | | |
| Population Growth Rate - Total (%) | 2018 | 2.3 | 2.5 | 1.2 | 0.5 |
| Population Growth Rate - Urban (%) | 2018 | 2.2 | 3.6 | 2.3 | 0.7 |
| Population < 15 years (%) | 2018 | 41.0 | 40.6 | 27.5 | 16.5 |
| Population 15-24 years (%) | 2018 | 20.0 | 19.2 | 16.3 | 11.7 |
| Population >= 65 years (%) | 2018 | 2.8 | 3.5 | 7.2 | 18.0 |
| Dependency Ratio (%) | 2018 | 79.3 | 79.2 | 53.2 | 52.8 |
| Female Population 15-49 years (% of total population) | 2018 | 26.1 | 24.1 | 25.4 | 22.2 |
| Life Expectancy at Birth - Total (years) | 2018 | 62.1 | 63.1 | 67.1 | 81.3 |
| Life Expectancy at Birth - Female (years) | 2018 | 63.9 | 64.9 | 69.2 | 83.8 |
| Crude Birth Rate (per 1,000) | 2018 | 31.5 | 33.4 | 26.4 | 10.9 |
| Crude Death Rate (per 1,000) | 2018 | 7.7 | 8.3 | 7.7 | 8.8 |
| Infant Mortality Rate (per 1,000) | 2017 | 36.5 | 47.7 | 32.0 | 4.6 |
| Child Mortality Rate (per 1,000) | 2017 | 50.3 | 68.6 | 42.8 | 5.4 |
| Total Fertility Rate (per woman) | 2018 | 3.6 | 4.4 | 3.5 | 1.7 |
| Maternal Mortality Rate (per 100,000) | 2015 | 443.0 | 444.1 | 237.0 | 10.0 |
| Women Using Contraception (%) | 2018 | 67.6 | 38.3 | 61.8 | ... |
| **Health & Nutrition Indicators** | | | | | |
| Physicians (per 100,000 people) | 2010-2016 | 7.7 | 33.6 | 117.8 | 300.8 |
| Nurses and midwives (per 100,000 people) | 2010-2016 | 116.7 | 123.3 | 232.6 | 868.4 |
| Births attended by Trained Health Personnel (%) | 2010-2017 | 78.1 | 61.7 | 78.3 | 99.0 |
| Access to Safe Water (% of Population) | 2015 | 76.9 | 71.6 | 89.4 | 99.5 |
| Access to Sanitation (% of Population) | 2015 | 36.8 | 39.4 | 61.5 | 99.4 |
| Percent. of Adults (aged 15-49) Living with HIV/AIDS | 2017 | 13.3 | 3.4 | 1.1 | ... |
| Incidence of Tuberculosis (per 100,000) | 2016 | 208.0 | 221.7 | 163.0 | 12.0 |
| Child Immunization Against Tuberculosis (%) | 2017 | 95.0 | 82.1 | 84.9 | 95.8 |
| Child Immunization Against Measles (%) | 2017 | 90.0 | 74.4 | 84.0 | 93.7 |
| Underweight Children (% of children under 5 years) | 2010-2016 | 8.4 | 17.5 | 15.0 | 0.9 |
| Prevalence of stunding | 2010-2016 | 26.8 | 34.0 | 24.6 | 2.5 |
| Prevalence of undernourishment (% of pop.) | 2016 | 46.6 | 18.5 | 12.4 | 2.7 |
| Public Expenditure on Health (as % of GDP) | 2014 | 2.5 | 2.6 | 3.0 | 7.7 |
| **Education Indicators** | | | | | |
| Gross Enrolment Ratio (%) | | | | | |
| Primary School - Total | 2010-2017 | 98.7 | 99.5 | 102.8 | 102.6 |
| Primary School - Female | 2010-2017 | 97.9 | 97.4 | 102.0 | 102.5 |
| Secondary School - Total | 2010-2017 | 47.1 | 51.9 | 59.5 | 108.5 |
| Secondary School - Female | 2010-2017 | 46.7 | 49.5 | 57.9 | 108.3 |
| Primary School Female Teaching Staff (% of Total) | 2010-2017 | 55.7 | 48.7 | 53.0 | 81.5 |
| Adult literacy Rate - Total (%) | 2010-2017 | 88.7 | 65.5 | 73.1 | ... |
| Adult literacy Rate - Male (%) | 2010-2017 | 89.2 | 77.0 | 79.1 | ... |
| Adult literacy Rate - Female (%) | 2010-2017 | 88.3 | 62.6 | 67.2 | ... |
| Percentage of GDP Spent on Education | 2010-2015 | 7.5 | 4.9 | 4.1 | 5.2 |
| **Environmental Indicators** | | | | | |
| Land Use (Arable Land as % of Total Land Area) | 2016 | 10.3 | 8.0 | 11.3 | 10.4 |
| Agricultural Land (as % of land area) | 2016 | 41.9 | 38.2 | 37.8 | 36.5 |
| Forest (As % of Land Area) | 2016 | 35.5 | 22.0 | 32.6 | 27.6 |
| Per Capita CO2 Emissions (metric tons) | 2014 | 0.8 | 1.1 | 3.5 | 11.0 |








*Sources : AfDB Statistics Department Databases; World Bank: World Development Indicators; UNAIDS; UNSD; WHO, UNICEF, UNDP; Country Reports.* *last update : Febuary 2019*

*Note : n.a. : Not Applicable ; ... : Data Not Available. * Labor force participation rate, total (% of total population ages 15+)*
*** Labor force participation rate, female (% of female population ages 15+)*

# Appendix VII. Table of ADB's portfolio in the country

## List of active projects (loans and grants) by Sector:

**Bank Group Financed Active Operations in Malawi, As at 8th May 2019**

| # | Project Name | Funding Window | Status | Approval Date | Final Disbursement Date | Amount Approved | Disbursed Amount | Disbursement Rate* | Age (years) | IP (Impl.Progress) | DO (Dev. Objectives) | Overall Performance Status |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | **AGRICULTURE SECTOR** | | | | | **69,332,264** | **29,742,090** | **42.90** | **2.4** | | | |
| | | [ ADF ] | OnGo | 3/13/2013 | 30.09.2019 | 253,000 | 212,069 | 83.82 | | | | |
| 1 | SMALLHOLDER IRRIGATION AND VALUE ADDITION PROJECT (SIVAP/FUN | [GAFSP TF] | OnGo | 3/13/2013 | 30.09.2019 | 28,579,264 | 27,988,464 | 97.93 | 6.2 | 3 | 4 | NPPP |
| 2 | AGRICULTURAL INFRASTRUCTURE AND YOUTH AGRIBUSINESS PROJECT | [ ADF ] | OnGo | 9/28/2016 | 30.06.2022 | 16,000,000 | 1,541,557 | 9.63 | 2.6 | 3 | 3 | NPPP |
| | | [ ADF ] | APVD | 12/4/2018 | 30.06.2023 | 20,000,000 | 0 | 0.00 | 0.4 | | | |
| 3 | SHIRE VALLEY TRANSFORMATION PROJECT | [ NTF ] | APVD | 12/4/2018 | 30.06.2023 | 4,500,000 | 0 | 0.00 | 0.4 | | | |
| | **TRNASPORT SECTOR** | | | | | **64,250,000** | **49,318,642** | **76.76** | **5.81** | | | |
| 4 | NACALA ROAD CORRIDOR PROJECT PHASE IV (LIWONDE-MANGOCHI) MA | [ ADF ] | OnGo | 12/3/2013 | 31.12.2020 | 42,360,000 | 27,960,421 | 66.01 | 5.45 | 3 | 3 | |
| 5 | MZUZU-NKHATA BAY ROAD REHABILITATION PROJECT | [ ADF ] | OnGo | 3/13/2013 | 31.12.2019 | 21,890,000 | 21,358,221 | 97.57 | 6.17 | 4 | 4 | NPPP |
| | **WATER SUPPL/SANIT** | | | | | **56,277,652** | **30,038,537** | **53.38** | **3.13** | | | |
| | | [ ADF ] | OnGo | 4/30/2014 | 31.12.2019 | 15,000,000 | 11,636,207 | 77.57 | | | | |
| | | [ NTF ] | OnGo | 4/30/2014 | 31.12.2019 | 5,000,000 | 4,312,998 | 86.26 | | 4 | 3 | |
| 6 | SUSTAINABLE RURAL WATER AND SANITATION INFRASTRUCTURE FOR IM | [RWSSI] | OnGo | 4/30/2014 | 31.12.2019 | 2,825,269 | 2,157,054 | 76.35 | 5.04 | | | NPPP |
| | | [ ADF ] | OnGo | 10/23/2015 | 31.12.2019 | 3,600,000 | 2,496,108 | 69.34 | 3.55 | 4 | 3 | |
| 7 | MZIMBA INTEGRATED URBAN WATER AND SANITATION PROJECT | [OPEC] | OnGo | 12/18/2015 | 31.12.2020 | 10,692,000 | 9,416,135 | 88.07 | 3.40 | | | NPPP |
| | | ADF | OnGo | 10/24/2018 | 30/06/2023 | 10,500,000 | 20,035 | 0.19 | 0.54 | | | |
| 8 | MZUZU-NKHATA BAY WATER SUPPLY PROJECT | [OPEC] | OnGo | | | 8,660,383 | | | 0.00 | | | |
| | **SOCIAL SECTOR** | | | | | **8,770,071** | **1,614,947** | **18.41** | **2.42** | | | |
| | | [ ADF ] | OnGo | 12/7/2016 | 31.12.2020 | 7,520,000 | 1,106,799 | 14.72 | | | | |
| 9 | JOBS FOR YOUTH MALAWI | [ ADF ] | OnGo | 12/7/2016 | 31.12.2020 | 1,250,071 | 508,148 | 40.65 | 2.42 | 3 | 3 | NPPP |
| | **MULTI_SECTOR** | | | | | **10,341,698** | **3,230,210** | **31.23** | **2.20** | | | |
| 10 | SUPPORT PROJECT-PHA | [ ADF ] | OnGo | 9/10/2015 | 30.05.2019 | 1,860,000 | 1,828,383 | 98.30 | 3.67 | 3 | 3 | NPPP |
| 11 | MALAWI NACALA RAIL & PORT VALUE ADDITION | [FAPA] | OnGo | 5/23/2017 | 31.12.2020 | 721,698 | 157,537 | 21.83 | 1.96 | | | |
| 12 | 2016 MALAWI ECONOMIC CENSUS | [ ADF ] | OnGo | 7/5/2017 | 31.12.2019 | 760,000 | 730,117 | 96.07 | 1.85 | 3 | 3 | |
| 13 | TOURISM | [ ADF ] | OnGo | 1/11/2018 | 31/12/2021 | 7,000,000 | 514,173 | 7.35 | 1.32 | 3 | 4 | NPPP |
| | TOTAL | | | | | **208,971,685** | **113,944,426** | **55** | **3.2** | **3.3** | **3.3** | |

Note: Ratings (1-4): Highly Unsatisfactory = 1; Unsatisfactory = 2; Satisfactory = 3; Highly Satisfactory = 4 NPP= Non Potentially Problematic Project; PP = Problem Project; and PPP = Potentially Problematic Project

# Appendix VIII: Table of ADB's portfolio in the country

| Sector | Project Name | Approval | Closing | Loan/ Grant | Disb. Rate | Uncommit |
|---|---|---|---|---|---|---|
| Agriculture | DROUGHT RECOVERY AND AGRICULTURE RESILIENCE PROJECT | 18.01.2018 | 31.12.2022 | 10.00 | 0% | 0.00 |
| Agriculture | MASSINGIR DAM AND SMALLHOLDER AGRICULTURE REHABILITATION PROJECT (SL) | 02.03.2007 | 30.06.2016 | 16.85 | 100% | 0.00 |
| Agriculture | MASSINGIR DAM EMERGENCY REHABILITATION PROJECT SUPPLEMENTARY | | 31.12.2017 | 13.30 | 93% | 0.15 |
| Agriculture | MASSINGIR DAM EMERGENCY REHABILITATION PROJECT SUPPLEMENTARY | 22.05.2013 | 30.06.2018 | 22.01 | 56% | 2.27 |
| Agriculture | BAIXO LIMPOPO IRRIGATION & CLIMATE RESILIENCE PROJECT | 26.09.2012 | 30.06.2019 | 16.53 | 79% | 2.67 |
| Agriculture | BAIXO LIMPOPO IRRIGATION & CLIMATE RESILIENCE PROJECT | 26.09.2012 | 30.06.2019 | 9.23 | 42% | 2.86 |
| Agriculture | BAIXO LIMPOPO IRRIGATION & CLIMATE RESILIENCE PROJECT | 26.09.2012 | 30.06.2019 | 1.95 | 7% | 1.81 |
| Agriculture | SUSTAINABLE LAND & WATER RES. MGT PROJECT (SLWRMP) PPCR | 31.10.2012 | 31.12.2018 | 2.10 | 66% | 0.30 |
| Agriculture | SUSTAINABLE LAND & WATER RES. MGT PROJECT (SLWRMP) PPCR | 31.10.2012 | 31.12.2018 | 11.18 | 46% | 2.46 |
| Agriculture | FEASIBILITY STUDIES FOR BUILDING CLIMATE RESILIENCE OF LIMPO | 01.12.2014 | 31.12.2017 | 2.88 | 23% | 0.59 |
| Agriculture | FEASIBILITY STUDIES FOR BUILDING CLIMATE RESILIENCE OF LIMPO | 03.10.2014 | 31.12.2018 | 0.67 | 11% | 0.37 |
| Agriculture | COFAMOSA IRRIGATION PROJECT - PPF | 24.11.2015 | 30.06.2017 | 0.82 | 18% | 0.12 |
| Agriculture | EMERGENCY RELIEF 2016 DRAUGHT | 17.06.2016 | 31.12.2016 | 0.71 | 100% | 0.00 |
| Governance | ECONOMIC GOVERNANCE AND INCLUSIVE GROWTH II | 15.12.2015 | 31.01.2016 | 15.00 | 100% | 0.00 |
| Finance | AFRICA SME PROGRAM LOC - MOZABANCO S.A MOZAMBIQUE | 11.04.2014 | 30.05.2016 | 6.39 | 100% | 0.00 |
| Mineral Res | MOMA MINERAL SANDS PROJECT | 21.05.2003 | 18.10.2007 | 28.40 | 100% | 0.00 |
| Mineral Res | MOMA MINERAL SANDS EXPANSION PROJECT | 27.03.2015 | 29.04.2017 | 0.45 | 100% | 0.00 |
| Mineral Res | SASOL NATURAL GAS PROJECT | 22.10.2003 | 15.12.2005 | 29.76 | 100% | 0.00 |
| Energy | ELECTRICITY IV PROJECT | 13.09.2006 | 31.12.2016 | 26.30 | 92% | |
| Energy | ELECTRICITY IV PROJECT | 07.09.2006 | 31.12.2016 | 7.38 | 82% | 0.89 |
| Energy | ENABLING LARGE SCALE GAS & PWR INVESTMNT | 18.12.2013 | 30.06.2018 | 9.95 | 1% | 9.84 |
| Social | UNILURIO | 18.01.2018 | 31.12.2022 | 10.00 | 0% | 0.0 |
| Social | CONSOLIDATION WOMEN'S ENTREPRENEURSHIP | 18.12.2013 | 31.12.2018 | 1.24 | 46% | |
| Social | CONSOLIDATION WOMEN'S ENTREPRENEURSHIP | 18.12.2013 | 31.12.2018 | 2.56 | 23% | 0.90 |
| Social | JOB CREATION AND LIVELIHOOD IMPROVEMENT | 18.05.2016 | 30.12.2021 | 4.53 | 5% | 3.97 |
| Transport | MONTEPUEZ-LICHINGA ROAD PROJECT | 27.10.2006 | 30.06.2018 | 30.10 | 67% | 1.05 |
| Transport | MONTEPUEZ-LICHINGA ROAD PROJECT | 19.03.2007 | 31.05.2016 | 21.00 | 60% | -0.99 |
| Transport | SUPPLEMENTARY LOAN TO MONTEPUEZ - LICHINGA ROAD PROJECT | 26.10.2010 | 30.06.2018 | 32.65 | 67% | 3.74 |
| Transport | MULTI-NACALA CORRIDOR PROJECT (MOZAMBIQUE) | 24.06.2009 | 01.07.2018 | 102.72 | 40% | 48.87 |
| Transport | MULTI-NACALA CORRIDOR PROJECT (MOZAMBIQUE) | 10.03.2010 | 06.07.2016 | 38.26 | 100% | 0.00 |
| Transport | NACALA TRANSPORT CORRIDOR PHASE-III | 05.12.2012 | 31.12.2018 | 38.65 | 13% | 6.69 |
| Transport | NACALA TRANSPORT CORRIDOR PHASE-III | 05.12.2012 | 31.12.2018 | 0.18 | 19% | 0.15 |
| Transport | MTWARA DEVELOPMENT CORRIDOR | 29.10.2012 | 31.12.2017 | 1.30 | 72% | 0.34 |
| Transport | MUEDA-NEGOMANO ROAD PROJECT | 09.12.2016 | 31.12.2022 | 51.28 | 0% | 0.00 |
| Transport | MUEDA-NEGOMANO ROAD PROJECT | 09.12.2016 | 31.12.2022 | 2.24 | 0% | 0.00 |
| Transport | NACALA RAIL CORRIDOR & PORT PROJECT-CORR.LOGISTICO INTEGRADO NACALA | 16.12.2015 | 15.01.2028 | 79.13 | 0% | 0.00 |
| Transport | NACALA RAIL & PORT PROJECT-CDN | 16.12.2015 | 10.04.2020 | 59.41 | 0% | 0.00 |
| Transport | NACALA RAIL & PORT PROJECT-VALE LOGISTICS LTD (VLL) | 16.12.2015 | 10.04.2020 | 61.57 | 0% | 0.00 |
| Water | NIASSA PROVINCIAL TOWNS WATER AND SANITATION | 29.04.2009 | 30.03.2016 | 18.00 | 97% | 0.43 |
| Water | NATIONAL RURAL WATER SUPPLY PROGRAM | 09.11.2010 | 30.09.2017 | 5.27 | 94% | 0.21 |
| Water | NATIONAL RURAL WATER SUPPLY PROGRAM | 09.11.2010 | 30.09.2017 | 5.04 | 89% | 0.01 |
| Water | URBAN SANITATION FOR I'BANE AND CHIMOIO | 14.07.2016 | 31.12.2018 | 1.34 | 0% | 0.00 |

## Appendix IX. Key related projects financed by the Bank and other development partners in the country

| Donor | Name of the Project | Implementing Agency | | Currency | Amount in Country Currency | Amount in US Dollars | Funding Modality | Duration | Local | Comments |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | **€ 1 = $1,308** | | | | |
| **CLIMATE CHANGE ADAPTATION AND DISASTER RISK REDUCTION** | | | | | | | | | | |
| **ON-GOING PROJECTS** | | | | | | | | | | |
| **NATIONAL LEVEL** | | | | | | | | | | |
| World Bank | Sustenta | MITADER (DNGA), Nampula and Zambeze province | | $ USD | | 40,000,000.00 (26000000,00 grant /14000000 loan) | Loan/Grant | 20016-2021 | Nampula and Zambeze | |
| Danida/EU Commission (Irish Aid) | Support Program to the Environment Sector (PASA II) | MITADER | | $ | | 60,980,000.00 | Grant | 2011-2015 | National, provincial and local | |
| World Bank | PROIR | MASA | | | | Loan | Grant | 2011 - 2018 | National, provincial and local | Gaza, Tete, Cabo Delgado |
| World Bank | APSA | MASA/IIAM | | $ | | 30000000.00 | Loan | 2015 - 2020 | National | Research |
| UNDP (LDCF/GEF) | Adaptation in the coastal zones of Mozambique | MITADER | | $ | Total<br>Grant | 9,667,000.00<br>4,433,000.00 | Grant | 1/10 2011 - 1/9 2015 | National, local (Pemba, Inharrime, Pebane) | Total ($14,110,000) includes a GEF contribution of $4.433.000; GoM contribution of US$ 827,000 (in kind and money); UNDP funds; parallel funding |
| Joint Program "UN Delivery as One" | Support to Risck Reduction Against Disasteries | UNDP/UN-HABITAT UNICEF/FAO/WFP IOM/WHO/UNFPA | | $ | | 10,000,000.00 | Grant | 2008-2010 | National, provincial and local | |

| Donor | Name of the Project | Implementing Agency | | Currency | Amount in Country Currency | Amount in US Dollars | Funding Modality | Duration | Local | Comments |
|---|---|---|---|---|---|---|---|---|---|---|
| Joint Program from the Spanish Fund for ODM | Climate Change Adptation and Environemental Integration | FAO/UNEP/ UNDP | | $ | | 7,000,000.00 | Grant | 2008-2012 | Limpopo Basin and Chicualacuala district - Gaza | Mostly in the district of Chicualacuala. Financed by the Spanish Government through the MDG-F. Project will close in mid-2012 |
| German Cooperation | Institutional Advisor for consolidation and increasing risk management for calamities in Mozambique | INGC | | $ | | 7,600,000.00 | Grants | 2007- fim 2012 | National, Provincial, Local | Caia, Beira, Buzi, Save, Mabote, Funhalouro, Vilankulos, Maputo |
| UNDP | Climate Change Project at INGC Fase II – Response às CC em Moç | INGC | | $ | 3,600,000.00 | 3.600.000, Danida: 1057000, PNUD: 1250000, AfD: 243000 | Grant | 2009-2011 | National | Draft final reports made available mid-March 2012 |
| França (AFD) | | | | | | | | | | |
| Danida | | | | | | | | | | |
| Irish Aid | | | | Euro | 250,000.00 | 327,000.00 | | 2011 - 2012 | Mabote | |
| JICA | Climate Changes Water Supply Emergence Program | MITADER/INGC/ DNA | | $ | | 11,000,000.00 | Grant | 2009-2010 | Províncias de Maputo e Gaza | Previsto para envolver 75.000 pessoas, mas devido a limitação de recursos apenas 20.000 pessoas |
| Holanda Canada CAD 5.000.000.00 USAID In-Country Missions (U.S.A.) | Promotion and Protection of Means of Subsistence (LPP) under emergency Situation | WFP em parceria com INGC e MASA | | $ | | 40,000,000.00 | Direct multilateral | 2008-2010 | 30 Distritos vulneráveis do Plano Director do INGC | |
| AFD (GEF francês) | Adaptação às mudanças climáticas no Parque National das Quirimbas | MITUR | | € | 1,000,000.00 | 1,308,000.00 | Grant | 2011-2014 | Cabo Delgado - PNQ | Parte dum projecte mais global de apoio do PNQ |
| AFD (GEF francês) | REDD+ - Reserva National do Gile e sua periferia | MITUR | | € | 2,000,000.00 | 2,616,000.00 | Grant | 2011-2014 | Zambezia | Statuto : início |
| UNDP | Capacity Development for RRD and AMC | INGC/MITADER | | $ | | 4,568,000 | | 2012-2015 | | Note that the total refers to UNDP core funding already allocated; the project plans to mobilize an additional $10,771,000. |

| Donor | Name of the Project | Implementing Agency | | Currency | Amount in Country Currency | Amount in US Dollars | Funding Modality | Duration | Local | Comments |
|---|---|---|---|---|---|---|---|---|---|---|
| **MITIGAÇÃO** | | | | | | | | | | |
| **FINANCIAMENTO EM CURSO** | | | | | | | | | | |
| Noruega | Sul-Sul REDD | IIED with differet institutions | | NOK | 3.800.000 + 2,000,000 | 645,934.00 | Grant | 2009-Marco 2012 | | |
| Japan, Government of | Provision of survey equipment, satellite images, PC, and softwares for RS for monitoring REDD+ | MASA (DNTF) | | Yen | ########## | 7,000,000.00 | Grant | 2010 | National | A part of the Japan Grant Aid for Forest Preservation Programme: US$200million for 22 countries |
| Japan International Cooperation Agency (JICA) | Technical Cooperation Project (Establishment of Sustainable Forest Resource Information Platform for Monitoring REDD+) | MASA (DNTF) | | $ | 3,500,000 | | Technical Cooperation | 2012-2017 | National | |
| German and Dutch | Energizing Development: Access to modern Energy Services (AMES), grid densification and off grid solar and hydro | FUNAE | | $ | 3,800,000 | 5,244,000 | Grant | 2010-2012 | Maputo/Matola /National /Manica province | |
| UNDP | Green Human capacity Development (GHD project) | MITADER | | $ | | 1,253,000 | | 2012-2015 | National - Local | Note that the total refers to UNDP core funding already allocated; the project plans to mobilize an additional $1.800.000. Also note that the project involves CCA and not only mitigation |
| Noruega | Capacity building for CDM projects in  Mozambique | Pöyry AS/Dr. AJ Tsamba da UEM | | NOK | 1,600,000.00 | 271,972.00 | ? | 2010-2011 | | |