



Second Climate Change DPO (P146398)

AFRICA | Mozambique | Environment & Natural Resources Global Practice |
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Implementing Agencies: Ministry of Planning and Development

Key Dates

Key Project Dates

Bank Approval Date:23-Dec-2014

Effectiveness Date:25-Mar-2015

Planned Mid Term Review Date:--

Actual Mid-Term Review Date:--

Original Closing Date:30-Jun-2015

Revised Closing Date:30-Jun-2015

Program Development Objectives

Program Development Objective (from Program Document)

The Program Development Objective of the Climate Change Development Policy Operation Series is to build effective institutional and policy frameworks for climate resilient development. The series is structured around two pillars aligned to the Government's national strategy on climate change. Actions under Pillar 1 seek to strengthen the national policy and institutional framework for climate resilient planning - including reforms that will strengthen institutional coordination, monitoring and reporting. Actions under Pillar 2 seek to strengthen the climate resilience of selected sectors - including reforms in agriculture (considered particularly vulnerable to climate risks), roads and energy. This pillar also includes a reform that will strengthen hydro-meteorological services to contribute to disaster risk reduction and management, and to improve early warning systems. The reforms selected for support address key poverty issues - including the resilience of smallholder farmers to short-term weather risks and longer-term climate change, and access to effective early warning systems, as well as sustainability issues - including climate resilience of infrastructure, energy efficiency and renewable energy access. The operation was the second, single tranche operation in a series of three climate change Development Policy Operations (DPOs). The first two operations (CC DPO 1 and CC DPO 2) delivered US\$50 million each of IDA financing in support of a medium-term reform program across several sectors. The reform agenda was consistent with the objective of the country's poverty reduction support strategy (PARP) and is now aligned with the new 5 year plan (2015-2019). Reforms are aligned closely with the National Climate Change Adaptation and Mitigation Strategy or *Estratégia Nacional de Adaptação e Mitigação das Mudanças Climáticas*.

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	--	● Satisfactory
Overall Implementation Progress (IP)	--	● Satisfactory
Overall Risk Rating	--	● Moderate

Implementation Status and Key Decisions

A total of thirteen (13) policy actions were supported over the first two cycles of CC DPO support - six under CC DPO 1 and seven under CC DPO 2. The impacts of efforts to strengthen institutional and policy frameworks are visible at the implementation level. For example, in comparison with the



severe flood events in 2000, strengthened disaster risk planning and management systems resulted in improved responses to the floods in the Limpopo valley in 2013 and to some extent in central and northern Mozambique in 2015. The National Climate Change Strategy is now under implementation and local climate adaptation plans and budgets are now being prepared and adopted in around twenty vulnerable districts with more expected to follow. The first national report on strategy implementation is to be presented to Council of Ministers in late 2015. A Climate Change Unit (UMC) became fully-operational during 2014 and a new DRM Bill was approved and enacted by Parliament in 2014. A new Decree was approved by the Council of Ministers in November 2014 which formalized the organizational changes proposed in the INAM strategic plan introduced in 2012. The establishment of Regional Meteorological Centers to improve the accuracy of sub-regional forecasting for weather and floods has been approved and procurement work for the first such center has started.

The Ministry of Agriculture and Food Security has established a national agriculture sector adaptation to climate change action plan and this is now at an early stage of implementation, led by the National Directorate for Agricultural Extension (DNEA). It is estimated that over 15,000 farmers are now practicing conservation agriculture techniques. For social protection, implementation of the National Productive Social Action Program, that includes specific measures to build climate resilience, is now well underway. In the health sector, the Council of Ministers approved a new national health strategy in 2014 that also includes specific measures to address climate change. In the roads sector, the government has introduced a new requirement for the mandatory screening of all new roads projects and is now preparing new national standards for roads. For renewable energy the Council of Ministers established a Renewable Energy Feed in Tariff (REFIT) mechanism to encourage private sector investment to boost medium term energy supply and access from renewables. Several new investments in renewable energy development are moving forwards and the government is also making progress on demand reduction through energy efficiency measures.

Risks



Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	● Substantial	--	● Substantial
Macroeconomic	● Moderate	--	● Moderate
Sector Strategies and Policies	● Moderate	--	● Moderate
Technical Design of Project or Program	● Low	--	● Low
Institutional Capacity for Implementation and Sustainability	● Moderate	--	● Moderate
Fiduciary	● Low	--	● Low
Environment and Social	● Moderate	--	● Moderate
Stakeholders	● Low	--	● Low
Other	● Low	--	● Low
Overall	● Moderate	--	● Moderate

Results

Results Indicators

► Number of districts that budget the climate change actions identified in the district socio-economic plan (PESOD) in annual district budgets. (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	10.00
Date	03-Dec-2012	--	13-Oct-2015	30-Jun-2017

Comments

So far, 10-15 districts have prepared and approved Local Adaptation Plans and have included these in the district socio-economic plans (PESODS). Data is not yet available on the impact of the LAPs on annual budgeting. Annual reporting scheduled for December 2015 should provide data for actual number of districts meeting this indicator. Until this reporting, the figure included here will remain as zero.

► Number of sectors included in the National Climate Change Adaptation and Mitigation Strategy reporting through the national climate change M&E framework. (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	13.00
Date	03-Dec-2012	--	13-Oct-2015	30-Jun-2017

Comments

All thirteen sectors are expected to report using the framework by end 2015.



► Changes in lead time between warnings issued by ARAs/DNA on the basis of flood and weather alert monitoring to when INGC (Institute of Disaster Management) declares Red status in the lower Limpopo and (Days, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	2.00	--	2.00	5.00
Date	03-Dec-2012	--	10-Jan-2013	30-Jun-2017

Comments

Data is not yet been available as the indicator was adjusted prior to CC DPO 2 board submission. Subjective evidence on basis of flood response in the lower Limpopo valley indicates that early warning periods are gradually increasing.

► Number of households engaged in conservation agriculture in all ten provinces (as measured through quarterly reporting to MINAG from agricultural extension workers). (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	15000.00	--	15000.00	32000.00
Date	03-Dec-2012	--	13-Oct-2015	30-Jun-2017

Comments

MASA estimates that there are considerably over 15,000 households currently practicing conservation agriculture. New data, collected through a revised M&R system currently being developed by the Ministry of Agriculture and Food Security (MASA), should deliver results on an annual basis from January 2016.



- Number of households in climate vulnerable districts listed by the INGC benefiting from the National Productive Social Action Program (as measured in INE household survey data). (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	5000.00	10000.00
Date	03-Dec-2012	--	13-Oct-2015	30-Jun-2017

Comments

The Ministry of Gender, Children and Social Action estimates that the target has been exceeded already, but objective data is still not available.

- Number of high-risk districts and municipalities listed by the INGC that have introduced disaster preparedness and response protocols for health service delivery. (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	10.00
Date	03-Dec-2012	--	13-Oct-2015	30-Jun-2017

- Percentage of district roads that are re-constructed or upgraded from 2014 onwards in pilot provinces (Gaza and west Inhambane) in compliance with revised guidance and design standards. (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	--	80.00
Date	03-Dec-2012	--	--	30-Jun-2017

- Expected additional energy availability through: (i) proposed renewable energy generation; and/or (ii) projected savings from identified efficiency measures. Baseline (2012): (MWh/year, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	30.00	45.00
Date	03-Dec-2012	--	13-Oct-2015	30-Jun-2017

Comments

Good progress is being made with this indicator. MIREM report that Private Public Partnership (PPP) investments in Pemba and Zambezia are moving forwards, each of which will add 30MW of renewable energy generation capacity from solar PV. Good progress is also being made on light bulb substitution as part of the energy efficiency action plan.



Overall Comments

Data on Financial Performance**Disbursements (by loan)**

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P146398	IDA-55650	Closed	XDR	17.00	17.00	0.00	17.00	0.00	100%
P146398	IDA-D0130	Closed	XDR	17.00	17.00	0.00	17.00	0.00	100%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P146398	IDA-55650	Closed	23-Dec-2014	29-Dec-2014	25-Mar-2015	30-Jun-2015	30-Jun-2015
P146398	IDA-D0130	Closed	23-Dec-2014	29-Dec-2014	25-Mar-2015	30-Jun-2015	30-Jun-2015

Tranches**Restructuring History**

There has been no restructuring to date.

Related Operations

P128434-Mozambique Climate Change Development Policy Operation ,P155228-Third Climate Change Development Policy Operation