



GLOBAL ENVIRONMENT FACILITY  
INVESTING IN OUR PLANET

Naoko Ishii  
CEO and Chairperson

October 23, 2014

Dear LDCF/SCCF Council Member,

UNDP as the Implementing Agency for the project entitled: *Malawi: Implementing Urgent Adaptation Priorities Through Strengthened Decentralized and National Development Plans.*, has submitted the attached proposed project document for CEO endorsement prior to final approval of the project document in accordance with UNDP procedures.

The Secretariat has reviewed the project document. It is consistent with the proposal approved by the LDCF/SCCF Council in November 2012 and the proposed project remains consistent with the Instrument and LDCF/GEF policies and procedures. The attached explanation prepared by UNDP satisfactorily details how Council's comments have been addressed.

We have today posted the proposed project document on the GEF website at [www.TheGEF.org](http://www.TheGEF.org) for your information. If you do not have access to the Web, you may request the local field office of UNDP or the World Bank to download the document for you. Alternatively, you may request a copy of the document from the Secretariat. If you make such a request, please confirm for us your current mailing address.

Sincerely,

Naoko Ishii  
Chief Executive Officer and Chairperson

Attachment: GEFSEC Project Review Document  
Copy to: Country Operational Focal Point, GEF Agencies, STAP, Trustee



# REQUEST FOR CEO ENDORSEMENT

PROJECT TYPE: FULL SIZED PROJECT

TYPE OF TRUST FUND: LDCF

For more information about GEF, visit [TheGEF.org](http://TheGEF.org)

## PART I: PROJECT INFORMATION

Project Title: Implementing urgent adaptation priorities through strengthened decentralized and national development plans			
Country(ies):	Malawi	GEF Project ID: <sup>1</sup>	5015
GEF Agency(ies):	UNDP	GEF Agency Project ID:	4958
Other Executing Partner(s):	Ministry of Environment and Climate Change Management	Submission Date:	07/06/14
		Resubmission Date:	Sept 2, 2014
GEF Focal Area (s):	Climate Change	Project Duration(Months)	60
Name of Parent Program (if applicable):	n/a	Agency Fee (\$):	450,000
➤ For SFM/REDD+ <input type="checkbox"/> ➤ For SGP <input type="checkbox"/>			

### A. FOCAL AREA STRATEGY FRAMEWORK<sup>2</sup>

Focal Area Objectives	Expected FA Outcomes	Expected FA Outputs	Trust Fund	Grant Amount (\$)	Cofinancing (\$)
CCA-2	<u>Outcome 2.2:</u> Strengthened adaptive capacity to reduce risks to climate-induced economic losses	<u>Output 2.2.1</u> Adaptive capacity of national and regional centers and networks strengthened to rapidly respond to extreme weather events	LDCF	430,000	1 672 967
CCA-2 and CCA-1	<u>Outcome 2.3:</u> Strengthened awareness and ownership of adaptation and climate risk reduction processes at local level And <u>Outcome 1.2:</u> Reduced vulnerability to climate change in development sectors And <u>Outcome 1.3:</u> Diversified and strengthened livelihoods and sources of income for vulnerable people in targeted areas	<u>Output 2.3.1:</u> Targeted population groups participating in adaptation and risk reduction awareness activities	LDCF	521,000	200,000
		And <u>Output 1.2.1:</u> Vulnerable physical, natural and social assets strengthened in response to climate change impacts, including variability.		650,000	150,000
		And <u>Output 1.3.1:</u> Targeted individual and community livelihood strategies strengthened in relation to climate change impacts, including variability		1,800,000	650,000
CCA-1	<u>Outcome 1.1</u> Mainstreamed adaptation in broader development	<u>Output 1.1.1:</u> Adaptation measures and necessary budget allocations included	LDCF	899,000	3,888,374

<sup>1</sup> Project ID number will be assigned by GEFSEC.

<sup>2</sup> Refer to the [Focal Area/LDCF/SCCF Results Framework](#) when completing Table A.

	frameworks at country level and in targeted vulnerable areas	in relevant frameworks			
(select)	(select)	PMC	LDCF	200,000	-
<b>Total project costs</b>				4,500,000	6,561,341

## B. PROJECT FRAMEWORK

<b>Project Objective: To strengthen consideration of climate change adaptation needs in decentralised and national development plans.</b>						
<b>Project Component</b>	<b>Grant Type</b>	<b>Expected Outcomes</b>	<b>Expected Outputs</b>	<b>Trust Fund</b>	<b>Grant Amount (\$)</b>	<b>Confirmed Cofinancing (\$)</b>
1. Integration of adaptation into local development plans	TA	Strengthened awareness and ownership of adaptation and climate risk reduction processes at local level	<p>1.1 A capacity development and incentive plan developed and action plan for implementation created to support the effective deployment of roles and responsibilities</p> <p>1.2 Training materials developed and the capacity of 60 district staff and sub-district project beneficiaries built on climate change integration in local development planning, policies and regulation and environmental impact assessment.</p> <p>1.3 Climate public expenditure and institutional analysis carried out to determine CCA expenditures and CCA expenditure gaps within district level budgets, supported by a training programme for relevant staff.</p> <p>1.4 Participatory vulnerability and adaptation assessments carried out with project communities to prioritise community CCA measures from the perspective of livelihoods upliftment.</p> <p>1.5 Community level disaster risk reduction and climate change adaptation plans developed for 3 vulnerable districts.</p> <p>1.6 CCA priorities integrated into the District Development Plans, district policies and</p>	LDCF	745,000	2,462,341

			<p>legislation (by-laws etc) revised, and budgets and Local Council annual investment plans updated to reflect the new plans and policies</p> <p>1.7 CCA vulnerability/CCA resilience indicators and data collection protocols agreed and added to district level databanks for planning purposes.</p>			
2. Providing tangible support to adaptation activities identified in plan	INV	Diversified and strengthened livelihoods for vulnerable people in target areas	<p>2.1 Screening tools used by the Local Development Fund updated to incorporate adaptation to climate change.</p> <p>2.2 Technical training to communities delivered in order to implement the CCA plans sustainably</p> <p>2.3 Community adaptation plans implemented.</p> <p>2.4 Weather forecast information on short timescales disseminated to farmers in Ntcheu and Zomba.</p>	LDCF	2,911,000	1,000,000
3. Integration of adaptation into national level strategies	TA	Mainstreamed adaptation in broader development frameworks at country level and in targeted vulnerable areas	<p>3.1 Technical support programme for climate change adaptation costing work set up and made operational.</p> <p>3.2 Training delivered to operationalise the Ministry of Finance budget preparation guidelines.</p> <p>3.3 Training developed and rolled out to 100 technical staff and managers in 3 relevant ministries to facilitate the investment plan development process.</p> <p>3.4 Economic costings of adaptation priorities developed by Sector Working Groups.</p> <p>3.5 Spending plans (as outlined in the Ministry strategies, Sector Working Group strategies/SWAs) in Agriculture, Water and Forestry adjusted to incorporate adaptation</p> <p>3.6 Regulatory and fiscal incentives to stimulate climate risk reduction by</p>	LDCF	549,000	3,099,000

		the private sector (citizens, companies, etc.) identified and work plan for implementation agreed with Government of Malawi for three priority sectors.			
Monitoring and Evaluation				95,000	
Subtotal				4,300,000	6,561,341
Project management Cost (PMC) <sup>3</sup>			LDCF	200,000	-
<b>Total project costs</b>				<b>4,500,000</b>	<b>6,561,341</b>

### C. SOURCES OF CONFIRMED COFINANCING FOR THE PROJECT BY SOURCE AND BY NAME (\$)

Please include letters confirming cofinancing for the project with this form

Sources of Co-financing	Name of Co-financier (source)	Type of Cofinancing	Cofinancing Amount (\$)
Government	Nkhata Bay District Council	Grant	2,366,583
Government	Ntcheu District Council	In-kind	300,000
Government	Zomba District Council	Grant	344,758
Government	Local Development Fund	Grant	1,000,000
Government	Ministry of Economic Development & Planning	Grant	150,000
Multilateral	UNDP-UNEP	Grant	1,600,000
Multilateral	UNDP	Grant	800,000
<b>Total Co-financing</b>			<b>6,561,341</b>

### D. TRUST FUND RESOURCES REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY<sup>1</sup>

GEF Agency	Type of Trust Fund	Focal Area	Country Name/ Global	(in \$)		
				Grant Amount (a)	Agency Fee (b) <sup>2</sup>	Total c=a+b
UNDP	LDCF	Climate Change	Malawi	4,500,000	450,000	4,950,000
<b>Total Grant Resources</b>				<b>4,500,000</b>	<b>450,000</b>	<b>4,950,000</b>

<sup>1</sup> In case of a single focal area, single country, single GEF Agency project, and single trust fund project, no need to provide information for this table. PMC amount from Table B should be included proportionately to the focal area amount in this table.

<sup>2</sup> Indicate fees related to this project.

### F. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

Component	Grant Amount (\$)	Co-financing (\$)	Project Total (\$)
International Consultants	165,000	-	165,000
National/Local Consultants	235,000	-	235,000

### G. DOES THE PROJECT INCLUDE A “NON-GRANT” INSTRUMENT? No

(If non-grant instruments are used, provide in Annex D an indicative calendar of expected reflows to your Agency and to the GEF/LDCF/SCCF/NPIF Trust Fund).

<sup>3</sup> PMC should be charged proportionately to focal areas based on focal area project grant amount in Table D below.

## **PART II: PROJECT JUSTIFICATION**

### **A. DESCRIBE ANY CHANGES IN ALIGNMENT WITH THE PROJECT DESIGN OF THE ORIGINAL PIF<sup>4</sup>**

A.1 National strategies and plans or reports and assessments under relevant conventions, if applicable, i.e. NAPAS, NBSAPs, national communications, TNAs, NCSA, NIPs, PRSPs, NPFE, Biennial Update Reports, etc.

N/A

A.2. GEF focal area and/or fund(s) strategies, eligibility criteria and priorities.

There are no changes in the fund strategies or eligibility criteria. The LDCF focal area framework priorities identified in the PIF are still valid. In addition, throughout the process of project development it became apparent that two other priorities are also addressed within this project, and thus they have been added (within the second component), namely Outcome 2.3: Strengthened awareness and ownership of adaptation and climate risk reduction processes at local level, and Outcome 1.3: Diversified and strengthened livelihoods and sources of income for vulnerable people in targeted areas.

A.3 The GEF Agency's comparative advantage: N/A

A.4. The baseline project and the problem that it seeks to address:

The baseline scenario outlining the PIF has not changed: namely that increasing climate variability is being observed, and challenges in public sector capacity contribute to ongoing vulnerability, particularly in rural areas and particularly for groups such as women and children. Challenges for public sector capacity arise from undeveloped key regulatory instruments, financial constraints impeding direct transfers, chronic human resource capacity deficit, and an inconsistent evidence base and lack of capacity to leverage existing data towards policy-making and planning. Malawi is also still committed to a process of decentralisation, enshrined in the Decentralisation Policy 1998. The majority of sectoral decisions are now implemented at district level, although there has been ongoing delay with the establishment of District Councils of elected officials, meaning that the de facto civil service, headed by the District Executive Committee and District Commissioner take responsibility for all decisions. Since the PIF was submitted, there have been developments in the Climate Change National Policy and Climate Change Investment Plan formulation – both of which are currently at advanced draft stage – which further sets the institutional framework to support the integration of adaptation into development planning. However, as yet the strategy for implementation has not yet been developed. There is thus even more pressing need for this project to take place.

Whilst the baseline scenario has not changed, there has been significant changes in the baseline financing from the PIF submission to now. The main reasons for that are the fact that the national election was called in 2013, which called into question the majority of ongoing governance projects in Malawi, awaiting the results of the election to see what would happen with regards to the establishment of the District Councils. Of the three components for the project, the baseline financing for component 2 of the project – the Local Development Fund, remains the same; although the amount has changed (from \$5,700,000 to \$1,000,000) reflecting the change in donor support to governance for the aforementioned reasons, and thus overall reduction in the budget of the LDF. Baseline financing for component 1 of the project was anticipated in the PIF to be a UNDP-run project, the Malawi Local Government Strengthening and Investment Programme (MLOGSIP), which was providing support to the decentralization agenda but not explicitly considering the integration of climate change into activities. This project finished in 2014 and was not renewed given the impending election, and thus new baseline financing was sought for component 1. As outlined above, inkeeping with the commitment to decentralization, sector budgets for the majority of sectors are now administered through the District Executive Committees in support of their District Development Plans, but these plans currently do not incorporate climate change adaptation. The baseline financing thus comprises elements of the District Budgets for the three

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<sup>4</sup> For questions A.1 –A.7 in Part II, if there are no changes since PIF and if not specifically requested in the review sheet at PIF stage, then no need to respond, please enter “NA” after the respective question

districts; and the amount has changed from \$4,100,000 under MLOGSIP to \$3,011,342, which marks the actual sector budgets for the districts which do not include climate change adaptation. Baseline financing for component 3 was expected to be the Environment and Natural Resources Management Programme Support Document to Malawi (2012 – 2016); and the Disaster Risk Management programme support to Malawi (2012-2016). Both of these UNDP programmes have since been deemed more appropriate as baselines for a different LDCF project (“Strengthening climate information and early warning systems in Eastern and Southern Africa for climate resilient development and adaptation to climate change – Malawi”). However, the joint UN Poverty-Environment Initiative has recently been extended, and under TRAC funding UNDP is also providing ongoing support to national level line ministries to incorporate environmental considerations in planning, but not explicitly climate change adaptation. This project can thus leverage this baseline financing, the amount of which has changed from \$4,200,000 in the PIF to \$3,099,000 now (reflecting the current timeframe of the TRAC funding – which will likely be extended).

A. 5. Incremental /Additional cost reasoning: describe the incremental (GEF Trust Fund/NPIF) or additional (LDCF/SCCF) activities requested for GEF/LDCF/SCCF/NPIF financing and the associated global environmental benefits (GEF Trust Fund) or associated adaptation benefits (LDCF/SCCF) to be delivered by the project:

There have been no changes in the additional cost reasoning although, as stated above, the baseline financing has changed. District level budgets which form the baseline in the first component finance the implementation of the District Development Plans, but these currently do not systematically include aspects of climate change adaptation. What this project does is modify the District Development Plans so that they do incorporate climate change adaptation, and the LDCF funds attributed to component 1 enable this to happen, leveraging an existing process of development planning to add in an aspect of climate change adaptation. In component 2, the Local Development Fund transfers monies to the districts also to support the implementation of District Development Plans, but currently there is no consideration of climate change adaptation. The LDCF resources sought for component 2 will enable funds to be available to implement identified climate adaptation activities, thereby ensuring that adaptation priorities identified in the development plans can be implemented. In component 3, national level ministries currently undertake planning in various modes, and the recently-developed National Climate Change Policy provides the institutional framework to encourage the integration of climate change adaptation. The development of the National Adaptation Plan will also create an institutional mandate for ministries to incorporate climate change adaptation, but there is no finance attached and thus without this project it runs the risk of being a paper-only exercise. The baseline financing is supporting the integration of environmental considerations into national level development planning, but the LDCF resources for this component will enable climate change adaptation activities to also be incorporated into national level plans within the three chosen sectors.

#### **A.6 Risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and measures that address these risks:**

Some of risks identified during the PIF stage are still valid:

1. Insufficient ownership and engagement in the project by key stakeholders. The PPG phase has confirmed the active interest and commitment of the national and district level government.
2. Weak community engagement and interest in the project. The PPG phase has undertaken community-level consultations in the selected districts, selected by district officials as being vulnerable and in areas particularly exposed to climate change, and general interest in participation (in mainstreaming adaptation into Village Action Plans) was high. Participatory vulnerability and adaptation assessments under component 1 will determine the precise beneficiaries for the tangible adaptation activities that are identified as priorities in the Village Action Plans – and thus the risk of their insufficient engagement and interest remains.
3. Community interest and engagement may wane if project interventions do not generate tangible benefits. The participatory vulnerability and adaptation assessments means that the beneficiaries and communities themselves will be selecting the precise nature of the adaptation activities to be implemented, within a broad context of appropriate climate-resilient activities that has already been shortlisted by the districts through active consultation at PPG stage. The risk of waning interest is thus low.

4. Droughts and floods during the project implementation period could shift stakeholders' attention towards emergency relief thereby reducing the resolve of government and communities to focus on long-term adaptation. This risk is ever present, however, as stated in the PIF, the project activities are expressly designed to build resilience in the face of exposure to climate hazards, and thus their occurrence would offer an opportunity to test project effectiveness. The diversion of attention to key implementing district officers to emergency relief elsewhere in their area, thereby reducing their focus on the project, could be problematic, although timeframes have been designed to allow for small unanticipated delays such as these.

Additional risks identified through assessments of stakeholder capacity during the PPG phase include:

5. Changes in the political environment that disrupt the institutional framework. The PPG phase has identified the key district and national government level departments and job roles that will be active implementing agents and responsible parties in the project implementation phase. Although the management framework has been designed to be robust and sustainable in the case of change of individual staff, extraneous factors, such as political change which disrupt the institutional framework still present a risk in terms of delay to the project and the potential need for redesign of the management framework (e.g. change in ministry functions following the 2014 national election; or further changes to the decentralisation framework). Since the election was in May 2014, and the project start date is set for the last quarter of 2014/first quarter of 2015, UNDP will have the opportunity to monitor this situation carefully and take a proactive approach to modifying the management and implementation framework if necessary.

6. Financial risks were highlighted following the 2013 "cashgate" situation. The PPG phase has investigated the level of confidence in the financial management procedures of the key responsible partners, which includes the District Councils and Local Development Fund, as well as national ministries. All three Districts have been HACT-assessed as moderate risk. The Ministry of Environment and Climate Change Management and Ministry of Economic Planning and Development have already been positively assessed. The Local Development Fund is too new to have yet been assessed, although the National Local Government Development Committee (as its oversight body) is already monitoring its financial management. Weaknesses and gaps picked up in the District-level HACT assessments will be addressed through financial management training as well as quarterly spot checks.

#### **A.7. Coordination with other relevant GEF financed initiatives**

Since the council endorsement of the PIF, there has been progress with two other LDCF-funded initiatives in Malawi. The climate proofing urban and rural development gains in Mangochi and Machinga districts project (GEF ID 5015), also through UNDP, has a goal of using ecological, physical and policy measures to reduce vulnerability to climate change driven droughts, floods and post-harvest grain losses for rural and urban communities of Machinga and Mangochi Districts of Malawi (reaching over 0.5 million people). The two projects address the same priorities in the NAPA but have different (complementary) approaches and geographical focal areas in order to expand the range of evidence to the government of Malawi for implementing adaptation into development planning. ADAPT-Plan focuses on embedding a system that incentivises the incorporation of adaptation into development planning at district level and in national line ministries (focusing on 3 districts and 3 line ministries identified as priorities within the NAPA and forthcoming National Climate Change Policy), and in demonstrating the importance of strengthening the involvement of the local level in adaptation planning through strengthening vertical channels (in keeping with Malawi's commitment to decentralisation). There will thus be no overlap of activities on the ground. At the same time, there are a number of synergies. The National Climate Change Steering Committee will oversee both the projects, through the National Climate Change Technical Committee. This will ensure effective exchange of materials, experiences and lessons. In addition to the creation of adaptation plans and climate-resilient development plans in 5 districts overall, the outputs of each project will complement each other in informing scaling up by the government of Malawi. Tangible adaptation activities as implemented in this will provide the basis for additional districts and line ministries adopting the "adaptation-incentivising" system that it also develops.

The other project that has been submitted for council approval is entitled Building climate change resilience in the fisheries sector in Malawi (GEF ID 5328). This project focuses on vulnerability and adaptation of fish stocks in the lower lake regions. It thus has no geographical overlap nor thematic linkages with this project. However, as with all climate change projects in Malawi, its implementation will be overseen by the National Climate Change Steering



Committee, through the National Climate Change Technical Committee, and thus close coordination of project progress will be available and any opportunities for lesson sharing will be enabled.

## **B. ADDITIONAL INFORMATION NOT ADDRESSED AT PIF STAGE:**

### **B.1 Describe how the stakeholders will be engaged in project implementation**

This project was initially conceived by the Climate Change Technical Committee and the development of the project since the PIF stage involved extensive district level consultations with the three districts of Nkhata Bay, Ntcheu and Zomba (themselves chosen based on NAPA-identified vulnerable districts) as well as the relevant stakeholders at national level in the three line ministries. The CCTC has been kept well-informed of the consultation process and emerging finds of the project document development phase.

Stakeholders described as Responsible Parties in the table will be leading project outputs, and are all government entities. NGOs were actively involved in the consultation process and are formally represented on each District Executive Committee, so will also play an indirect supporting role in project implementation.

Table: Key stakeholders and their role in the project

Stakeholder	Role in the project
Ministry of Environment and Climate Change Management	As the government-mandated lead on all climate change issues in Malawi, the Ministry of Environment and Climate Change Management will be the Implementing Partner for the project, so accountable for project results. It will also be Responsible Party (RP) for Output 2.4. It comprises 3 departments (Environmental Affairs, Climate Change and Meteorological Services and Forestry), all of which will play key roles in this project. Environmental Affairs coordinates District Environmental Officers, who are taking the operational lead on the district-level aspects of components 1 and 2; Department of Climate Change and Meteorological Services will be a key partner in the provision of forecast information under output 2.4; and the Department of Forestry is one of the three sectors chosen for integrating climate change in its planning.
Ministry of Economic Planning and Development	The Ministry of Economic Planning and Development will be a RP for component 3.
Ministry of Finance	The Ministry of Finance will be a collaborator/beneficiary by virtue of modifying its existing environmental budgeting guidelines to include climate change adaptation.
Ministry of Agriculture and Food Security	The Ministry of Agriculture and Food Security will be a collaborator/beneficiary and their Sector Wide Approach (SWAp) is one of the three sectors chosen for integrating climate change in its planning.
Ministry of Water and Irrigation	The Ministry of Water and Irrigation will be a collaborator/beneficiary and their Ministry Strategy is one of the three sectors chosen for integrating climate change in its planning.
Ministry of Local Government and Rural Development	The Ministry of Local Government and Rural Development is the lead ministry for decentralisation. Their role as a collaborator/beneficiary will be overseeing and coordinating district level training and capacity building activities in order to ensure complementarity with other ongoing climate change training at local level (as part of the technical support programme).
Local Development Fund	The Local Development Fund will be the RP for Outcome 2 with the role of releasing funds to district level in accordance with the newly developed adaptation indicators (and training will be provided to LDF

	staff, and to district M&E staff in conjunction with LDF staff regarding the use of these indicators).
Nkhata Bay District Council	Nkhata Bay District Executive Council will be a RP for Outcome 1. They will screen their district development plan for adaptation opportunities (including consultation at sub-district level), introduce these in the next iteration, and incorporate appropriate adaptation indicators for M&E (following appropriate training); and implement the priority adaptation activities, as well as contributing to project level M&E.
Ntcheu District Council	Ntcheu District Council will be a RP for Outcome 1. They will screen their district development plan for adaptation opportunities (including consultation at sub-district level), introduce these in the next iteration, and incorporate appropriate adaptation indicators for M&E (following appropriate training); and implement the priority adaptation activities, as well as contributing to project level M&E.
Zomba District Council	Zomba District Council will be a RP for Outcome 1. They will screen their district development plan for adaptation opportunities (including consultation at sub-district level), introduce these in the next iteration, and incorporate appropriate adaptation indicators for M&E (following appropriate training); and implement the priority adaptation activities, as well as contributing to project level M&E.
NGOs	In Ntcheu active NGOs include Concern Universal, Care International, CADECOM, Red Cross and NASFAM. In Nkhata Bay active NGOs include World Vision, Livingstonia Synod, Ripple Africa, the Wildlife and Environment Society of Malawi, Total Land Care and CADECOM. In Zomba active NGOs include Emmanuel International, World Vision, Save the Children, CADECOM, Malawi Red Cross and LEAD International. A variety of these will be involved in the participatory vulnerability and adaptation assessments and supporting the implementation of tangible adaptation activities, depending on the needs identified and the relative strengths.
Project beneficiaries at community level	Whilst all residents in the three districts should ultimately benefit from the project as a result of the integration of adaptation into the development plans, direct beneficiaries of tangible adaptation activities to support the implementation of Village Action Plans with integrated adaptation include those in the traditional authorities of Fukamalaza, Mankhambira, Mkumbira, Timbiri, Kabunduli and Mnyaluwanga in the Lweya-Limphasa valley area of Nkhata Bay (2000 households); 2000 households in the Chipusira catchment area in Ntcheu; and 1800 households in the TAs of Mwambo and Ngwerero in Zomba.

**B.2 Describe the socioeconomic benefits to be delivered by the Project at the national and local levels, including consideration of gender dimensions, and how these will support the achievement of global environment benefits (GEF Trust Fund/NPIF) or adaptation benefits (LDCF/SCCF):**

The project will directly benefit around 5,800 Malawians (40,000 if we include the household members of beneficiary participants); and indirectly benefit around 600,000 who live in the three districts (2008 Census, Republic of Malawi, 2008) through planning and budget allocation processes that direct investment flows towards adaptive practices. They will be chosen during the vulnerability assessment and proactive attention will be paid to the importance of gender equity in the selection of beneficiaries. This project will deliver tangible vulnerability reduction that also addresses MDG 7 (environmental sustainability) and MDG 3 (promote gender equality and empower women). The tangible

adaptation activities identified by each of the districts all recognise the imperative of a healthy natural environment to enable climate-resilient natural resource-based livelihoods, whilst respecting their different geographical contexts. Unsustainable natural resource use costs Malawi USD191 million or 5.3 percent of GDP every year and the percentage of forest cover in the country has decreased from 41 percent in 1990 to 35 percent in 2008. Increased climate variations experienced in the form of prolonged dry spells, droughts, floods, and temperature variability, have compounded the stress on the natural resource base, in turn negatively affecting the performance of sectors such as water and irrigation, agriculture, natural resources and energy, thereby aggravating poverty, especially for the already vulnerable population in marginal areas. Restoring viable and robust ecosystems will contribute to reforestation and catchment management, which in turn will not only have environmental benefits but will also contribute to the integrity of the natural resources upon which the majority of local livelihoods, are based, thereby improving the socioeconomic status of both project beneficiaries and other residents in the project target areas. At national level the inclusion of adaptation in development plans in the three sectors (agriculture, water and forestry) will have the same effects; ensuring that resources are managed in such a way that their integrity is restored and enhanced within the context of a changing climate, thereby improving the likelihood of socioeconomic improvement as well as adaptation within the Malawian population.

In lakeside and forested Nkhata Bay, 2000 beneficiaries will be selected from the 8,230 households in the target TAs for a programme of group-focused Ecological Entrepreneurship, involving climate adaptation and basic business development training, as well as training in techniques to encourage afforestation and conservation (e.g. tree seedling development) as income-generating activities which will then be managed through revolving loan schemes. Households farming in fragile ecosystems on customary-owned land will be supported to shift to alternative productive areas through the provision of new technologies to adapt to the different environment, and training to restore the ecosystems and reduce future vulnerability to climate change.

In water-stressed Ntcheu, 2000 households will benefit from the project on-site in Chipusire, whilst a further 20,000 people in Ntcheu Boma and Balaka will benefit from the resultant improvements in water availability and management. On site targeted households will receive training in climate adaptation, irrigation, conservation agriculture and aquaculture, improving livelihoods and food security, as well as contributing to environmental integrity within the district.

In Zomba 1800 men and women, identified by the participatory vulnerability assessment process, will be targeted to benefit from intended ecosystem-based adaptation activities that promote climate-resilient livelihoods in the context of increased flood risk. Depending on their exact location, they will variously participate in projects around nursery raising and afforestation of water-retaining trees upstream in the catchment and, specifically, the rehabilitation of the Mvai forest; and training and inputs for improved or alternative livelihoods, such as early maturing varieties of beans, onions, maize, Irish potato, cabbage and other green vegetables (winter crops) and the construction of fish ponds.

In terms of gender equity, women are among the most vulnerable to climate change yet do not have the technical skills to respond, and so climate change risks reinforcing underlying inequalities. In Malawi there are higher poverty levels amongst female-headed households and the 3 MDGs that are not likely to be met have strong gender connections (girl education, women's economic and political empowerment, and maternal mortality (UN 2011)). Women were invited to and attended the stakeholder consultations, participating and acting as chairpersons, sharing their perspectives on how climate change is contributing to undermining their livelihoods (dwindling forest cover in Nkhata Bay, water shortages in Ntcheu and flood-proneness in Zomba), which have been included in the planned ecosystem-based tangible adaptation activities. The equitable participation of women, men and children will be ensured during the community adaptation planning exercises, and it is anticipated that the direct beneficiaries of tangible adaptation support will include more women than men given the existing literature on their relatively higher socio-economic vulnerability. This will maximize adaptation benefits among both genders and contribute towards the promotion of gender equality.

At national level, this project will further develop adaptation planning capacities more effectively and sustainably across a number of key climate-related sectors drawing on UNDP's experience and current support to climate change and institutional strengthening. The development of national level adaptation indicators for screening sector strategies will initially be used for these three sectors, but once the system has been put in place it can easily also be replicated for use

across other national sectors, thereby ensuring that adaptation is effectively mainstreamed, supporting the achievement of the MGDSII and the forthcoming National Climate Change Policy and Strategy.

From a strategic perspective at local level, the project supports Malawi's ongoing commitment to decentralisation and strengthening of democratic governance processes. Target communities will lead the decision-making process, through the creation of adaptation plans, building on the role they played during the PPG phase when they identified priority needs for adaptation to build climate-resilient livelihoods. The project provides the support package required to make it happen through the allocation of a set budget, thereby building confidence that the planning process can enable tangible change in livelihoods that reduce vulnerability to climate change. Districts will also be incentivised to incorporate adaptation into their development planning through the allocation of budgets, and an appropriate system of locally appropriate adaptation indicators for assessing and then monitoring and evaluating the rollout of these plans, through the links with the national planning system and thereby also providing feedback into the national planning system. Building the capacity and incentives for district officials to make the case for budgetary allocations will strengthen fiscal decentralisation, enabling leveraging of regular development resources for climate-resilient investments. Stakeholder consultations to date have shown considerable enthusiasm at district level for this process, which not only links the availability of funding to climate-resilient activities, but also contributes to the establishment of an appropriate M&E system that creates the data to identify tangible gains and opportunities for improvement.

### B.3. Explain how cost-effectiveness is reflected in the project design:

Value for money has been sought in all aspects of the project design, inkeeping with UNDP's experience with, and knowledge of, the national context. The emphasis on capacity development (technical analyses, development of indicator frameworks, training) and the plans for District management of this project is highly cost-effective due to the partnering with the relevant government staff, whose time and efforts are not charged to the project. The training and capacity building elements will all be conducted through one technical support programme, likely managed by a consortium chosen on the basis of competitive tender (in which cost-effectiveness will be one of the evaluation criteria) to ensure that the specialist expertise is well represented; and both international and national partners to ensure sustainability. Once the system has been enabled (i.e. adjusting the screening tools that trigger release of public monies through the establishment of adaptation M&E indicators at district and national level) it will be self-sustaining provided there is capacity to apply the modified system and enforcement. It will be easily replicable to other districts and line ministries. It will also be catalytic in ensuring that regular domestic public sector investments contribute to resilience to climate change rather than inadvertently create vulnerability.

The bulk of resources associated with this project are for with the procurement of goods to support tangible adaptation activities (under outcome 2). With regard to procurement of project inputs under outcome 2, standard procedures of the Malawi government and UNDP will be carefully applied to ensure value for money in all purchases of goods and procurement of services for the project.

## **C. DESCRIBE THE BUDGETED M & E PLAN:**

The project will be monitored through the following M&E activities. The M&E budget is provided in the table below. The M&E framework set out in the Project Results Framework in Part III of this project document is aligned with the AMAT and UNDP M&E frameworks.

### **Project Start**

A Project Inception Workshop will be held within the first 3 months of project start with those with assigned roles in the project organization structure, UNDP country office and, where appropriate/feasible, regional technical policy and programme advisors. The Inception Workshop will be held under the auspices of the Climate Change Technical Committee, which also involves other relevant stakeholders, and is crucial to building ownership for the project results and to plan the first year annual work plan.

Baseline and target has been included for indicator 1.2.10 “% change in income generation in targeted area given existing and projected climate change “in the tracking tool. A vulnerability assessment is planned under output 1.4 at

the beginning of the project. It will set the baseline and then surveys and RCT methodology will be used at mid term and end of project to track increase in income generation and attribution to the project.

The **Inception Workshop** should address a number of key issues including:

- Finalising the details of the roles, support services and complementary responsibilities of UNDP CO and RCU staff vis-à-vis the project team. Discuss the roles, functions, and responsibilities within the project's decision-making structures, including reporting and communication lines, and conflict resolution mechanisms. The Terms of Reference for project staff will be discussed again, and MoUs signed as planned (e.g. between UNDP and the Districts for the District Environment Officer to be the designated point of contact with the project manager)
- Based on the project results framework and the LDCF related AMAT set out in the Project Results Framework in Section III of this project document, finalize the first annual work plan. Review and agree on the indicators, targets and their means of verification, and recheck assumptions and risks.
- Provide a detailed overview of reporting, monitoring and evaluation (M&E) requirements. The Monitoring and Evaluation work plan – including responsibilities and reporting lines - and budget should be agreed and scheduled.
- Discuss financial reporting procedures and obligations, and arrangements for annual audit.
- Plan and schedule PB meetings. Roles and responsibilities of all project organisation structures should be clarified and meetings planned. The first PB meeting should be held within the first 12 months following the inception workshop. Additional meetings should be planned to take place between the project manager and each of the three participating districts.

The details and agreements reached will be documented in an **Inception Workshop report**, which will be agreed and accepted by all participants.

#### **Quarterly:**

Progress made shall be monitored in the UNDP Enhanced Results Based Management Platform.

Based on the initial risk analysis submitted, the risk log shall be regularly updated in ATLAS by the project manager, based on inputs from all implementing agencies. Risks become critical when the impact and probability are high. Note that for UNDP GEF projects, all financial risks associated with financial instruments such as revolving funds, microfinance schemes, or capitalization of ESCOs are automatically classified as critical on the basis of their innovative nature (high impact and uncertainty due to no previous experience justifies classification as critical).

Based on the information recorded in Atlas, a Project Progress Reports (PPR) can be generated in the Executive Snapshot.

Other ATLAS logs can be used to monitor issues, lessons learned etc. The use of these functions is a key indicator in the UNDP Executive Balanced Scorecard.

#### **Annually:**

Annual Project Review/Project Implementation Reports (APR/PIR): This key report is prepared to monitor progress made since project start and in particular for the previous reporting period. The APR/PIR combines both UNDP and GEF reporting requirements.

The APR/PIR includes, but is not limited to, reporting on the following:

Progress made toward project objective and project outcomes - each with indicators, baseline data and end-of-project targets (cumulative)

Project outputs delivered per project outcome (annual).

Lesson learned/good practice.

AWP and other expenditure reports

Risk and adaptive management

ATLAS QPR

**Periodic monitoring through site visits:**

UNDP CO and the UNDP GEF region based staff will conduct visits to project sites based on the agreed schedule in the project's Inception Report/Annual Work Plan to assess first hand project progress. Other members of the Project Board may also join these visits. A Field Visit Report/BTOR will be prepared by the CO and UNDP RCU and will be circulated no less than one month after the visit to the project team and Project Board members.

**Mid-term project cycle**

The project will undergo an independent Mid-Term Evaluation at the mid-point of project implementation expected to be in June 2017. The Mid-Term Review will determine progress being made toward the achievement of outcomes and will identify course correction if needed. It will focus on the effectiveness, efficiency and timeliness of project implementation; will highlight issues requiring decisions and actions; and will present initial lessons learned about project design, implementation and management. Findings of this review will be incorporated as recommendations for enhanced implementation during the final half of the project's term. The organization, terms of reference and timing of the mid-term review will be decided after consultation between the parties to the project document. The Terms of Reference for this Mid-term review will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF. The LDFC/SCCF AMAT as set out in the Project Results Framework in Section III of this project document) will also be completed during the mid-term evaluation cycle. The management response and the evaluation will be uploaded to UNDP corporate systems, in particular the [UNDP Evaluation Office Evaluation Resource Center \(ERC\)](#).

**End of Project**

An independent Terminal Evaluation will take place three months prior to the final PB meeting and will be undertaken in accordance with UNDP-GEF guidance. The terminal evaluation will focus on the delivery of the project's results as initially planned (and as corrected after the mid-term review, if any such correction took place). The terminal evaluation will look at impact and sustainability of results, including the contribution to capacity development and the achievement of global environmental benefits/goals. The Terms of Reference for this evaluation will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF. The LDFC/SCCF AMAT as set out in the Project Results Framework in Section III of this project document) will also be completed during the terminal evaluation cycle. The Terminal Evaluation should also provide recommendations for follow-up activities and requires a management response, which should be uploaded to PIMS and to the [UNDP Evaluation Office Evaluation Resource Center \(ERC\)](#).

**Learning and knowledge sharing:**

Monitoring of project progress at district and sub-district level will take place quarterly and be used to inform both district level and ministry level policies and plans. Currently although districts have M&E officers and collect their own data, there is no mechanism for this to feed into MEP&D, and thus this project is innovative in establishing that mechanism. Likewise the development of internal analysis on adaptation costs, supported by the economic aspect of the technical support programme, can be used to inform line ministry spending plans and the level of need for devolved budgets, as well as the development of a strategic plan for the Climate Change Fund proposed in the Climate Change Investment Plan.

Results from the project will be disseminated within and beyond the project intervention zone through existing information sharing networks and forums (such as the Climate Change Technical Committee).

The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be of benefit to project implementation though lessons learned. The project will identify, analyse, and share lessons learned that might be beneficial in the design and implementation of similar future projects. Finally, there will be a two-way flow of information between this project and other projects of a similar focus through the structure of the National Climate Change Programme and the members sitting on the Project Board.

**Audit:**

The Project will be audited in accordance with UNDP Financial Regulations and Rules and applicable audit policies.

Type of M&E activity	Responsible Parties	Budget US\$ <i>Excluding project team staff time</i>	Time frame
Inception Workshop and Report	<ul style="list-style-type: none"> <li>Project Manager</li> <li>UNDP CO, UNDP CCA</li> </ul>	Indicative cost: 5,000	Within first two months of project start up
Measurement of Means of Verification of project results.	<ul style="list-style-type: none"> <li>UNDP CCA RTA/Project Manager will oversee the hiring of specific studies and institutions, and delegate responsibilities to relevant team members.</li> </ul>	To be finalized in Inception Phase and Workshop.	Start, mid and end of project (during evaluation cycle) and annually when required.
Measurement of Means of Verification for Project Progress on <i>output and implementation</i>	<ul style="list-style-type: none"> <li>Oversight by Project Manager</li> <li>Project team</li> </ul>	To be determined as part of the Annual Work Plan's preparation.	Annually prior to ARR/PIR and to the definition of annual work plans
ARR/PIR	<ul style="list-style-type: none"> <li>Project manager and team</li> <li>UNDP CO</li> <li>UNDP RTA</li> <li>UNDP EEG</li> </ul>	None	Annually
Periodic status/ progress reports	<ul style="list-style-type: none"> <li>Project manager and team</li> </ul>	None	Quarterly
Mid-term Evaluation	<ul style="list-style-type: none"> <li>Project manager and team</li> <li>UNDP CO</li> <li>UNDP RCU</li> <li>External Consultants (i.e. evaluation team)</li> </ul>	Indicative cost: 35,000	At the mid-point of project implementation.
Final Evaluation	<ul style="list-style-type: none"> <li>Project manager and team,</li> <li>UNDP CO</li> <li>UNDP RCU</li> <li>External Consultants (i.e. evaluation team)</li> </ul>	Indicative cost: 40,000	At least three months before the end of project implementation
Project Terminal Report	<ul style="list-style-type: none"> <li>Project manager and team</li> <li>UNDP CO</li> <li>local consultant</li> </ul>	0	At least three months before the end of the project
Audit	<ul style="list-style-type: none"> <li>UNDP CO</li> <li>Project manager and team</li> </ul>	Indicative cost per year: 3,000 = \$12,000	Yearly
Visits to field sites	<ul style="list-style-type: none"> <li>UNDP CO</li> <li>UNDP RCU (as appropriate)</li> <li>Government representatives</li> </ul>	For GEF supported projects, paid from IA fees and operational budget	Yearly
<b>TOTAL indicative COST</b> Excluding project team staff time and UNDP staff and travel expenses		US\$ 95,000	


**PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)**

- A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT(S) ON BEHALF OF THE GOVERNMENT(S):** (Please attach the [Operational Focal Point endorsement letter\(s\)](#) with this form. For SGP, use this [OFP endorsement letter](#)).

NAME	POSITION	MINISTRY	DATE (MM/dd/yyyy)
Aloysius Kamperewera	Director, Environmental Affairs Department	MINISTRY OF ENVIRONMENT AND CLIMATE CHANGE MANAGEMENT	10 MAY 2012

**B. GEF AGENCY(IES) CERTIFICATION**

This request has been prepared in accordance with GEF/LDCF/SCCF/NPIF policies and procedures and meets the GEF/LDCF/SCCF/NPIF criteria for CEO endorsement/approval of project.

Agency Coordinator, Agency Name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Adriana Dinu Executive Coordinator and Director a.i. UNDP/GEF		Sept 2, 2014	Benjamin Larroquette	+251936636877	Benjamin.larroquette@undp.org



## ANNEX A: PROJECT RESULTS FRAMEWORK

This project will contribute to achieving the following Country Programme Outcome as defined in the UNDAF Action Plan:					
UNDAF Outcome 1.3 - Targeted population in selected districts benefit from effective management of environment, natural resources, climate change and disaster risk by 2016.					
Country Programme Outcome Indicators:					
CP/UNDAF Outcome Indicator 1 - Proportion of land covered by forest (Baseline 36.2%; Target 32%).					
Primary applicable Key Environment and Sustainable Development Key Result Area					
3. Promote climate change adaptation					
Applicable SOF (e.g. GEF) Strategic Objective and Program:					
Objective 1 - Reduce vulnerability to the adverse impacts of climate change, including variability, at local, national, regional and global level					
Objective 2 – Increase adaptive capacity to respond to the impacts of climate change, including variability, at local, national, regional and global level					
Applicable SOF (e.g. GEF) Expected outcomes					
Outcome 2.2: Strengthened adaptive capacity to reduce risks to climate-induced economic losses					
Outcome 2.3: Strengthened awareness and ownership of adaptation and climate risk reduction processes at local level					
And					
Outcome 1.2: Reduced vulnerability to climate change in development sectors					
And					
Outcome 1.3: Diversified and strengthened livelihoods and sources of income for vulnerable people in targeted areas					
Outcome 1.1: Mainstreamed adaptation in broader development frameworks at country level and in targeted vulnerable areas					
	Indicator	Baseline	Targets End of Project	Source of verification	Risks and Assumptions
Project Objective <sup>5</sup>  To strengthen consideration of climate change adaptation needs in decentralised and national development	Adaptation actions implemented in national/sub-regional development frameworks (Outcome 1.1 and 2.2, AMAT 2.2.1)	Communities are highly vulnerable to climate change and adaptive capacity is not supported within the development planning framework at national	Development frameworks that include specific budgets for adaptation actions - 3 ministries and 3 DDPs	Spending plans in three ministries and the three DDPs.	Risks: <ul style="list-style-type: none"> <li>Problems related to involvement and co-operation of stakeholders</li> <li>Conflicts among stakeholders as regards roles in the project.</li> <li>Poor co-ordination among implementing and</li> </ul>

<sup>5</sup>Objective (Atlas output) monitored quarterly ERBM and annually in APR/PIR  
GEF5 CEO Endorsement Template-December 2012.doc

plans.		or local level			<p>Responsible Parties</p> <ul style="list-style-type: none"> <li>• Lack of commitment from target communities.</li> <li>• Climate hazards disrupting tangible adaptation activities</li> <li>• Extraneous factors, such as political change, disrupting institutional framework</li> </ul> <p>Assumptions:</p> <ul style="list-style-type: none"> <li>• National and local authorities whose involvement is essential remain keen and committed to active participation</li> <li>• Ministries want to collaborate on the project for enhanced socio economic development;</li> <li>• Other projects and programmes do not displace interest and willingness to collaborate on the project;</li> <li>• Local communities see value in the project and actively engage in the identification and implementation of adaptation measures</li> </ul>
<p>Outcome 1<sup>6</sup></p> <p>Strengthened awareness and ownership of adaptation and climate risk reduction processes at local level</p>	<p>Stakeholder-driven adaptations are specified and budgeted within District Development Plans and Village Actions Plans (Outcome 2.3 AMAT 2.3.1)</p> <p>Number and type of targeted institution with increased adaptive</p>	Adaptation does not feature in appropriate development frameworks and thus is not owned by the population	At least 3 DDPs and 3 Village Action Plans	<p>District Development Plans for Nkhata Bay, Ntcheu and Zomba; Village Actions Plans for targeted communities in each district; qualitative interviews with custodians of development frameworks and relevant community members</p> <p>60 District and Sub-District officers in each of the 3 Districts (180 in total) trained on adaptation technical</p>	<p>Risks:</p> <ul style="list-style-type: none"> <li>• Problems related to involvement and co-operation of stakeholders (including turnover of staff and loss of staff who actively embrace the project)</li> <li>• Conflicts among stakeholders as regards roles in the project.</li> <li>• Lack of commitment from target communities.</li> <li>• Extraneous factors, such as political change, disrupting institutional framework (for example further changes to the decentralisation framework)</li> </ul> <p>Assumptions:</p> <ul style="list-style-type: none"> <li>• District Executive Committees and Village Development Committees whose involvement is essential remain keen and committed to active participation</li> <li>• Other projects and programmes do not displace</li> </ul>

<sup>6</sup> All outcomes monitored annually in the APR/PIR. It is highly recommended not to have more than 4 outcomes.

	capacity to minimise exposure to climate variability. (Outcome 2.3 AMAT 2.3.1.1)			themes.	<p>interest and willingness to collaborate on the project;</p> <ul style="list-style-type: none"> <li>Local communities see value in the project and actively engage in the Village Action Plan development process</li> </ul>
<p>Outcome 2</p> <p>Diversified and strengthened livelihoods and sources of income for vulnerable people in target areas.</p>	<p>Livelihoods of 5,800 people made climate-resilient following training in, and tangible support for, risk-resilient livelihood activities according to their particular geographical locations (Outcome 1.2 and 1.3 AMAT 1.2.10 and 1.3.1.1)</p> <p>Relevant risk information disseminated to stakeholders (Outcome 2.3 AMAT 2.3.1.1)</p>	<p>Indicator score = 1</p> <p>Climate risk information (1 day through to seasonal forecasts) exists and is communicated at national level but rarely makes it through to local level</p>	<p>Indicator score = 3</p> <p>Risk reduction and awareness activities implemented for 5800 households in Nkhata Bay, Ntcheu and Zomba:</p> <ul style="list-style-type: none"> <li>agricultural diversification,</li> <li>sustainable forest management,</li> <li>erosion control/sustainable land and water management,</li> <li>resilient livelihoods</li> </ul> <p>70% of the 5,800 households regularly receiving climate risk information</p>	<p>End of project evaluation survey with project beneficiaries</p> <p>End of project evaluation survey with project beneficiaries</p>	<p>Risks:</p> <ul style="list-style-type: none"> <li>Problems related to involvement and co-operation of stakeholders (Village leaders and community members)</li> <li>Staff change among key positions at district level (impeding effective coordination with Village Development Committees)</li> <li>Conflicts among stakeholders as regards roles in the project.</li> <li>Lack of commitment from communities in their chosen resilient livelihood activities</li> <li>Climate hazards disrupting tangible adaptation activities</li> <li>Poor co-ordination between DCCMS and the Ministry of Agriculture</li> <li>Difficulties for the project manager in coordinating the improved communication of climate information</li> </ul> <p>Assumptions:</p> <ul style="list-style-type: none"> <li>Local government staff collaborates effectively to implement resilient livelihood activities.</li> <li>Other projects and programmes do not displace interest and willingness to collaborate on the project;</li> <li>Local communities see value in the project and actively engage in the identification and implementation of resilient livelihoods</li> <li>Met Services and the Ministry of Agriculture play a proactive role in translating and then communicating climate information down to local level</li> </ul>

<p>Outcome 3</p> <p>Mainstreamed adaptation in broader development frameworks at country level and in targeted vulnerable areas</p>	<p>Number of development frameworks and sector strategies that include budget allocation targets for adaptation (Outcome 1.1 AMAT 1.1.1 and 1.1.1.1)</p> <p>Number and type of targeted institution with increased adaptive capacity to minimise exposure to climate variability. (Outcome 1.1 AMAT 1.1.1 and 1.1.1.1)</p>	<p>Within the three priority sectors (forestry, water and agriculture) adaptation is, to varying degrees, hinted at but not explicitly or comprehensively addressed, and nor are effective budgets allocated</p>	<p>3 sector strategies/ for water, forestry and agriculture and appropriately budgeted adaptation measures</p>	<p>Water sector strategy, forestry sector working group strategy, agriculture SWAp documents and Ministry of Finance disbursement records</p> <p>60 Sector officers in ministries of agriculture, water and forestry trained on CCA technical themes.</p>	<p>Risks:</p> <ul style="list-style-type: none"> <li>• Problems related to involvement and co-operation of sector staff</li> <li>• Conflicts among stakeholders as regards roles in the project.</li> <li>• The Ministry of Finance does not release funds as anticipated</li> <li>• Turnover of key staff may impede progress</li> <li>• Political change (e.g. ministry restructuring or other institutional change) may affect the decision-making process</li> </ul> <p>Assumptions:</p> <ul style="list-style-type: none"> <li>• Sector stakeholders see the value of incorporating adaptation and are willing to work to do so</li> <li>• Other projects and programmes do not displace interest and willingness to collaborate on the project;</li> <li>• The Ministry of Economic Planning and Development and Ministry of Finance undertake their supporting roles</li> <li>• There is no significant delay from a change to how each sector undertakes its development planning and budgeting (e.g. one may switch from a sector working group to SWAp, which would require a likely overhaul and therefore take the team's time before adaptation could be included)</li> </ul>

**ANNEX B: RESPONSES TO PROJECT REVIEWS** (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

**ANNEX C: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS<sup>7</sup>**

A. DESCRIBE FINDINGS THAT MIGHT AFFECT THE PROJECT DESIGN OR ANY CONCERNS ON PROJECT IMPLEMENTATION, IF ANY:

N/A

B. PROVIDE DETAILED FUNDING AMOUNT OF THE PPG ACTIVITIES FINANCING STATUS IN THE TABLE BELOW:

PPG Grant Approved at PIF:			
<i><b>Project Preparation Activities Implemented</b></i>	<i><b>GEF/LDCF/SCCF/NPIF Amount (\$)</b></i>		
	<i><b>Budgeted Amount</b></i>	<i><b>Amount Spent To date</b></i>	<i><b>Amount Committed</b></i>
Activity Aim: To generate baseline information from consultation with stakeholders for the formation of the Adapt Plan Project Document. To achieve this aim, the following activities were budgeted for and implemented:			
Hiring of International Consultant	39,000	14,549	24,451
Hiring of Local Consultant	27,000	27,000	0
Travel to Project Sites	20,000	5,448	14,552
Meetings with National and Local Stakeholders	10,000	1,441	8,559
Communication	4,000	0	4,000
<b>Total</b>	100,000	48,438	51,562

<sup>7</sup> If at CEO Endorsement, the PPG activities have not been completed and there is a balance of unspent fund, Agencies can continue undertake the activities up to one year of project start. No later than one year from start of project implementation, Agencies should report this table to the GEF Secretariat on the completion of PPG activities and the amount spent for the activities.

**ANNEX D: CALENDAR OF EXPECTED REFLOWS (if non-grant instrument is used)**

Provide a calendar of expected reflows to the GEF/LDCF/SCCF/NPIF Trust Fund or to your Agency (and/or revolving fund that will be set up)

N/A

## United Nations Development Programme

Country: Malawi

### PROJECT DOCUMENT<sup>1</sup>

**Project Title:** Implementing urgent adaptation priorities through strengthened decentralised and national development plans (ADAPT PLAN).

**UNDAF Outcome(s):** 1.3 Targeted population in selected districts benefit from effective management of environment, natural resources, climate change and disaster risk by 2016. Outcome 4: National institutions effectively support transparency, accountability, participatory democracy and human rights (UN 2011).

#### **UNDP Strategic Plan Environment and Sustainable Development Primary**

**Outcome 1:** Growth and development are inclusive and sustainable, incorporating productive capacities that create employment and livelihoods for the poor and excluded; **Output 1.4.** Scaled up action on climate change adaptation and mitigation across sectors which is funded and implemented.

**UNDAF Outcome 1.3:** Targeted population in selected districts benefit from effective management of environment, natural resources, climate change and disaster risk by 2016.

#### **Expected UNDAF Output (s)**

1.3.1 Environment, natural resources, climate change and disaster risk management mainstreamed in policies, development plans and programmes at national level and implemented in 15 disaster-prone districts.

1.3.2 Data and knowledge on the impact of climate change, environmental and natural resources degradation and natural disaster collected and made accessible to decision-makers in government, private sector and civil society.

1.3.3 Coordinate mechanisms and implementation arrangements for climate change, environment and natural resources and disaster risk reduction established and used at national level and in disaster-prone countries.

**Implementing Partner:** Ministry of Environment and Climate Change Management

**Responsible Partners:** Ministry of Environment and Climate Change Management; Ministry of Economic Planning and Development, Local Development Fund, Nkhata Bay District Council, Ntcheu District Council, Zomba District Council

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<sup>1</sup> For UNDP supported GEF funded projects as this includes GEF-specific requirements



### Brief Description

Despite the fact that significant political will and commitment is shown to addressing climate change in Malawi through, for example, the Malawi Growth and Development Strategy II and various climate change strategies, significant barriers exist to the effective implementation of the policy and mainstreaming of adaptation into development planning. These barriers include poor policy implementation as well as technical capacity challenges and knowledge gaps. These barriers are exacerbated by the cross-sectoral nature of climate change. Against the backdrop of supporting Malawi's ongoing commitment to decentralisation, this project aims to establish and then demonstrate the institutional framework required to mainstream adaptation into development planning at national and local levels, beginning with 3 line ministries (Agriculture, Water and Forestry) and 3 case study districts (Nkhata Bay, Ntcheu and Zomba). Integration of climate change adaptation will be enabled by the establishment of adaptation indicators that will be used by the appropriate parties at local and national level to determine the level of finances to be allocated to planned activities, thereby incentivising active incorporation of adaptation and climate proofing and enabling implementation of MGDSII. Ultimately, the positive demonstration by these ministries/sectors and districts, of incentivising the integration of adaptation into planning and enabling of appropriate finances will not only make this project replicable, but the intention is that other ministries/sectors and districts will actively want to follow suit at a later date. A major proportion of project funds will be spent on practical, field-level adaptation to benefit 5800 households, following a participatory process that will see the development of community adaptation plans. This will strengthen voice and accountability processes at District level as well as provide the basis for designing a monitoring system to measure reduced vulnerability and/or increased resilience. This will have positive feedback loops to the mainstreaming processes outlined above.

Programme Period:	2014-2019
Atlas Award ID:	00081840
Project ID:	00090986
PIMS #	4958
Start date:	September 2014
End Date	August 2019
Management Arrangements	NIM
PAC Meeting Date:	August 2014

Total resources required	11,061,342.39
Total allocated resources:	4,500,000
• Regular	_____
• Other:	
o GEF	\$4,500,000
o Government	\$4,161,342.39
o In-kind	_____
o Other	\$2,400,000

Agreed by (Government):

\_\_\_\_\_  
Date/Month/Year

Agreed by (Executing Entity/Implementing Partner):

\_\_\_\_\_  
Date/Month/Year

Agreed by (UNDP): Date/Month/Year

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## List of Acronyms

AAP	Africa Adaptation Program
ACPC	Area Civil Protection Committee
ADC	Area Development Committee
ADRM	Assistant Disaster Risk Management Officers
ADR	Assessment of Development Results
AEC	Area Executive Committee
AfDB	African Development Bank
APR/PIR	Annual Project Review/ Project Implementation Reports
A-SWAP	Malawi Agricultural Sector Wide Approach
BTOR	Back to Office Report
CADECOM	Catholic Development Commission in Malawi
CARLA	Climate Adaptation for Rural Livelihoods and Agriculture
CBO	Community-Based Organization
CC	Climate change
CCA	Climate Change Adaptation
CCIP	Climate Change Investment Plan
CCTC	Climate Change Technical Committee
CEPA	Centre for Environmental Policy and Advocacy
CO	Country Office
CP	Country Programme
CPAP	Country Programme Action Plan
CPD	Country Programme Document
DCCMS	Department of Climate Change and Meteorological Services
DCT	District Co-ordinating Team
DDPs	District Development Plans
DEC	District Executive Committee
DESC	District Environment Sub-Committee
DFID	Department for International Development
DoL	Division of Labor
DRM	Disaster Risk Management
DRR	Disaster Risk Reduction
ECRP	Enhancing Community Resilience Programme
EDO	District Environment Officer
ENRM	Environment and Natural Resources
FIMA	Financial Inclusion in Malawi
FRIM	Forest Research Institute of Malawi
GCM	Global Climate Model
GDP	Gross Domestic Product
GEF	Global Environment Facility
GIZ	<i>Deutsche Gesellschaft für Internationale Zusammenarbeit</i> (German Society for International Cooperation)
GoM	Government of Malawi
ISRDP	Integrated Sustainable Rural Development Programme
JICA	Japanese International Cooperation Agency
KfW	<i>Kreditanstalt für Wiederaufbau</i> (German Development Bank)

LDC	Least Developed Country
LDCF	Least Developed Countries Fund
LDF	Local Development Fund
LECRDS	Low-Emission and Climate-Resilient Development Strategies
M&E	Monitoring and Evaluation
MDGs	Millennium Development Goals
MECCM	Ministry of Environment and Climate Change Management
MEP&D	Ministry of Economic Planning and Development
MGDS	Malawi Growth and Development Strategy
MLOGSIP	Malawi Local Government Strengthening and Investment Plan
MoFDP	Ministry of Finance, Development of Planning
MoU	Memorandum of Understanding
NAP	National Adaptation Plan
NAPA	National Adaptation Programme of Action
NCCP	National Climate Change Programme
NGO	Non-Government Organization
PEI	Poverty and Environment Initiative
PIF	Project Identification Form
PPG	Project Preparation Grant
RBM	Results-Based Management
RCM	Regional Climate Model
RCU	Regional Coordinating Unit
SADC	Southern Africa Development Community
SWAp	Sector Wide Approach
UN	United Nations
UNCDF	United Nations Capital Development Fund
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNICEF	United Nations Children's Fund
VCA	Vulnerability and Capacity Assessment
VCPC	Village Civil Protection Committee
VDC	Village Development Committee
VNRMC	Village Natural Resources Management Committee

# **1. Situation analysis**

## **1.1. Climate change-induced problem**

### Current and future climate variability and change

Malawi experiences a tropical climate with relatively cool temperatures as a result of its elevation (around the Great Rift Valley elevation varies between 800-1200m, with peaks as high as 3000m). The unimodal rainfall pattern is affected by the El Nino Southern Oscillation and mediated by topography, bringing about both spatial and temporal interannual variability in the rainfall season (McSweeney et al 2010a, 2010b). Analysis of recent climate trends shows that mean annual temperature has increased by 0.9°C between 1960 and 2006, an average rate of 0.21°C per decade. There has also been an increase in the number of hot days and nights in all seasons; and a decrease in the frequency of cold days and nights. Apart from incremental change in temperature and precipitation, the trend in Malawi has also been an increase in weather-related disasters, with floods in the south (particularly in the Shire River valley and the low lying lakeshore areas of Lake Malawi, Lake Malombe and Lake Chilwa), as well as in the lower reaches of the Songwe River in the northern region. The UN Country Assessment, which was undertaken in 2010, and which forms the basis of the new UNDAF and CPD, states that the geographical coverage of floods and drought has increased: Before 2001 only 9 districts in Malawi were classified as flood-prone; by 2010 14 districts were classified as flood-prone. Of 251 disasters occurring between 1940 and 2005, floods, hailstones and winds represent 93% (Ministry of Natural Resources, Energy and Environment 2011).

Future climate conditions, as projected by both Global Climate Models (GCM) and Regional Climate Models (RCM) show that the mean annual temperature is projected to increase by between 1.1 and 3.0°C by the 2060s, and by between 1.5 and 5.0°C by the 2090s. All projections indicate substantial increases in the frequency of days and nights that are considered 'hot' in the current climate; and decreases in the frequency of days and nights that are considered 'cold' in the current climate. The overall trend is for slightly warmer winters and hotter summers (Ministry of Natural Resources, Energy and Environment 2011). Projections of mean rainfall do not indicate substantial changes in annual rainfall, but rainfall is more difficult to model due to the existing underlying variability, which is likely to become more pronounced (decreases in dry season rainfall and increases in wet season rainfall). Models do consistently project increases in the proportion of rainfall that falls in heavy events in the annual average under the higher emissions scenarios (A2 and A1B), of up to 19% by the 2090s.

### Climate-related socio-economic impacts

In terms of costs, droughts and floods have caused irreversible and damaging effects on crop and livestock production in the affected areas. A recent evaluation of the impacts of the natural hazards using probabilistic risk analysis (World Bank et al 2009) for Malawi and Mozambique reported that Malawi loses on average 4.6% of the maize production (nationally) each year due to droughts, and 12% to flooding in the southern region, where about one-third of Malawi's maize is grown. These losses equate to 1.7% of the gross domestic product, equivalent to almost US\$22 million in 2005 prices. Economic losses are much higher during extreme droughts; for example, during a 1-in-25 year drought experienced in 1991/92, GDP contracted by as much as 10.4%. Climate change likely to increase post-harvest loss of grains due to delayed harvest, production losses and post-production losses. Additionally, the combination of changes in temperature and humidity are likely to create new environments for new pests and pathogens to successfully breed and prosper, increasing the number of pests and diseases

which attack stored crops, for which no local or traditional knowledge of management and control exists. Reduced yields will increase food prices, further exacerbating food insecurity, particularly for the poorest and most vulnerable members of society.

### Drivers of socio-economic vulnerability

#### *Economic structure*

Malawi's narrow economic base, with high dependence on rain-fed agriculture, limited agro-processing industries, and reliance on biomass for household energy, means the country is highly vulnerable to the adverse impacts of climate change and extreme weather events. Malawi's economy is dominated by a few agricultural crops (tobacco, tea, sugar, maize, beans, cotton and coffee) and other natural resources (fisheries, forestry and wildlife), which account for 35-40% of the GDP and 90% of the country's export earnings (of which tobacco alone contributes 65-70%). In addition to its contribution to Malawi's economy, over 80% of the total labour force is employed in the natural resources sector, which also contributes 60-70% of the inputs to the country's manufacturing industry (Ministry of Natural Resources, Energy and Environment, 2011). Sustained economic growth (an average of 7.1% per annum), combined with fiscal responsibility has led to growth, but only slight poverty reduction (from 52 to 50%), and this has not been inclusive, given that numbers of people in absolute poverty has not decreased.

#### *High levels of poverty*

Despite some improvements in poverty levels many Malawians remain in absolute poverty, or at danger of falling back into poverty, particularly in rural areas. The population structure is youthful, and the existence of a large number of HIV/AIDS orphans further exacerbates pressures on vulnerable households. Resource-poor rural communities often experience poor health conditions, leading to high rates of malnutrition, especially in children and the elderly, limiting their opportunities for work.

#### *Population growth*

Rapid population growth ensures that development gains made to date remain fragile. Average annual population growth from 2010 to 2015 is projected to be 3.2%. Illiteracy rates are also high, and although that is partially being addressed by the universal primary education programme, a growing population contributes to the challenges of rolling out education to all. Currently constraints include insufficient qualified teachers, limited learning materials, and few school blocks. Since school is the primary source of environmental information and awareness, high illiteracy affects the transmission of an environmental stewardship message (UN no date b).

#### *Current practices causing resource degradation and unsustainable use*

Partly as a consequence of poverty and high population growth, land degradation arises from agricultural expansion and the cultivation of marginal lands (partly encouraged by the national Fertiliser Input Subsidy Programme), and increasing deforestation to meet the increasing demand for energy, food and construction purposes. The percentage cover of forests has decreased from 41% in 1990 to 35% in 2008 (whilst anecdotal evidence from the Department of Forestry suggests an even higher rate of loss) – partly due to the fact that 98.7% of the population depend on solid fuels (fuel wood and charcoal) because – even when it is available – electricity is unaffordable. Unsustainable resource use costs Malawi US\$191 million, or 5.3% of GDP every year (PEI, 2011). Increased climate variations experienced in the form of prolonged dry spells, droughts, floods and temperature variability, have compounded the stress on the

natural resource base, in turn negatively affecting the performance of sectors such as water and irrigation, agriculture, natural resources and energy, thereby aggravating poverty, especially for the already vulnerable population in marginal areas. Policies supporting natural resources exploitation and environmental management are neither well-coordinated nor effectively implemented.

The rate of climate change is also exacerbating resource degradation and unsustainable use. An increase in variable weather patterns, notably dry spells during the main growing season, have also caused localized food insecurity (despite the fact that enough maize was grown to secure "national food security"). After both the 2011-12 and 2012-13 cropping seasons some 1.9 million people were reported as food insecure, often in areas that had already been repeatedly hit by dry spells and consequently food deficits for the preceding 3-4 years.

## ***1.2. Long-term solution and barriers to achieving the solution***

### **Long-term solution**

The long-term solution is for all public sector investments to build resilience to climate change. Successful mainstreaming of climate change into development planning requires modification of policies, strategies and budgets within key sectors at national level, and district level development plans. To begin with, a greater level of awareness and a more robust technical knowledge base of climate change impacts (risks and opportunities) are required at the Government level. This initiative will improve the capacity of policy makers and planners to fully incorporate climate risks, particularly in the District Development Plans and Community Development Plans level. Comprehensive monitoring and evaluation frameworks are needed in order to keep track of results. The resulting strengthened planning frameworks will enable the implementation of urgent adaptation priorities at scale. This will enable a reduction in vulnerability of rural communities to the adverse impacts of climate variability and change in Malawi.

### **Barriers to achieving the solution**

This initiative originates out of recognition that, without significant adaptation efforts, the risks posed by climate change will undermine years of development assistance and asset accumulation in Malawi. Despite the fact that significant political will and commitment is shown to addressing climate change in Malawi, significant barriers exist to the effective implementation of the policy and mainstreaming of adaptation into development planning. This is particularly the case taking into account the cross-sectoral nature of climate change, and the fact that, as a result of the decentralisation agenda, Malawi's districts are now also undertaking planning activities.

### ***Incomplete decentralisation***

The Government of Malawi sees the implementation of decentralisation policy as a key vehicle and instrument for achieving the Millennium Development Goals by 2015. These sentiments have been captured in a number of government documents: Vision 2020, Malawi Poverty Reduction Strategy, the Malawi Growth and Development Strategy and the National Decentralisation Policy. These Strategies have been elaborated in many programmes such as the National Decentralisation Programme I (2001-2004), and the Integrated Sustainable Rural Development Programme (ISRDP) (2008). Government has designed a National



Decentralisation Programme II to enable it to complete the decentralisation process but, to date, the process has been incomplete. According to a 2010 review, while there is a measure of fiscal devolution for some sectors, for others the process is only just starting. Sector development budgets are still, by and large, centralized, and many development projects are budgeted and managed by the centre (Chiweza 2010). Line agencies have not been fully integrated into one administrative unit with composite budgeting, and although there is cooperation and sharing of resources in the implementation of district-level activities, full integration has not been achieved. District data banks are not functional. Coupled with poor record keeping, up-to-date information to facilitate decision-making is not readily available. The result is that the decentralisation of authority for development planning and spending is experiencing setbacks which have constrained the performance and influence of District Councils as efficient and accountable service providers.

### *Technical capacity challenges*

Environment-related policies also suffer particular challenges relating to implementation. These are defined in the Second National Communication as a lack of the appropriate enabling environments with appropriate legal frameworks; and the lack of measures and strategies for enforcing compliance of these by various stakeholders. In particular, “the enforcement of actions through inspections to determine compliance is minimal (Ministry of Natural Resources, Energy and Environment, 2011). Institutional credibility and lack of technical know-how also contribute to weak implementation.

Climate change is a relatively new and highly technical field. Very few professionals have benefited from climate change training, even as part of tertiary education. This situation is now changing, with external training and capacity building having been made available to professional staff within the Ministry of Environment and Climate Change Management. However, since climate change is a cross-cutting issue, staff in other sectors and at district level also need to understand the challenges and opportunities before they are likely to be convinced of the need to integrate climate change adaptation into development planning.

The recent training needs assessment for climate change management noted that for climate change adaptation there are significant skill gaps in the following areas: Climate change adaptation awareness; Climate change adaptation projects identification and development; Climate change mainstreaming in policies, strategies and M&E systems; Environmental Impact Assessment; Geographic Information System (GIS); Climate change forecasting/projection; Adaptation cost assessment; Sustainable tourism management; Integrated soil and water management; Climate change and food safety; Climate change and environment related diseases; Climate change and urbanization; Land cover and land use diagnostics; Crop yield and crop suitability projections; Flood forecasting and Early Warning System; and Hazard mapping (Ministry of Finance and Development Planning, 2011). The assessment also showed that there is an average of almost 30-40% vacancy rate across government establishments. In some key institutions such as the Forest Research Institute of Malawi (FRIM), the rate is more than 80% and yet it is a leading organization on forest research. The picture shows that either some key positions that are critical to climate change management are not filled in the various departments or the few personnel who are there are combining several roles, thereby overstressing their capabilities. This will likely affect implementation of the NAPA, and it makes it all the more important that the government should identify and use all possible mechanisms – including private sector and NGOs – to deliver services that promote adaptation.

### *Resource constraints*

The substantial recent policy developments around climate change in Malawi, with the development of the National Climate Change Policy and Investment Plan, are promising levels of commitment to addressing the challenges of climate change. However, it is a common southern African problem that many well-designed policies exist, but are not effectively implemented. Challenges to implementation come partly from knowledge constraints, as outlined above, but also from resource constraints in the context of multiple competing needs for policy implementation. Whilst Malawi currently has a number of donors funding climate change projects and programmes, as yet there have been few resources allocated to climate change activities from the national budget, impeding long-term sustainability.

### *Inadequate policy frameworks and poor coordination*

The MGDS II (2011-2016) has nine key priority areas, including Climate Change, Natural Resources and Environmental Management. On climate change, a number of key strategies are set out, including: mainstreaming climate change issues into sectoral policies, plans and programmes, promoting climate change-related education, training, awareness and capacity building, enhancing the implementation of climate change mitigation and adaptation programmes and implementing the comprehensive national climate change investment plan. This broad-level policy ambition has not been translated into investment planning by line ministries. At the moment, different sectoral policies and strategies consider climate change adaptation to varying degrees. At the local level, on the whole district development plans do not consider climate change adaptation at all at the moment. The heralded Fertiliser Input Subsidy Programme, for example, encourages cultivation of marginal lands and thus, whilst it has contributed to overall production gains in a short term, has done so unsustainably in some instances, contributing to land degradation.

## **2. Strategy**

### **2.1. Country ownership: country eligibility and country drivenness**

Malawi is a Party to the UNFCCC, having signed the convention in June 1992; ratified it in April 1994; and become a Party to it in July 1994. The Initial National Communication was produced in 2003, the NAPA in 2006, and the Second National Communication in 2011. As outlined in section 2.1, this project is consistent with the identification of agriculture, water and forestry as among the eight priority sectors in the NAPA; and with the cross-cutting challenges of inadequate technical capacity and lack of national budgeting for climate change identified in the Second National Communication. This project also supports Malawi's progress towards achieving the Millennium Development Goals, particularly MDG 7, which is concerned with ensuring environmental sustainability but, by integrating adaptation into development planning, it will also ensure that progress made to date with regards to other goals – such as reducing by half the number of people living in poverty, and reducing the proportion of people without sustainable access to safe drinking water – is not undermined by climate change. By ensuring that women are explicitly included in project activities, there will also be a contribution to MDG 3, on promoting gender equality and empowerment of women.

UNDP is committed to supporting the development and implementation of climate change policy in Malawi, as detailed in the UNDAF Action Plan for 2012 – 2016 and ensuring countries are

able to reduce and manage risks of conflict and natural disasters, including from climate change, and sustainable human development is embedded substantively in development debate and action at all levels are key outcomes of UNDP's Strategic Plan 2014-17.

### Stakeholder Baseline Analysis

In addition to the national level consultations, extensive consultations took place at district level in order to inform the identification of activities within the project.

The first round of meetings at district level took place after the CCTC (at national level) had endorsed the selection of Nkhata Bay, Ntcheu and Zomba as the target districts. Women were invited to and attended the stakeholder consultations, participating and acting as chairpersons.. Meetings comprising (in most cases) the District Commissioner and a selection of key District Executive Committee sector staff (representing environment, agriculture, forestry, disaster management and relevant NGO representatives) took place with the intention of determining the extent of awareness of climate change and its risks for the districts in question (which was high across the board, thereby negating the need for sensitisation), as well as anticipated solutions (for particulars of participation in each district see Annex 4).

#### *Outcomes:*

All three districts cited observations of increased risks of variability and change. In response to an introduction to the project concept, each district cited initial priorities for climate change adaptation based on their individual circumstances, as follows:

- In Nkhata Bay the priority is how to preserve the natural resource base in terms of forests and the lake in order that they maintain their environmental integrity whilst also providing livelihoods and ecosystem services to the population
- In Ntcheu the priority is how to maximise the availability of water resources given the dual pressures of decreasing supply and unsustainable resource use
- In Zomba the priority is how to reduce the adverse impacts of weather-related hazards, such as flooding which regularly occurs in key areas near to Lake Chilwa.

The purpose of the second round of meetings was to identify areas of vulnerability, and from that, particular locations at sub-district level in which the tangible adaptation activities will be implemented, as well as to define the exact nature of interventions. These meetings took place in Nkhata Bay on the 1<sup>st</sup> September 2013, Ntcheu on the 31<sup>st</sup> July 2013 and Zomba on the 23<sup>rd</sup> July 2013 and were attended by members of each district's full District Executive Committee (for further details on participants, see Annex 4).

#### *Outcomes:*

- Nkhata Bay

Nkhata Bay selected the Lweya-Limphasa valley area, covering six Traditional Authorities (TAs), namely Fukamalaza, Mankhambira, Mkumbira, Timbiri, Kabunduli and Mnyaluwanga which fall in seven Extension Planning Areas. The Lweya-Limphasa valley area has a population of 140,143 people with over 23,000 farming families, representing 55% of the total farming families present in Nkhata Bay District (National Statistics Office, 2008), growing cassava as the predominant food crop, and some maize and rice for commercial purposes.

The Lweya-Limphasa landscape is the area in Nkhata Bay most exposed to floods (figure 1). Underlying reasons for increasing vulnerability include high levels of deforestation and river bank cultivation, themselves stemming from population pressure and unsustainable farming practices that result in low soil fertility, high rates of erosion and high sedimentation and siltation. Sedimentation and siltation, in turn, affect the lake and can impinge on the availability of fish stocks. Wildlife populations are also decreasing over time due to over hunting and habitat deterioration. There is inadequate water and sanitation amenities resulting in high incidences of waterborne diseases such as cholera and dysentery; and limited access to clean water means that some people fetch and use untreated water from the lake or those residents in the uplands travel long distances to find a borehole for clean water. There is lack of awareness of community members on climate change and natural resource management, and the sub-district level governance structure for management of natural resources, especially in the forestry and fisheries sectors, are currently non-functioning.

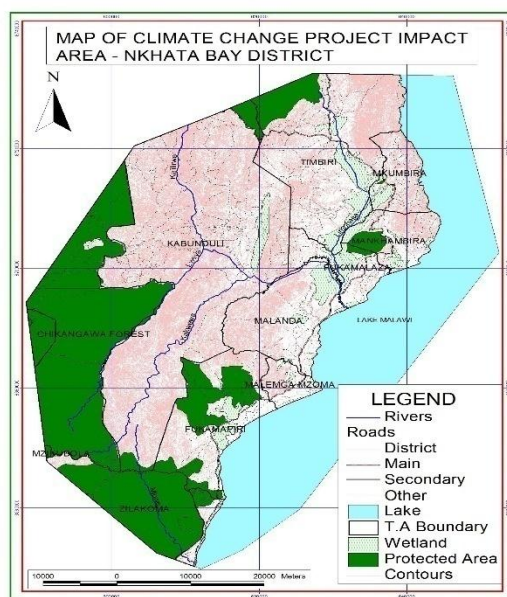


Figure 1: Location of project implementation sites in Nkhata Bay (Lweya-Limphasa Valley)

- Ntcheu

Ntcheu selected the Chipusire catchment (figure 2). This area is affected by the increasing frequency of dry spells, and is the source of many rivers: Mpamadzi, Mariko, Chipusire, Mdeka, Mpira, Riviridzi and Nkhande. The Mpamadzi and Mariko rivers are a water source for the Central Region Water Board, which supplies water to over 16,000 people in Ntcheu Boma. The Mpira River contains the Mpira dam, which traps water to supply portable water to Balaka district, Machinga and part of Ntcheu.

The catchment is increasing degraded as a result of deforestation (particularly in Mvai forest) and irrigation farming which, in combination with rainfall variation, has caused water levels to drop. The catchment also experiences soil erosion, bush fires, and pest outbreaks which further reduce agricultural production levels. The root causes of this are over dependency on natural resources for livelihoods, combined with high rates of population growth, poverty, and insufficient knowledge of sustainable practices. Encroachment on protected areas also occurs. Law enforcement is currently insufficient, with poor observance of the closed season for

fisheries, and there is inadequate capacity around climate change issues. The results of the challenges are a reduction of water into intake pipes, affecting winter farming and the support to livelihoods for more than 2000 households in Chipusire and water supply to more than 30,000 in Ntcheu Boma, Balaka and Machinga.

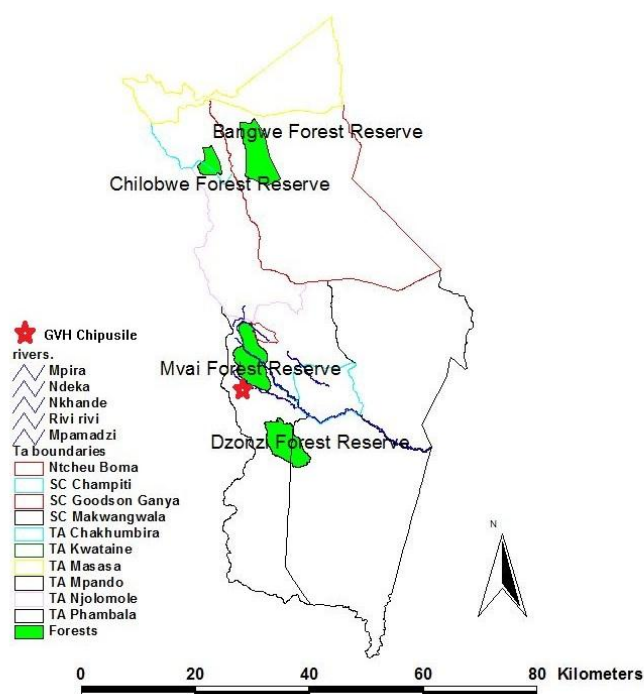


Figure 2: Location of TAs and key natural features in Ntcheu

- Zomba

Zomba district comprises variable topography, from mountainous and hilly regions of the Zomba Plateau (up to 2,085m) which forms the ridge dividing the Upper Shire Valley in the western part of the District, to the broad, flat plains of Lake Chilwa in the east (627m elevation). The underlying geology is Precambrian metamorphic in the uplands, and stratified sandy and rocky plains by the lake. The uplands are a combination of semi-evergreen forest and savannah, turning into moderate wetlands nearer to the lake (figure 3).

The major rivers in Zomba District are Likangala, Thondwe, Domasi, Mulunguzi, Naisi, Namadzi, Phalombe Lintipe and Likwenu. Zomba Plateau is the source of all but two of these rivers, namely the Shire, which originates in Lake Malawi and the Phalombe, which originates on Mulanje Mountain. The rivers form part of the Lake Chilwa Catchment Area. Lake Chilwa, an inland drainage lake located 25 kilometres eastwards from Zomba City, is the only lake in the district and the most prominent source of water and fish for many people.

Much of the district experiences floods, particularly in the lowland regions, which is exacerbated by upland deforestation and land degradation. One target TA, Mwambo, was selected as it experiences the dual hazards of dry spells and floods. The second target TA, Ngwerero, was selected as it experiences dry spells and weather-induced outbreaks of pests. Livelihoods in



both TAs are dependent on natural resources, whose availability varies with climate variability and are under pressure due to high population growth rates, poverty and illiteracy. As well as diversification of livelihood opportunities, safe water provision is also a challenge, as is the management of solid and liquid waste.

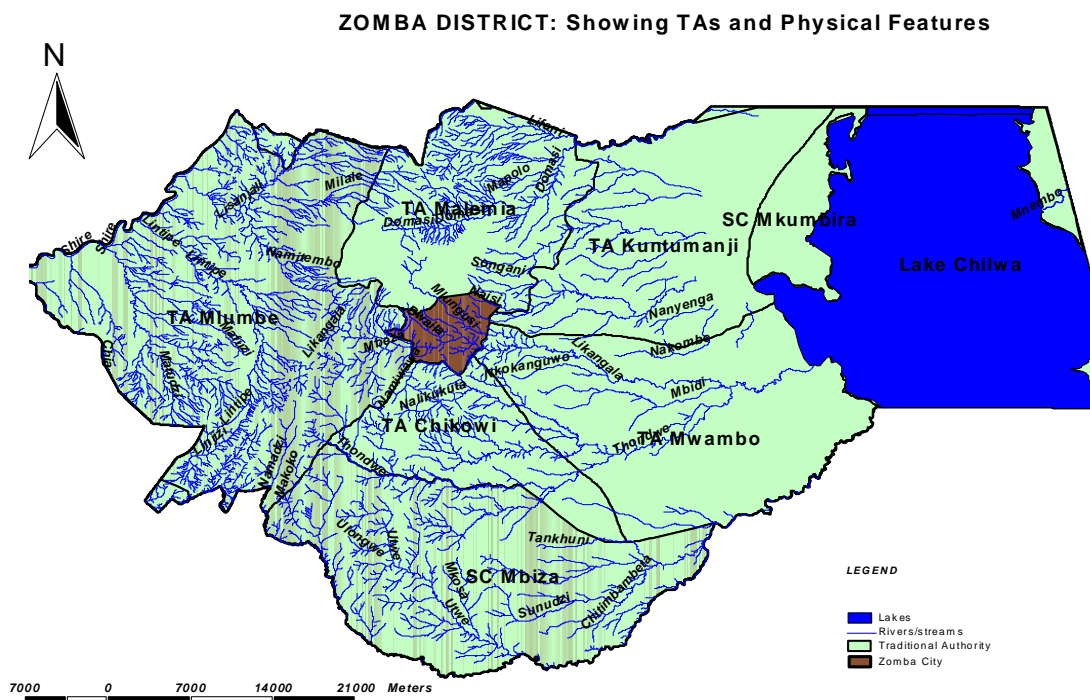


Figure 3: Key natural features in Zomba district

The third round of local level consultations involved specific discussions with the District Environmental Committees (as the most related committee to the topic of the project), and then sub-level consultations attended by community members representing various community-level structures (for a full list of attendees, see Annex 4). These sub-level consultations started with general brainstorming during which time participants were asked to identify both the signs and impact of climate change in their area. Having identified these symptoms and their possible causes, they were then asked to prioritize them. For the prioritized items participants were asked to generate possible solutions in the form of activities.

#### *Outcomes:*

- The selected communities, recognised the opportunity to improve their knowledge on climate change risks, impacts, and adaptation options to develop climate-resilient livelihoods.
- Reinforcing the preliminary priorities highlighted by the districts themselves, the communities suggested the following areas of focus: fisheries sector, forestry sector, agriculture sector and the general environment/natural resources sector.

- The communities suggested that project implementing/management committees be used to oversee project implementation, although it was agreed that other related existing structures in form of VDCs and ADCs in the project impact areas will be used, in conjunction with any existing and functioning community-level structures (e.g. Village NRM committees, Civil Protection Committees)
- It was agreed between the communities and districts that a data bank be developed in order to ease monitoring, evaluating and reporting. This will be kept by the District M&E officer.

Such a structure will help to strengthen the existing transmission mechanism of M&E from the districts to inform national planning. Currently sectors prepare budgets according to the MGDSII, according to budget codes from the Ministry of Finance which are prescribed in a budgeting matrix. Once the budget is approved, all sectors at district level implement their programmes according to the approved budget and send quarterly progress reports to a District M&E Officer, who is an economist under the MEP&D, and compiles the information and sends it to the M&E unit within MEP&D at national level. Whilst the system collects information for reporting at national level, there is currently no mechanism to collect data to inform district planning, which has been identified as a gap by the districts, and thus this project will also contribute to developing a pilot for M&E to inform planning at district level for the first time in Malawi.

The fourth round of local consultations involved bringing all relevant district design teams, headed by the Environmental District Officers, to Lilongwe in order that they could review and consolidate the activities arising out of the third round of local consultations at sub-district level, and indicate budgetary requirements for each activity. The total budget of the project was not made known to participants to enable the costing exercise to subsequently be used as a means of selecting the most appropriate value-for-money activities across the board. These inputs were used to select the final activities as described below.

## ***2.2. Project rationale and policy conformity***

### **Consistency with Malawi's priorities**

The government recognises the risks posed by climate change to its key future priorities of sustainable economic growth, socio-economic development (including poverty reduction) and the attainment of the Millennium Development Goals (MDG). Climate change, natural resources and environmental management are one of the nine key priority areas outlined in the Malawi Growth and Development Strategy II 2011-2016 (MGDSII), the country's overarching medium term strategy for obtaining its long-term development aspirations (Vision 2020). Political commitment to climate change was also signalled in the creation of a new Ministry for Environment and Climate Change Management (MECCM) in 2012. This new ministry took over the coordination of Malawi's National Climate Change Programme (itself supported by UNDP) from the then Ministry of Finance and Development Planning. The National Climate Change Programme aims to create a National Climate Change Response Framework and Strategy which will support national and local government institutions in delivering long term climate-resilient and sustainable development. Building on its previous work, Malawi has also just begun the process of developing its National Adaptation Plan (NAP). Since its creation as a ministry, MECCM has overseen a number of preparatory studies for example capacity needs and gap analyses (Ministry of Finance and Development Planning, 2011), as well as the creation of a National Environment and Climate Change Communication Strategy 2012-16, and drafts of a National Climate Change Policy and Climate Change Investment Plan. This document includes a recommended institutional framework (akin to the idea of a Climate

Change Unit or National Climate Change Commission) through which funds can be channelled. This programme addresses some of the key challenges of addressing climate change as outlined in the Second National Communication, and as specified in the policy and investment plan. It builds technical knowledge on climate change adaptation and capacity to integrate it into development planning, taking on board the use and management of indicators for monitoring and evaluation among the three national sectors and three districts. It creates an institutional framework for the effective flow of national (and donor, in the case of Sector Wide Approaches and Sector Working Groups) resources, culminating in a National Climate Change Fund to enable climate change to be mainstreamed into development planning at national and at local levels. This GEF LDCF project will be fully embedded in the National Climate Change Programme, including its institutional framework (for more information, see the organogram in section 5. Given the close relationship between climate change and disaster risk management, Disaster Risk Officers (at national level) and Assistant District Disaster Risk Management Officers (ADRMOs)(at district level) will be informed of, and invited to actively contribute to, the implementation of all activities.

### *Implementing NAPA priorities*

This project will deliver direct adaptation benefits through community-led strategies and indirectly through adaptation of the institutional framework that enables the integration of adaptation planning at both national and district level. The project is relevant to three of the five NAPA priorities, namely:

NAPA priority 1: Implementing community resilience to climate change through the development of sustainable rural livelihoods

NAPA priority 3: Improving agricultural production under erratic rains and changing climate conditions, and

NAPA priority 4: Improving Malawi's preparedness to cope with droughts and floods.

The outcome of this project will also facilitate the future addressing of other NAPA priorities.

Table 1 outlines the main national strategies and policies with which the project has synergies, including the NAPA and National Climate Change Policy priorities of agriculture, forestry and water. For most sectors climate change and the need for adaptation is recognised with notable exception of water policy. The Second National Communication reiterates that, whilst climate change considerations are incorporated to various degrees in these sectors, the incorporation needs to be made more explicit (Ministry of Natural Resources, Energy and Environment, 2011), which this project will enable.

Table 1: Key Malawian strategies and policies and how the project supports their implementation

Key aspects of the strategy/policy	Relevance of project to policy
Vision 2020	
<ul style="list-style-type: none"> <li>Malawi's long-term vision for development, and was launched in 2000 following consultations in the late 1990s.</li> <li>States that "by the year 2020, Malawi, as a God fearing nation, will be secure, democratically mature, environmentally sustainable, self-reliant with equal opportunities for and active participation by all, having social services, vibrant cultural and religious values and technologically driven by a middle-income economy".</li> <li>The attainment of this goal depends on long-term strategic thinking, a shared vision and visionary leadership, participation in development activities by all citizens, strategic management, and national learning.</li> </ul>	Climate change adaptation is not mentioned explicitly but it is a necessary input for achievement of policy goals. Given the root causes of current challenges outlined in section 1.3, achieving this vision will depend on having actively mainstreamed adaptation into development planning so that climate change does not undermine development progress to date.



Malawi Growth and Development Strategy II	
<ul style="list-style-type: none"> <li>• MGDSII is the medium term growth-and-development strategy that aims to contribute to achieving the aims of Vision 2020.</li> <li>• Building on its predecessor, the MGDS (itself a successor to the previous Malawi Poverty Reduction Strategy Paper), MGDSII aims to continue reducing poverty through sustainable economic growth and infrastructure development.</li> <li>• Identifies six broad thematic areas, including disaster risk management and cross-cutting issues</li> <li>• Thematic areas, in turn, support the nine key priority areas, among them Climate Change, Natural Resources and Environmental Management.</li> <li>• On climate change, a number of key strategies are set out, including: mainstreaming climate change issues into sectoral policies, plans and programmes, promoting climate change-related education, training, awareness and capacity building, enhancing the implementation of climate change mitigation and adaptation programmes and implementing a comprehensive national climate change investment plan.</li> </ul>	<p>The project supports the climate change, natural resources and environmental management priority area and activities have been directly designed to support the implementation of the policy and investment plan designed within this priority area.</p>
Agriculture Sector-Wide Approach (ASWAP)	
<ul style="list-style-type: none"> <li>• The Malawi Agricultural Sector Wide Approach (A-SWAP) 2011 -2015 is the means to achieve the agricultural growth and poverty reduction goals of the MDGSI.</li> <li>• It envisages a single, comprehensive programme and budget framework for a total projected budget of US\$1.68 billion, to be sourced through domestic resources and development partnerships.</li> <li>• It identifies three focus areas – Food Security and Risk Management; Commercial agriculture, agro-processing and Market Development; and Sustainable Agricultural Land and Water Management – and two key support services – Technology Generation and dissemination; and Institutional strengthening and capacity building.</li> </ul>	<p>Climate change adaptation is not mentioned explicitly, though inferred under "Risk Management", but it is a necessary input for achievement of policy goals. However, it is included in the draft National Agriculture Policy (2011) as a thematic area (climate change and environment), the objective of which is to promote adaptation and mitigation technologies and interventions to minimize future adverse effects of climate change on agricultural production and rural livelihoods. The goal of this policy is to improve food security of the population through increased agricultural productivity, diversity, and sustainable agricultural growth and development.</p>
Water Policy 2005	
<ul style="list-style-type: none"> <li>• Goal of the Water Policy (2005) is to promote sustainable management and utilization of water resources, in order to provide water of acceptable quality and of sufficient quantities, and ensure availability of efficient and effective water and sanitation services that satisfy the basic requirements of every Malawian and for the enhancement of the country's natural ecosystems, and to establish preparedness and contingency plans for water-related disasters and emergencies as an integral part of water resources management.</li> </ul> <p>It has a number of policy objectives:</p> <ul style="list-style-type: none"> <li>• To achieve sustainable and integrated water resources development, conservation and management that provides equitable access and use of water to all individuals and entrepreneurs.</li> <li>• To ensure the existence of strategic and contingency water resources development and management plans that guarantee availability of water in cases of droughts, floods and population pressures.</li> <li>• To ensure that all person have convenient access to sufficient quantities of water of acceptable quality and the associated water-related public health and sanitation services at any time and within convenient distance.</li> <li>• To promote the empowerment of user communities to own, manage and invest in water resources development.</li> <li>• To promote public and private sector participation in water resources management, development supply, and conservation.</li> <li>• To participate in the enactment and implementation of local, regional and international obligations and agreements with regard to exploitation and management of water resources taking due regard of national integrity, security and sovereignty.</li> <li>• To facilitate and initiate scientific investigations and research in the occurrence, development, utilization of water resources and disposal of wastewater in order to use the information for sustainable exploitation of water resources.</li> </ul>	<p>Climate change adaptation is not mentioned explicitly, although the risks of climate variability and change for water supply are mentioned but not elaborated. The risks of climate change, in terms of changing water availability and quality, are closely correlated with the ability to achieve these policy objectives, and thus the integration of climate change adaptation objectives will ensure the sustainability of this policy within the context of a changing climate</p>

<ul style="list-style-type: none"> <li>To promote and advocate water and sanitation services' pricing and charging systems that recognize water as both a social and economic good in order to institute cost recovery principles.</li> <li>To promote user-friendly technologies to enable easy access to water and sanitation services by all manner of people.</li> <li>To improve assessment of impact of water-related disasters and undertake effective response to prevent mortality and reduce morbidity and suffering among affected communities;</li> <li>To ensure timely provision of potable water and sanitation for vulnerable communities especially children and women during water-related disasters;</li> <li>To provide basic requirements of potable water supply to all affected areas.</li> </ul>	
Forestry Policy 1996	
<ul style="list-style-type: none"> <li>Goal of the Forestry Policy (1996) is to sustain the contribution of the national forest resources to the quality of life in the country by conserving the resources for the benefit of the nation.</li> <li>Objective is to provide an enabling framework for promoting the participation of local communities and the private sector in forest conservation and management, eliminating restrictions on sustainable of essential forest products by local communities, and promoting planned harvesting and regeneration of the forest resources by Village Natural Resource Management Committees (VNRMCs).</li> </ul>	The Forestry Policy is in the process of being updated, and the new version explicitly considers climate change, especially on REDD, in keeping with the mandate from the MGDSII. The results of this project will provide inputs as to how adaptation can explicitly be incorporated into policy implementation through the strategy working group strategy.
National Environmental Policy (2004)	
<ul style="list-style-type: none"> <li>Goal is the promotion of sustainable social and economic development through the sound management of the environment and natural resources.</li> </ul> <p>It has three guiding principles:</p> <ul style="list-style-type: none"> <li>to promote the sustainable use and management of the country's natural resources and, where appropriate, encourage long term self-sufficiency in food, fuel wood and other energy requirements</li> <li>to facilitate the restoration, maintenance and enhancement of the ecosystems and ecological processes essential for the functioning of the biosphere and produce use of renewable resources and</li> <li>to promote the ecosystems management approach so as to ensure that sector mandates and responsibilities are fully and effectively channeled towards sustainable environment and natural resources management.</li> </ul>	Climate change adaptation is not mentioned explicitly but the risks of climate change for the environment are recognized, and it is a necessary input for achievement of policy goals. The policy provides an overall framework through which sectoral policies are reviewed to ensure their consistency with sound principles of environmental management (in conjunction with the National Environmental Action Plan 2002, which is used as a framework for development plans to ensure that various priority environmental considerations, including climate change, are considered in line with national commitments
Decentralisation Policy and the Local Government Act	
<ul style="list-style-type: none"> <li>The approach calls for thorough re-organization of rural development administrative structures and projects/programmes, significant human resource mobilization and empowerment; and service delivery improvements in areas such as market linkages, credit extension, microfinance and social security and protection, and employment, including labor market information systems.</li> <li>To achieve these goals, the Government of Malawi has prioritized administrative and operational level integration; implementing partnership strengthening, and leadership, ownership and low-cost technology transfer to communities.</li> <li>The integrated rural development approach views the transformation of the rural areas as the most effective way of accelerating socio-economic development through establishment of satellite towns, promotion of small-scale industries in rural areas, increasing agricultural production, provision of credit facilities and improvement of infrastructure on specified geographical scale.</li> </ul>	By working with District Executive Councils as primary responsible partners, this project will be a vehicle for implementing Malawi's commitment to decentralisation and adaptive rural development at the grassroots level.
National Disaster Management Policy 2014-17 (Draft)	
<ul style="list-style-type: none"> <li>Aims to provides a coherent framework to mainstream disaster risk management in development planning and policies of all sectors and at all levels of planning (i.e. village, area, district and national) to reduce the impact of disasters and ensure sustainable development in the country.</li> <li>The long-term goal for disaster risk management in Malawi is to sustainably reduce disaster losses in lives and in the social, economic and environmental assets of communities and of the nation.</li> </ul>	Does mention climate change, and adaptation as being allied to disaster risk reduction. The aims and approach to mainstreaming here are similar to those proposed for climate change, and integration of climate change considerations into district and sector-level plans will, in turn, go part-way towards ensuring that climate-related

	disasters are already mainstreamed, thereby supporting eventual implementation of this policy.
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Conformity with LDCF criteria

With regards to LDCF adaptation priorities, the project is in line with the following:

CCA 1: Reduce vulnerability to the adverse impacts of climate change, including variability, at local, national, regional and global level, where it will contribute to Outcome 1.1 and Outcome 1.2 (indicators to be scoped during the implementation phase);

CCA 2: Increase adaptive capacity to respond to the impacts of climate change, including variability, at local, national, regional and global level, where it will contribute to Outcomes 2.1, 2.2 and 2.3.

The project conforms to the key principles of the LDCF: country-driven, implementing NAPA priorities, supporting a replicable, learning-by-doing approach and gender-sensitivity.

*Supporting a replicable, learning-by-doing approach*

This project is designed to have a high demonstration value, as the institutional framework, once established, can easily be incorporated by other sectors (at national level) and other districts (at local level), thereby scaling-up benefits in a highly cost effective manner. Transfer of technical skills and capacity building will encourage a learning-by-doing approach. The effective use of monitoring and evaluation will be used to develop the evidence base as an input into policy development and planning processes which is a necessary prerequisite for scaling-up. Since the principles of this project can also be easily adapted to other national governance systems, this project also has replicability to other countries expressing interest in integrating adaptation into development planning. Given the recent/current development of national climate change policies in many other SADC countries, there is immediate potential for replicability in, for example, Mozambique, Zambia, Botswana and South Africa. Section 2.8 has more details.

*Gender sensitivity*

Women are among the most vulnerable to climate change yet do not have the technical skills to respond, and so climate change is likely to reinforce underlying inequalities. In Malawi there are higher poverty levels amongst female-headed households and the 3 MDGs that are not likely to be met have strong gender connections (girl education, women’s economic and political empowerment, and maternal mortality (UN 2011) sharing their perspectives on how climate change is contributing to undermining their livelihoods (dwindling forest cover in Nkhata Bay, water shortages in Ntcheu and flood-proneness in Zomba), which have been included in the planned ecosystem-based tangible adaptation activities. Within the three districts, around 5,800 Malawians (40,000 if we include the household members of beneficiary participants) will benefit from adaptation activities; and indirectly benefit around 600,000 who live in the three districts (2008 Census, Republic of Malawi, 2008) through planning and budget allocation processes that direct investment flows towards adaptive practices. The target beneficiaries for tangible adaptation activities will be identified during the project implementation phase. The equitable participation of women, men and children will be ensured during the detailed community adaptation planning exercises, in order to maximize adaptation benefits, to promote gender equality, and for maximum sustainability.

Conformity with overall GEF principles:

In addition to the LDCF criteria mentioned above, the project has been designed to meet wider overall GEF requirements in terms of implementation and design. For example, the following requirements will be addressed:

### *Sustainability*

Sustainability will be inherent in the mainstreaming approach taken to adjust screening tools used at the district and national level to trigger release of funds for climate resilient investments. The establishment of the adaptation indicators at national and district level will be transferable to other districts and ministries, as will the process of their use. In addition, the technical support programme (providing the training and capacity building required for outputs to be achieved) will be undertaken by a partnership of an international consultancy and an appropriate Malawian organisation (preferably a think tank or similar with appropriate capacity to undertake such activities), thereby further ensuring sustainability by embedding relevant technical skills and capacities to the national organisation for continuous service. The sustainability of the site specific adaptation measures undertaken at community level will be ensured by encouraging the target communities to consider how labour costs and other maintenance costs could be covered post-grant. Section 2.7 goes into more detail.

### *Monitoring and Evaluation*

In addition to the development of adaptation indicators at national and district levels forming key outputs, the project itself has been designed with a SMART Results Framework, which is aligned to the GEF Results-based Management Framework for Adaptation to Climate Change and aims to contribute to Objectives 1 and 2 by:

- Reducing vulnerability of communities in three Districts directly and indirectly through policies, programme and budget allocation which improves resilience;
- Increased empowerment of communities, especially women and District planning officials on advocating for and experimenting with adaptation approaches;
- Building capacity for conducting adaptation assessments and building these into climate-compatible developing planning and monitoring systems at sub-national levels (including, as mentioned above, building capacity for district level M&E for the first time);
- The project further supports and strengthens the national M&E structure between District and national level, which is linked to the MDGS indicators and coordinated by MEP&D.

### *Stakeholder Involvement*

The project design was entirely formulated as a result of extensive stakeholder consultations at both national and district levels. For the district level, where the project supports tangible adaptation activities as an incentive to incorporate adaptation into development planning, all activities were identified by communities as priorities by district level staff, and the ultimate selection made by the project team based on their knowledge of resources available and adaptation best practice (particularly taking into account the opportunity for replication and/or scaling up of adaptation best practice in Malawi, where appropriate to the new contexts). Finalisation of activities at national level was based on a series of bilateral consultations, themselves informed by strategic decisions (for example concerning the three sectors on which to focus) by the CCTC and the Ministry of Environment and Climate Change Management (based on consultations undertaken to prioritise sectors for the National Climate Change Policy and Climate Change Investment Plan). The draft proposal was then presented to a special meeting of the CCTC, comprising the usual national-level stakeholders as well as the key personnel involved in project decision at the district level (the Environmental District Officers

from Nkhata Bay, Ntcheu and Zomba). Table 5 (section 2.9) outlines the key government stakeholders in the project and their roles (as responsible partners and, in the case of MECCM, the executing agency).

### ***2.3. Design principles and strategic considerations***

#### Complementarity with existing UNDP support to adaptation policy processes in Malawi

UNDP has a long history of supporting the evolving national policy processes around climate change adaptation in Malawi. The LDCF project will complement and extend the National Climate Change Programme a US\$14,850,000 project managed by UNDP with contributions from DFID, Norway, UNITAR, Flemish Government, routed through the One UN Fund<sup>2</sup>. The National Climate Change Programme partnered with, and builds upon, the recently-ended Africa Adaptation Programme (US\$3,900,000 from the Japanese Government), another project supported by UNDP, to build the capacity of national and local government institutions and key civic-society stakeholders towards climate change. Piloted in the 7 NAPA districts, the partnership programme supports the development of comprehensive climate change adaptation strategies linked to long-term investment plans. An AAP follow up grant for USD650,000 has recently been granted by the Japanese Government, building on the achievements of the AAP, and also part of the new CCP.

#### Complementarity with other initiatives

A number of ongoing initiatives in Malawi, funded by various development partners, support adaptation to climate change. The Climate Change Technical Committee has made a comprehensive attempt to scope adaptation efforts in country, and provided inputs during the PPG phase about the most important initiatives to further scope for identifying lessons learned, opportunities for replicating/scaling up best practice, and partnership. Major related LDCF-funded projects include the Climate Adaptation for Rural Livelihoods and Agriculture (CARLA) project, climate-proofing local development gains in Machinga and Mangochi districts, and the strengthening climate information and early warning systems in Eastern and Southern Africa for climate resilient development and adaptation to climate change project; and a DFID-funded NGO consortia-led initiative-the Enhancing Climate Resilience Programme (ECRP) (for further details, see annex 5).

#### UNDP's Comparative Advantage

The mid-term review of the 2008/11 Country Programme (CP) and the 2010 Assessment of Development Results (ADR) for Malawi concluded that close working relations with the Government and civil society have enabled UNDP to technically support new policy frameworks in Disaster Risk Management (DRM), aid effectiveness and management, electoral support, the environment-poverty nexus and the evolution of the MGDS.

The new UN Division of Labour (DoL) sees UNDP in the forefront on its traditional areas of comparative advantage i.e. Governance, Climate Change, Disaster Risk Management (DRM) and gender issues, including the management of pooled fund arrangements. The MGDS II priorities and the UNDP Corporate Strategy and its Regional Strategy for Africa emphasize the

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<sup>2</sup>UN, 12: Project Support Document, Support to National Climate Change Programme (NCCP), 2013-2016



continued importance of capacity development, aid effectiveness, poverty reduction and growth, democratic governance, sustainable development, energy and environment and gender equality. In keeping with UNDP's mandate, comparative advantage and development experience, the country programme is designed to support four strategic and inter-related priority areas: sustainable and inclusive economic growth; climate change, energy and environment and disaster risk mitigation; MDG achievement (Gender and HIV/AIDS); democratic governance and public sector management. These areas correspond to UNDAF Outcomes (1), (3) and (4). The CP establishes synergies between capacity development and resource management, as key constraints in MDG achievement. Support to public administration reform will be reinforced by a national Results-based Management practice, further support to aid management and negotiations, and evidence-based planning and policy making.

UNDP is uniquely positioned in Malawi, as an agency with a track-record of successfully implementing up-stream programmes and can provide a vital co-ordination role to catalyse CC resilience in Malawi, in part using the approaches and tools outlined in the recently published UNDP Low-Emission and Climate-Resilient Development Strategies (LECRDS) documents<sup>3</sup>. UNDP's portfolio in Malawi consists of some 15 active projects under 4 clusters namely: Environment/Climate Change/Disaster Risk Reduction, Growth and Millennium Development Goals, Capacity Development, and Governance. The portfolio balances between policy and programme support, spanning from national facilitation to local level implementation support.

Further mainstreaming experience, knowledge and lessons is being provided by additional initiatives: UNDP-UNEP Poverty and Environment Initiative (PEI) which supports the Government to include environmental sustainability as a core objective in national development planning (e.g. Malawi Growth and Development Strategy) and implementation so that poverty reduction and other economic development objectives are not undermined by the unsustainable use of natural resources. Practical field level experiences are being provided through the current portfolio of field-based initiatives, primarily through the expansive Small Grants Programme, which has to-date implemented projects worth USD7 million in Malawi, several of them on climate change initiatives (both mitigation and adaptation).

Another core area of UNDP's programme is on economic governance and development. Programmes have included: "Financial Inclusion in Malawi (FIMA): 2007-2011"; a partnership between UNDP and the United Nations Capital Development Fund (UNCDF) that supported the Ministry of Finance to expand the participation of local communities in the financial sector, and "Democracy Consolidation and Improved Local Service Delivery", which aims at increasing the effectiveness of participation of communities in decision-making, and in advocating changes to policies, laws, and practices which affect their livelihoods and rights; including holding public bodies accountable. Under the new UNDAF 2012 – 2016, emphasis is being laid on the support to Government to prepare and operationalize the Integrated Rural Development Strategy, which will take forward elements of District planning processes, economic development and inclusive financial services, in coordination with other development partners (Norway, GIZ)

### National and local benefits

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<sup>3</sup>[http://www.beta.undp.org/undp/en/home/ourwork/environmentandenergy/focus\\_areas/climate\\_strategies/green\\_lecrds\\_guidancemanualsandtoolkits.html](http://www.beta.undp.org/undp/en/home/ourwork/environmentandenergy/focus_areas/climate_strategies/green_lecrds_guidancemanualsandtoolkits.html)

The project will directly benefit around 5,800 Malawians (40,000 if we include the household members of beneficiary participants); and indirectly benefit around 600,000 who live in the three districts (2008 Census, Republic of Malawi, 2008) through planning and budget allocation processes that direct investment flows towards adaptive practices.

This project will deliver tangible vulnerability reduction that also addresses MDG 7 (environmental sustainability) and MDG 3 (promote gender equality and empower women). The tangible adaptation activities identified by each of the districts all recognise the imperative of a healthy natural environment to enable climate-resilient natural resource-based livelihoods, whilst respecting their different geographical contexts.

In lakeside and forested Nkhata Bay, 2000 beneficiaries will be selected from the 8,230 households in the target TAs for a programme of group-focused Ecological Entrepreneurship, involving climate adaptation and basic business development training, as well as training in techniques to encourage afforestation and conservation (e.g. tree seedling development) as income-generating activities which will then be managed as a pass on model scheme. Households farming in fragile ecosystems on customary-owned land will be supported to shift to alternative productive areas through the provision of new technologies to adapt to the different environment, and training to restore the ecosystems and reduce future vulnerability to climate change.

In water-stressed Ntcheu, 2000 households will benefit from the project on-site in Chipusire, whilst a further 20,000 people in Ntcheu Boma and Balaka will benefit from the resultant improvements in water availability and management. On site targeted households will receive training in climate adaptation, irrigation methods, conservation agriculture and aquaculture, improving livelihoods and food security, as well as contributing to environmental integrity within the district.

In Zomba 1800 men and women, identified by the participatory vulnerability assessment process, will be targeted to benefit from intended ecosystem-based adaptation activities that promote climate-resilient livelihoods in the context of increased flood risk. Depending on their exact location, they will variously participate in the adaptation activities around nursery raising and afforestation of water-retaining trees upstream in the catchment and, specifically, the rehabilitation of the Mvai forest; and training and inputs for improved or alternative livelihoods, such as early maturing varieties of beans, onions, maize, Irish potato, cabbage and other green vegetables (winter crops) and the construction of fish ponds. These site specific adaptation measures will build the evidence base feeding into sub-national and national planning for further scale up of effective adaptation measures.

At national level, this project will further develop adaptation planning capacities more effectively and sustainably across a number of key climate-related sectors drawing on UNDP's experience and current support to climate change and institutional strengthening. The development of national level adaptation indicators for screening sector strategies will initially be used for these three sectors, but once the system has been put in place it can easily also be replicated for use across other national sectors, thereby ensuring that adaptation is effectively mainstreamed, supporting the achievement of the MGDSII and the forthcoming National Climate Change Policy and Strategy.

From a strategic perspective at local level, the project supports Malawi's ongoing commitment to decentralisation and strengthening of democratic governance processes. Target communities will lead the decision-making process, through the creation of adaptation plans, building on the role they played during the PPG phase when they identified priority needs for adaptation to build climate-resilient livelihoods. The project provides the support package required to make it happen through the allocation of a set budget, thereby building confidence that the planning process can enable tangible change in livelihoods that reduce vulnerability to climate change. Districts will also be incentivised to incorporate adaptation into their development planning through the allocation of budgets, and an appropriate system of locally appropriate adaptation indicators for assessing and then monitoring and evaluating the rollout of these plans, through the links with the national planning system and thereby also providing feedback into the national planning system. Building the capacity and incentives for district officials to make the case for budgetary allocations will strengthen fiscal decentralisation, enabling leveraging of regular development resources for climate-resilient investments. Stakeholder consultations to date have shown considerable enthusiasm at district level for this process, which not only links the availability of funding to climate-resilient activities, but also contributes to the establishment of an appropriate M&E system that creates the data to identify tangible gains and opportunities for improvement.

The M&E systems work not only horizontally at national level, but also at the vertical level, where the release of funds to districts will depend on progress made against adaptation indicators. By strengthening the connections between the decentralised CCA planning process and the central government CCA planning process, recognizing the essential role that central government has in promoting coordinated and coherent decentralised implementation of CCA. A detailed and extensive programme of capacity development is proposed to support these changes, as outlined under outcomes 1 and 3 in section 2.4.

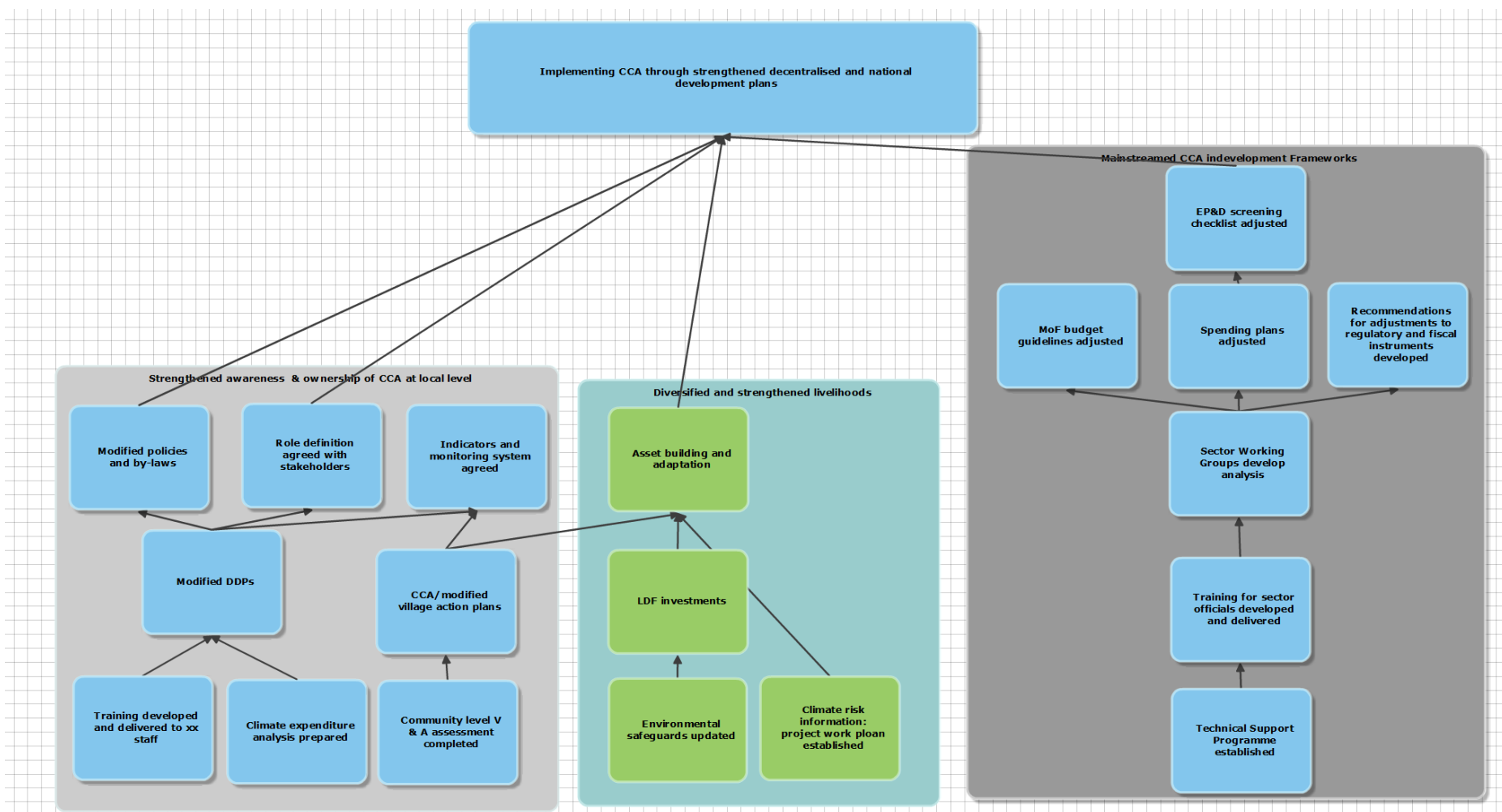
## ***2.4. Project Objective, Outcomes and Outputs/activities***

The **goal** of the project is for all government spending to contribute to resilience-building and adaptation in Malawi

The **objective** of the project is to reduce the vulnerability of rural communities to the adverse impacts of climate variability and change in Malawi.



Figure 4: Theory of change



The pathway of change that will bring about this objective is based on three different outcomes: strengthened awareness and ownership of climate change adaptation at local level; diversified livelihoods that are resilient to climate change; and mainstreamed climate change adaptation in development frameworks at national level.

The theory of change to achieve the first outcome (strengthened awareness and ownership of climate change adaptation at local level) relies on two parallel processes completion of community level vulnerability assessments that are used to develop CCA-modified Village Action Plans; and district level expenditure analysis and training delivered to relevant staff to enable them to modify the District Development Plan to incorporate costed adaptation activities; both of which require the use of modified adaptation indicators to assess and monitor against, whilst the DDPs also require sensitization of key stakeholders and the likely passing of appropriate by-laws.

The theory of change to achieve the second outcome (diversified and strengthened livelihoods) is dependent partly on the CCA-modified Village Action Plans from the first component, but also the establishment of a modified environmental safeguards screening (to incorporate CCA) so that LDF investments build climate-resilient assets which will include the implementation of the CCA-modified Village Action Plans. Active use of climate risk information in household decisions on agricultural planting strategies will further strengthen smallholder farmer adaptation strategies.

The theory of change to achieve the third outcome (mainstreamed climate change adaptation in development framework at national level) is based on a draw-down package of support to the three line ministries – to be customized to their respective needs – to enable them to undertake economic costing of planned adaptation activities and then update their respective development plans accordingly. As with the local level, adaptation indicators will be incorporated into the existing development plan screening process, so that the Ministry of Finance releases funds to support implementation of the plans if climate change and resultant vulnerabilities have been taken into account.

The following outcomes and outputs define the activities and interventions that this project will undertake in order to contribute to the theory of change.

#### Outcome 1: Strengthened awareness and ownership of adaptation and climate risk reduction processes at local level

Outcome 1 of the project contributes to Outcome 2.1 of the GEF-LDCF results-based M&E framework, i.e. “Strengthened awareness and ownership of adaptation and climate risk reduction processes at local level” through achievement of output 2.2.1 “Adaptation measures incorporated and budgeted for in relevant frameworks”. This component addresses District and village level planning processes.

#### *Baseline context*

As outlined above, the Government of Malawi sees the implementation of decentralisation policy as a key vehicle and instrument for achieving the Millennium Development Goals by 2015 and

has enshrined this is a number of policy documents (see section 2.2) and programmes like the National Decentralisation Programme I (2001-2004), and the Integrated Sustainable Rural Development Programme (ISRDP)(2008). Government has designed a National Decentralisation Programme II to enable it to complete the decentralisation process. As a key component of this, a number of line ministries have decentralised their activities and budgets, including agriculture, water, environment and forestry. What this means in reality is that districts receive direct budget allocations through the National Local Government Finance Committee, under the Ministry of Local Government and Rural Development, for devolved sectors to use in-line with district level policies and plans.

District level institutions have core functions or responsibilities that include the following: i) make policy and decisions on local governance and development for the respective districts; ii) consolidate and promote local democratic institutions and democratic participation; and iii) promote infrastructural and economic development through district development plans. Thus far the primary political institutions - the District Council (referred to as District Assembly in the policy and legislation instruments), structured with the District Councilor as the head, have not become operational, and are one of the primary failings referred to in earlier sections in the decentralisation process. As a result, the key decision-making body is currently the District Executive Committee (DEC), a technical advisory body which facilitates the process of district development planning and implementation (Figure 5), which is headed by the District Commissioner. Membership of the DEC includes heads of the devolved sector directorates mentioned above, NGOs operating in the respective districts and traditional leaders. The DEC has sectoral sub-committees, for example for environment, forestry, health etc. Coordination of development planning and implementation at the community level is done by the Village Development Committee (VDC) which is at the Group Village Head level, premised on being people-centered, adopting bottom-up approaches, participatory and district focused. A number of VDCs are represented by the Area Development Committee (ADC) which is further supported by the Area Executive Committee (AEC) that comprises technical personnel from government sectors and NGOs that reside and operate in the respective areas.

Existing challenges in the three project districts reflect those around the country: the newness of decentralisation means that co-ordination between structures still faces some challenges, and district sector staff are often impeded in their ability to deliver when their authority and/or resource availability is undermined by their respective line ministries. Each district has an M&E officer, and collects significant quantities of data, but so far much of this data can be characterized as baseline information (relating to socio-economic and physical characteristics of the district), and it feeds only into national level planning processes, not those which take place at the district level. Linkages between the district and sub-district decision-making institutions is also often weak, partly as a result of lack of resources. Domestic investments from the Local Development Fund have been reported to advertently increase vulnerability<sup>4</sup>.

Despite the challenges involved in decentralisation to date, and the incompleteness of the process overall, appropriate structures exist in the three project districts. The DEC's are functioning and actively incorporate non-state actors, many of whom played an active role in the stakeholder consultation processes (see Annex 4). The budgets for these lead sectors are decentralised, but oftentimes very minimal. To date, effective functioning has been impeded as

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<sup>4</sup> Phiri, G (2012) *Review of Climate Change Adaptation and Mitigation best practices in selected districts in Malawi*. Malawi, Ministry of Development Planning and Cooperation.

institutions have not been accorded the necessary authority or resources to function and deliver on their responsibilities. In all three cases, districts were particularly keen that project resources be made available directly to the districts in order to avoid some of the existing challenges they face of national line ministries causing bottlenecks and delays in resource availability, which has impeded their capacity to deliver. Understanding of climate change, and the nature of vulnerability, and where they prioritise the need to build capacity was identified in all cases by the districts themselves (see also component 2 of the project).

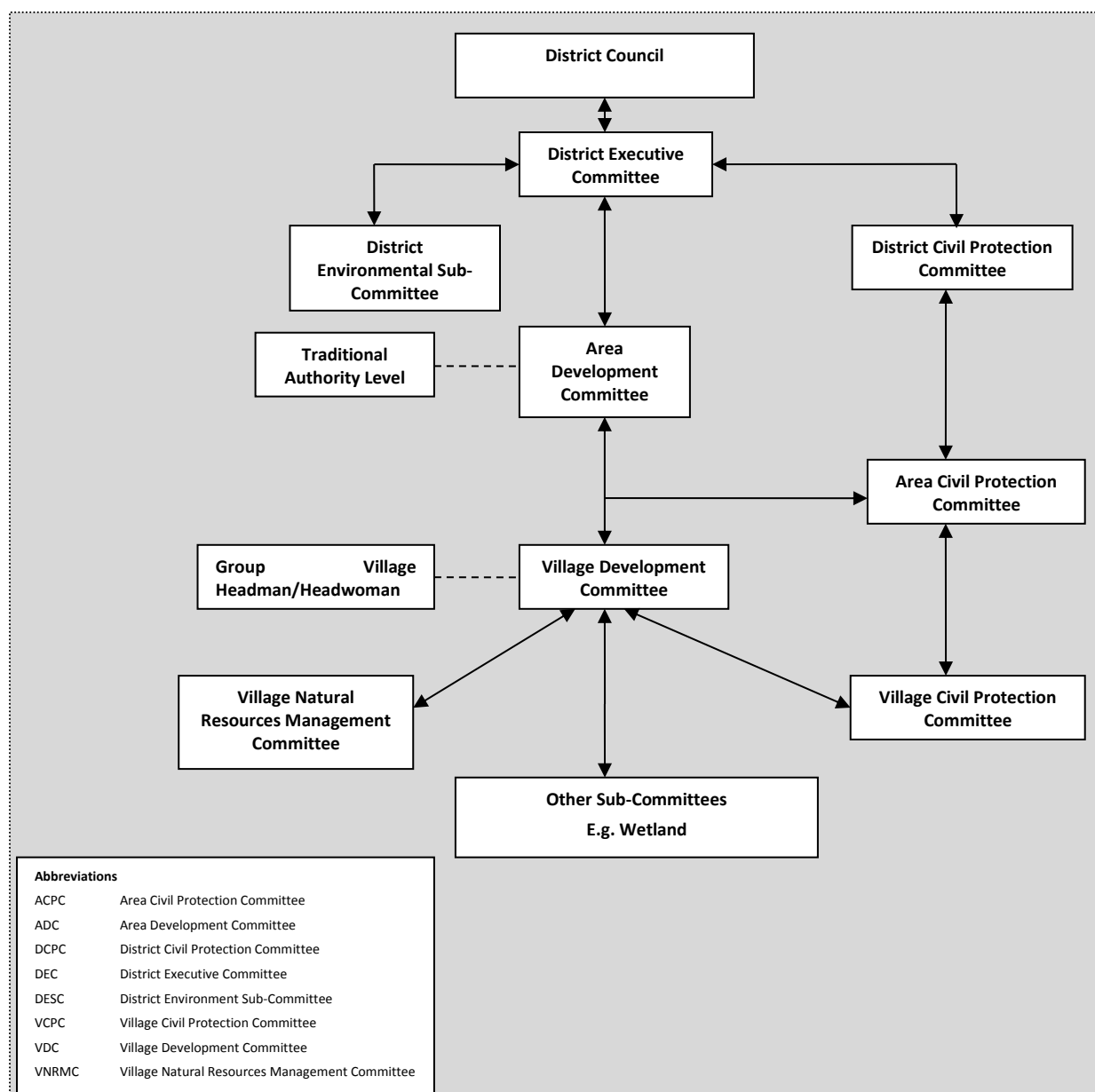


Figure 5. Key institutions or structures at the District Council levels that may be used for climate change adaptation and mitigation interventions (Phiri 2012)

Baseline investments are the relevant devolved sectoral resources currently made available to the District Executive Committees for the implementation of District Development Plans, based

on a formula applied by the National Local Government Finance Committee (under the Ministry of Local Government and Rural Development).

### *Adaptation alternative*

The project will work with district planning processes, and seek to incentivize DEC ownership of the process and participation of the sub-district institutions, to ensure that climate adaptation priorities are locally-identified and integrated into the District Development Plans and Local Council annual investment plans, compared to the baseline situation, where climate adaptation priorities have not necessarily been considered.

It will do this by a) carrying out an expenditure review in each of the districts to determine CCA-relevant expenditures and gaps and to bring the information to the attention of the DEC b) developing a community level adaptation investment plan based on participatory methods, and which fully bring in the ideas, energy, entrepreneurialism and funding of the non-state sector in adapting lives and livelihoods, and c) integrating the priorities and costs indicated in the adaptation investment plan into the District Development Plan and budgets so that they become eligible for expenditure in conjunction with baseline decentralised sector funding. The DEC will then d) agree on roles for CCA implementation and ensure adequate capacity to carry out those roles, to ensure that district-level investments are climate resilient and that efforts are coordinated and efficiently undertaken and e) build capacity of M&E units of District Councils and the District Executive Council to use adaptation-relevant results based management so that the lessons of past and present experiences and lessons can inform the planning and design of future CCA-relevant initiatives, both at district level and through feeding up to national level. The DEC will be incentivised to incorporate climate adaptation through the knowledge that ring fenced funding for their identified adaptation priorities will be made available, provided that their application explicitly considers how the planned activities will enable climate adaptation; and that subsequent release of funds will similarly depend on M&E at the level of the Local Development Fund that incorporates adaptation to climate change.

Technical capacity of DEC and, crucially, sub-district participants in the project will be built through a training programme managed by the Technical Support Programme. This training course will build on the more generic and theoretical “Climate Change Training Manual for Training District Councils”, prepared by the Ministry of Local Government and Rural Development, but will explicitly apply the climate change knowledge to the decision-making process, identifying key entry points, opportunities for M&E, and revising future plans. The environmental impact assessment component will build on that which has already included in training for District Environment Officers, with the intention that it is used to ensure environment and social sustainability of tangible adaptation actions. This training course will form part of the project’s technical support programme (see also components 2 and 3) and will likely partner an international consultancy – to bring in relevant expertise from other contexts - with a local organisation who have the interest and capacity to be trained themselves, throughout their participation and partnership in the process, such that they will subsequently be able to scale up the training to new districts.

The project will take an approach to the community CCA planning exercise that ensures that communities make the choices that suits them most on CCA measures taking into account the sustainability strategy post-grant, using the decentralised planning structures. A CCA budget

per district will be put at the disposal of communities to allocate to CCA priorities. The transparent availability of a budget per district would serve to strengthen the CCA planning process detailed in Component 1, and to empower communities to take an active role in decision-making in public policy processes, thereby creating a positive feed-back loop to the governance programmes that the LDCF project will be working hand in hand with. CCA priorities that are fully owned by the project communities are much more likely to yield sustained benefits over the longer-term, backed up with technical training and support. The project preparation phase identified priority traditional authorities within each district (six TAs in the Lweya-Limphasa valley area, namely Nkhata Bay: Fukamalaza, Mankhambira, Mkumbira, Timbiri, Kabunduli and Mnyaluwanga; in the Chipusire catchment in Ntcheu: the Chipusire, Hayisa, Gunde, Zangwangwa, Kamuzeni 1, Kamuzeni 2 and Bilira TAs; and in Zomba: Mwambo and Ngwerero TAs - as outlined in section 2.1 on the stakeholder engagement process). The exact beneficiaries will be identified through participatory vulnerability and adaptation assessments within the project implementation phase, framed by considerations of complementarity of ADAPT-Plan investments with other adaptation-relevant investments (with input from District Planners)

The intention with this project, and particularly shown in this second component, is to move away from a 'handout' model which promotes dependency, to fostering a sense of personal responsibility and 'can do' around CCA through an initial package of support, following beneficiaries' interest, that is then embedded within governance systems and is incentivized by a "stick" of CCA indicators and a "carrot" of guaranteed finance. The empowerment of communities around the planning and budgeting process for CCA will set the standard for public participation that can be disseminated to central government, donors and other districts as a model of good practice. This is particularly relevant given the setbacks with decentralisation and the circular problem of districts not being able to perform as intended since their authority and/or capacity is undermined by lack of provision of appropriate funds to support locally-identified activities. Proving the capacity of districts will provide evidence for additional donors to channel funding to local level through the LDF, which will thus also be subject to the use of the CCA indicators. The second way the project promotes leadership and responsibility for CCA is by ensuring that the appropriate package of CCA measures are delivered to communities to address the main barriers so that benefits to communities are maximized, which will incentivize the continuation of good practice.

#### *Funding modalities*

Normal	Budget (US\$) over 5 years
Nkhata Bay sectoral budget	2,366,583.51
Ntcheu sectoral budget	300,000
Zomba sectoral budget	344,758.88
<b>LDCF project grant</b>	<b>720,000</b>
<b>Total project value</b>	<b>3,731,342.39</b>

#### *Outputs and activities*

The theory of change to achieve the first medium term goal (strengthened awareness and ownership of climate change adaptation at local level) – covered under this outcome - relies on two parallel processes: completion of community level vulnerability assessments that are used to develop CCA-modified Village Action Plans; and district level expenditure analysis and training delivered to relevant staff to enable them to modify the District Development Plan to incorporate costed adaptation activities. There will also be a horizontal interaction between these two processes: the DDPs will integrate the evidence of adaptation needs from the community adaptation plans. Adaptation indicators will monitor performance of the community adaptation plans and the DDPs. The modified DDPs will also require sensitization of key stakeholders and the likely passing of appropriate by-laws. The order of activities will thus be as follows:

*Output 1.1 - A capacity development and incentive plan developed and action plan for implementation created to support the effective deployment of roles and responsibilities.*

*Indicative activities:*

- Stakeholder mapping and role definition agreed at community level, building on the existing structures (briefing the Project Implementation/Management Committees)
- Conduct a training needs and capacity assessment at district and community level

The results of this initial scoping will in turn inform outputs 1.2 and 1.3 at the district level and outputs 1.4 and 1.5 at the sub-district level.

*Output 1.2 – Training materials developed and the capacity of 60 district staff and sub-district project beneficiaries built on climate change integration in local development planning, policies and regulation and environmental impact assessment.*

*Indicative activities:*

- Training materials and a course on integrating climate change into development planning and environmental impact assessment, customised to be appropriate for the district level of decision-making in Malawi developed and delivered to 60 district staff and sub-district project beneficiaries in each of the 3 districts.

*Output 1.3 - Climate public expenditure and institutional analysis carried out to determine CCA expenditures and CCA expenditure gaps within district level budgets, supported by a training programme for relevant staff.*

*Indicative activities:*

- An expenditure review in each of the three districts will be conducted internally under the supervision of the DEC to determine CCA-relevant expenditures and gaps and to bring the information into the District planning process. This will complement the District Environmental Management Guidelines that also involves the District State of Environment reporting supported by the UNDP ENRM programme (under the PEI); as well as the PEI-CCP-DRM programmes conducting a comprehensive Public Environmental Expenditure Review at sectoral level.
- Meeting convened to discuss the performance of such expenditures with respect to building climate resilience. Recommendations for planning improvements made.
- Training designed and provided to necessary staff (likely District Finance Officers and EDOs) around costing adaptation activities. This training will also form part of the project's technical support programme (see also components 2 and 3) and will likely partner an international consultancy – to bring in relevant expertise from other contexts - with a local organisation who have the interest and capacity to be trained themselves, throughout their



participation and partnership in the process, such that they will subsequently be able to scale up the training to new districts.

*Output 1.4 - Participatory vulnerability and adaptation assessments carried out with project communities to prioritise community CCA measures from the perspective of livelihoods upliftment.*

*Indicative activities:*

- Participatory assessments (using a combination of existing socio-economic indicators and the application of participatory vulnerability assessment methodologies, such as CARE's Climate Vulnerability Capacity Analysis) led by EDOs, in partnership with NGOs active in each district<sup>5</sup>, in identified communities to finalize households to benefit from tangible adaptation activities, and to have a baseline against which to measure vulnerability reduction
- Meetings will be held by the DESC with the relevant ADC, VDCs and beneficiary households to prioritize and finalize adaptation measures based on vulnerability assessment and sustainability plan.

*Output 1.5 - Community level disaster risk reduction and climate change adaptation plans developed for 3 vulnerable districts.*

*Indicative activities:*

- Conduct reviews of Village Action Plans in targeted locations (as identified in the PPG phase and output 1.3) through facilitated community meetings led by the ADC and VDC, with the support of the DESC. This will be carried out in coordination with the land-use planning activities under the ENRM programme.
- Recommendations for planning adjustments developed.

*Output 1.6 - CCA priorities integrated into the District Development Plans, district policies and legislation (by-laws etc) revised, and budgets and Local Council annual investment plans updated to reflect the new plans and policies*

*Indicative activities:*

- Stakeholder meetings to discuss the results of the expenditure review and compare to known results and needs, eg from community adaptation plans;
- Ensure incorporation of emerging priorities (and their costs) to feed into the DDP process (from Village Action Plans through Area Integration Plans into the DDP).
- Climate resilient spending plans developed together with indicators for performance measurement.
- District-appropriate CCA resilience principles and appropriate policies/legislation will be identified by the DCT with support from national level expertise on CCA and resilience, for example from the Ministry of Environment and Climate Change Management, University of Malawi and Bunda College.

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<sup>5</sup> In Ntcheu active NGOs include Concern Universal, Care International, CADECOM, Red Cross and NASFAM. In Nkhata Bay active NGOs include World Vision, Livingstonia Synod, Ripple Africa, the Wildlife and Environment Society of Malawi, Total Land Care and CADECOM. In Zomba active NGOs include Emmanuel International, World Vision, Save the Children, CADECOM, Malawi Red Cross and LEAD International.



- Formulating by-laws, based on existing guidelines, to support operations of community level structures (Beach Village Committees, Village Natural Resource Management and Environment Committees, Village Development Committees, and Civil Protection Committee) to regulate sectoral activities to incorporate CCA alongside existing standards (e.g. for environmental protection, fisheries, forest management, agriculture, water and irrigation), in conjunction with the judiciary, police, traditional chiefs etc.
- Awareness-raising on by-laws for affected communities and law enforcement

*Output 1.7 - CCA vulnerability/CCA resilience indicators and data collection protocols agreed and added to district level databanks for planning purposes.*

*Indicative activities:*

- Review the current M&E systems to identify gaps in the coverage of climate change indicators are covered (in consultation with Ministry of Economic Planning and Development and Ministry of Environment and Climate Change Management) by the district M&E officer in conjunction with the DCT. This work should also be informed by the indicator work carried out for the LDF (Outcome 2) and Ministry of Economic Planning and Development (Outcome 3).
- Agree on additional indicators to meet the project's M&E scope (including reviewing sectoral reporting formats to align them with CCA)
- Establish participatory CCA M&E arrangements at community level in conjunction with the Community Project Coordinating Committee.
- Develop a comprehensive CCA Monitoring and Evaluation Plan and Reporting Format to contribute to RBM (and generate evidence of CCA impact and develop spending plans on the basis of results and lessons learned). This will be linked to the nationally-agreed MGDSII M&E system, but also add to it by setting in place a complementary mechanism for districts to use locally-gathered data to inform future district-level plans and activities, as well as feeding into national planning.

### Outcome 2: Diversified and strengthened livelihoods for vulnerable people in target areas

Outcome 2 of the project addresses outcome 2.3 of the GEF-LDCF RBM framework, i.e. "Diversified and strengthened livelihoods for vulnerable people in target areas" by leading to Output 2.3.1: targeted individual and community livelihood strategies strengthened in relation to climate change impacts, including variability. This Outcome will deliver tangible adaptation benefits both in terms of asset building and capacity development.

#### *Baseline context*

The three project districts have all observed climate change-related environmental degradation which, in turn, is affecting livelihoods and undermining potential for sustainable development. In Nkhata Bay the Lweya-Limphasa landscape has been experiencing floods, partly due to changes in rainfall patterns and partly due to human practices, such as deforestation and river bank cultivation, which increase the vulnerability to flooding. In Ntcheu observations show that both winters and summers are getting warmer and parts of the district (namely traditional authorities Makwangwala, Ganya, Phambala, Njolomole, Chakhumbira and Mpando) are getting drier, reducing water resources and creating additional pressure on scarce water; whilst deforestation for firewood and to create farmland in low-lying areas has increased vulnerability to flooding when it does rain. In Zomba the lake Chilwa landscape is particularly vulnerable to

riverine flooding combined with drying up of the lake as a result of changing rainfall patterns combined with population growth and poverty driving unsustainable land use practices.

### Baseline investments

The Local Development Fund was established by the Malawi Government in accordance with the Public Finance Management Act 2003 as a financial mechanism which is open for financing by government and development partners so that districts can support decentralised development. Its overall objective is to mobilise financial resources for economic growth and development to reduce poverty and increase service delivery through channelling resources to local level to meet locally-identified development needs. The Local Development Fund is governed by, and reports to, the National Local Government Finance Committee, a body created to oversee the financial relationship between national and local level. Transfers to districts are made based on an intergovernmental fiscal transfer mechanism that takes into account, *inter alia*, the geographical size and population of each district.

The LDF is currently managing several sources of funds from donors and government:

- MASAF (World Bank, 15 years) – accounts for about 60%
- KfW (2 years) – uses their own safeguards criteria
- AfDB (2 years) – uses their own safeguards criteria
- Education SWAp from the Ministry of Education (funding to construct teachers' houses) – a ring-fenced source of funds

In addition they issue funding windows for which districts can apply, namely community, local authority, performance and urban (see table 2).

Table 2: The Local Development Fund

<b><u>LDF window</u></b>	<b><u>Focus</u></b>	<b><u>Funder</u></b>
Community	Demand-driven community, socio-economic infrastructure investments and services directly managed by communities.	Government of Malawi, World Bank
Local Authority	Capital investments, labour intensive public works programmes and projects and local development initiatives contained in Local Authority Plans.	World Bank, African Development Bank
Performance	Capacity enhancement. Designed to finance capacity development requirements identified by local councils in the management of their core functional areas and to reward good performance through annual performance assessments.	African Development Bank
Urban	Socio-economic infrastructure in urban areas, including growth centres, as prioritised in District Development Plans or Urban Development Plans. The emphasis is on deepening enterprise, growth centres development and economic infrastructure	African Development Bank, KfW (German Development Group)

	development.	
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District level budgets comprise i) devolved sectoral budgets (the baseline financing for outcome 1) and own revenues and ii) the Local Development Fund (LDF)(the baseline financing for outcome 2). Figure 6 shows the paths of finance from government and donors down to districts.

There is recognition from various donors (e.g. DFID, UNICEF, JICA) that the LDF could potentially be an effective development mechanism that would attract a greater volume of revenues, but that lack of transparency and capacities to make good proposals are preventing resource flows to the LDF. This reflects broader concerns around the slow progress towards decentralisation in the country which have particularly stalled at the current time around the impending national election.

Concern has been expressed about the financial management capacity to control for fiduciary risks (Water Aid, 2011). At national level they have the Integrated Financial Management Information System (but that was implicated in the recent cash gate scandal), but the 2011 Joint Annual Review (Ministry of Finance 2011) highlighted the imperative of government commitment to strengthening capacities of local councils for improved performance (through implementation of performance assessments), and the need to put in a system to ensure transparency and accountability for resources disbursed to local councils. In the two intervening years there have been no more reviews, but quarterly performance metrics (reporting and accounting for allocated funding) from the three project districts is highlighted in table 3, and varies around the national average from all districts. Reasons for slow reporting is currently investigated, and performance is reported in the national press as an incentive to improve performance.

Table 3: Performance metrics for the three districts: (red is worse than national average, green is better than national average) (Mchenga 2013)

	Performance against 90 day reporting targets for last 3 90 day periods		
District	1 <sup>st</sup> example	2 <sup>nd</sup> example	3 <sup>rd</sup> example
National average	66 days	77 days	94 days
Nkhata Bay	53 days	55 days	88 days
Ntcheu	68 days	74 days	102 days
Zomba	65 days	90 days	89 days

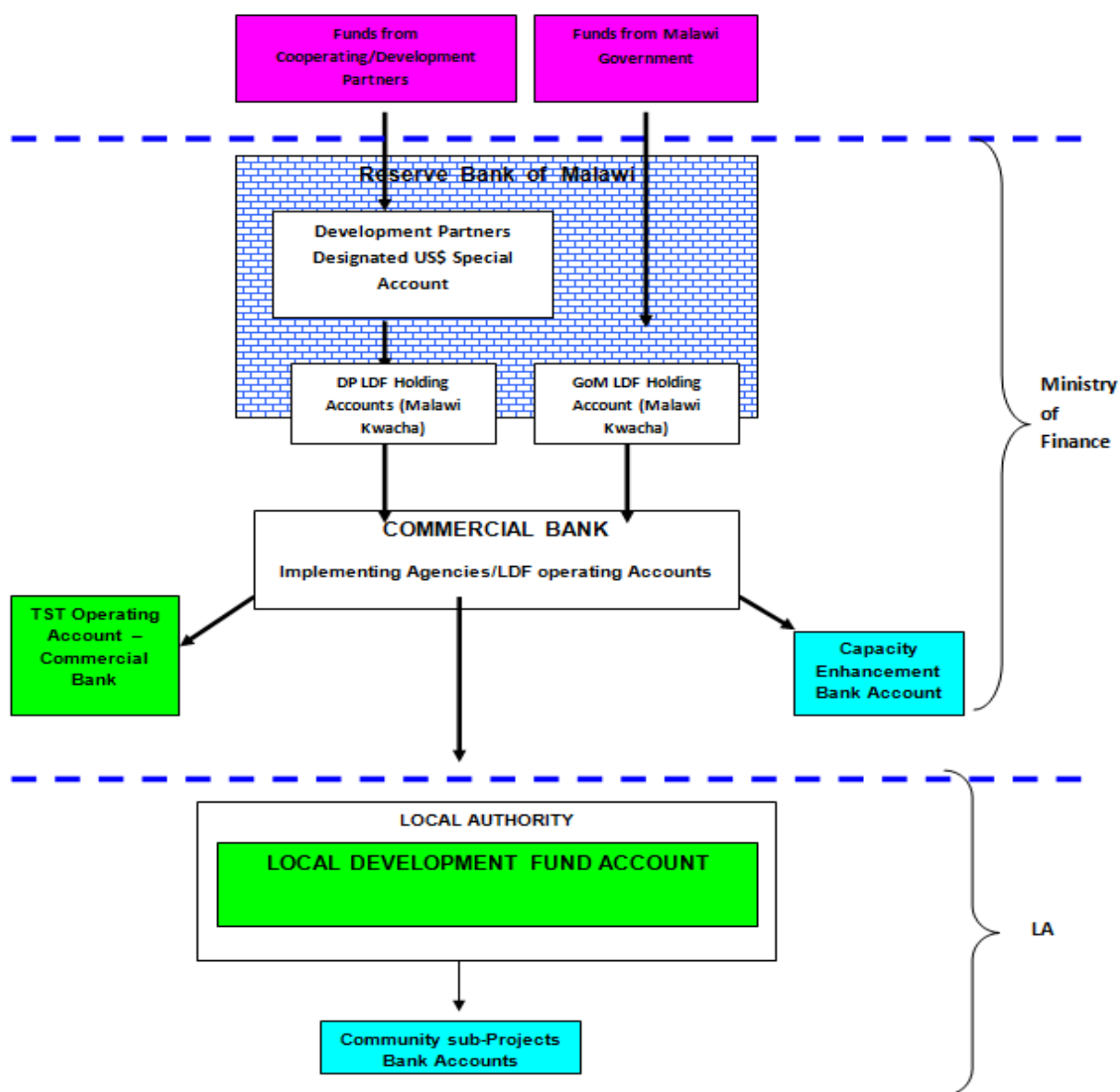


Figure 6: Disbursement modality through the LDF

CCA planning approaches can be used to build the capacity of district councils which would enable districts to attract revenues and implement expenditures from central government for climate resilient development measures. When applying for LDF funding an environmental safeguards system is used that has been modified by the Environmental Affairs Department in the Ministry of Environment and Climate Change Management from that used by the World Bank (apart from African Development Bank and KfW-sourced funds, which require the application of their own safeguards), who are currently in the process of modifying their own system of environmental and social safeguards to include a stronger emphasis on climate change adaptation and mitigation indicators (the review and consultation process is due to be completed by 2015<sup>6</sup>). LDF staff train Environmental District Officers in the application of this

<sup>6</sup> <http://www.bicusa.org/issues/safeguards/>

environmental safeguards system, and a nominal amount of additional funding (approximately US\$120 per proposal) is available to cover the costs of applying it to proposal development. Environmental District Officers then keep Environmental Mitigation Plans for all approved projects. This environmental safeguards system currently does not expressly consider climate change adaptation, and thus there is scope for modification so that it does. Other precedents from which the new system can be adapted include the African Development Bank's Climate Safeguards System (AfDB 2012).

### *Adaptation alternative*

The project will work at the level of the LDF in the districts to support the CCA-modified District Development Plans in component one through the development and application of modified safeguards that include climate adaptation. Introducing CCA indicators into the existing environmental safeguards system applied to proposals under the various LDF funding windows means that proposals will only be accepted if they promote adaptation and resilience in the face of climate change. Applying this criterion to the main central government funding source for District Development Plans creates an additional upstream incentive to include CCA within the plans.

The LDF will also be fund manager of the \$1.2 million for the three Districts to implement their CCA plans to ensure that the activities meet the CCA-modified safeguards (thereby creating a positive feedback loop to the integration of adaptation through governance in outcome 1). The use of CCA indicators and the implementation of tangible adaptation activities will be supported by appropriate technical training to ensure sustainability.

A critical prerequisite to all adaptation activities, regardless of sector, is the need to understand forthcoming weather conditions so that appropriate livelihood decisions can be made to ensure resilience. The project will work directly with communities to adapt decision making with regards to agricultural planting strategies. The project will work with the Department of Climate Change and Meteorological Services (DCCMS) to improve the communication of weather forecast information on short timescales for use by farmers to manage risks to their livelihoods, for example in better managing their planting calendar, in deciding when to apply fertilizer and in deciding which crops to plant. The intention is to promote the use of weather forecast information, not just to avert disasters- which is being covered somewhat by the DRR initiatives in Malawi and will be the focus of more work under the UNDP DRM programme - but in a more progressive way to adapt livelihood strategies flexibly in light of the seasonal and shorter timescale forecast information. Other projects, including a recent collaboration with the Climate Systems Analysis Group at the University of Cape Town (Daron and Steynor 2013), have worked with DCCMS to improve their technical capacity to generate seasonal forecasts both before and during the rainy season and to raise awareness of communication to end-users. Typically DCCMS communicates the information at national level to the Ministry of Agriculture, who then cascade it down to local level through their structures. In reality, however, there are some shortcomings in this model with regards to vertical cascade of information within the Ministry of Agriculture, and ensuring regular coordination in Ntcheu and Zomba may ultimately provide insights into a model that can be sustainably upscaled for use in other districts (Nkhata Bay is excluded from this output since this district is already included for such activities under the existing LDCF project "Strengthening climate information and early warning systems in Malawi for climate resilient development and adaptation to climate change" and thus there will be opportunities for synergies).

### *Funding modalities*

Normal	Budget (US\$)
LDF	1,000,000
<b>LDCF project grant</b>	<b>2,911,000</b>
<b>Total project value</b>	<b>3,911,000</b>

### *Outputs and activities*

The theory of change to achieve the second Outcome (diversified and strengthened livelihoods) is dependent partly on the CCA-modified Village Action Plans from the first component, but also the establishment of a modified environmental safeguards screening (to incorporate CCA) so that LDF investments can be prioritized for building climate-resilient assets and enabling implementation of the CCA-modified Village Action Plans, and active use of climate risk information in household decisions on agricultural planting strategies. The order of activities is thus as follows:

*Output 2.1: Screening tools used by the Local Development Fund updated to incorporate adaptation to climate change.*

#### *Indicative activities:*

- Updating the current environmental safeguards applied by the LDF to applications under its various funding windows to include CCA indicators.
- Training of LDF staff and district staff in a new CCA-inclusive safeguards system (project district staff will be trained now; LDF staff will later train other districts as part of their ongoing training scheme).
- Training of relevant LDF and DEC staff who will participate in the transfer of cash in financial management under the supervision of the project manager. These trainings will form part of the project's technical support programme (see also components 1 and 3) and will likely partner an international consultancy – to bring in relevant expertise from other contexts - with a local organisation who have the interest and capacity to be trained themselves, throughout their participation and partnership in the process, such that they will subsequently be able to scale up the training to new districts.

*Output 2.2: Technical training delivered to communities in order to implement the CCA plans sustainably.*

#### *Indicative activities:*

- Training plan developed
- Technical training to support required livelihood activities:

#### *In Nkhata Bay:*

- In conjunction with the District Agriculture Development Officer provide training in the new crop varieties and farming technologies provided
- In conjunction with the District Agriculture Development Officer and District Forestry Officer provide technical training on tree/fruit farming

- Provide training in the formulation and management of small commercial farmers groups, including in effective record-keeping and establishing/managing a system for group finances
- Provide training in the maintenance of vetiver, bananas and trees to be planted in irrigation and fish farming schemes

In Ntcheu:

- In conjunction with the District Agriculture Development Officer, train farmers in conservation agriculture practices
- In conjunction with the District Forestry Officer, train communities in nursery raising and planting and management of water-retaining trees in Chipusire, Hayisa, Gunde, Zangwangwa, Kamuzeni 1, Kamuzeni 2 and Bilira Traditional Authorities, and the Mvai Forest
- In conjunction with the District Forestry Officer, train in the importance and management of buffer zones along the river banks of Mpamadzi, Mariko, Chipusire, Mdeka, Mpira and Nkhande rivers
- In conjunction with the District Agriculture Development Officer, train in the use of early maturing varieties and associated cultivation practices
- In conjunction with the District Fisheries Officer, train communities in the construction and management of fish ponds
- In conjunction with the District Agriculture Development Officer and District Water Officer, train in the use of soil and water management techniques and practices

In Zomba:

- In conjunction with the District Agriculture Development Officer and District Irrigation Officer, conduct training on soil and water conservation practices
- In conjunction with the District Irrigation Officer, conduct training on irrigation water management
- In conjunction with the District Fisheries Officer, conduct training on fisheries pond construction and management
- In conjunction with the District Fisheries Officer, conduct training on construction and use of smoking kilns
- In conjunction with the District Forestry Officer and District Land Resources Officer, conduct training on sustainable forest management principles and land resource conservation

In all 3 districts:

- Capacity building of relevant community institutions (Project Implementing/Management Committees or alternative existing bodies, if appropriate) to gather data for the adaptation indicators
- Incentive systems implemented, such as documentaries and recording of good practice in order to engender sense of pride in communities and encourage sustainability and replicability (with the communities chosen for inclusion based on their effective design and implementation of CCA M&E as per output 1.7).

*Output 2.3: Community adaptation plans implemented.*



During the preparatory phase districts selected their most vulnerable areas and highlighted priority activities to support adaptation and climate-resilient livelihoods. The exact nature and extent of these activities will be finalised and prioritised following the participatory vulnerability assessment in output 1.3. Following that finalisation, implementation plans will be prepared and implementation partners will be sought (if appropriate).

*Indicative activities:*

*In Nkhata Bay:*

- In conjunction with the District Agriculture Development Officer and support from the Ministry of Agriculture, provision of crop varieties and farming technologies that reduce the need for cultivation of fragile river banks
- Establish tree/fruit farmer groups and provide tree seedlings for commercial sale
- Vetiver, bananas and trees to be planted in irrigation and fish farming schemes in order to regulate water flows hence protecting crops from floods

*In Zomba:*

- In conjunction with the District Irrigation Officer, introduction of locally-appropriate irrigation technologies
- In conjunction with the District Agriculture Development Officer and District Irrigation officer, construction of earth dams
- Construction of ponds and stocking of fingerlings to improve fish production and availability
- Construction of smoking kilns for fish preservation

*In Ntcheu:*

- nursery raising and afforestation of water-retaining trees in Chipusire, Hayisa, Gunde, Zangwangwa, Kamuzeni 1, Kamuzeni 2 and Bilira Traditional Authorities
- Create buffer zones along river banks of Mpamadzi, Mariko, Chipusire, Mdeka, Mpira and Nkhonde rivers
- conserve and rehabilitate the catchment of Mvai forest (through planting of trees, vetiver, promote the growth of regenerants)
- Introduce green technologies to minimize the need for deforestation.(e.g. energy efficient stoves)
- In conjunction with the District Agriculture Development Officer, provide early maturing varieties of beans, onions, maize, Irish potato, cabbage and other green vegetables (winter crops)
- Construct 8 fish ponds in Chipusire, Hayisa Gunde, Zangwangwa, Kamuzeni 1, Kamuzeni 2, Bilira
- In conjunction with the District Agriculture Development Officer and District Water officer, facilitate the adoption of soil fertility improvement initiatives (manure making and use, agroforestry, crop residue management) and soil and water conservation and water harvesting technologies (ridge re-alignment, marker ridge, box ridges, raise foot path, vetiver edge rows, swale, filtration pits, check dams etc.)



*Output 2.4: Weather forecast information on short timescales disseminated to farmers in Ntcheu and Zomba.*

*Indicative activities:*

- Identifying and strengthening communication channels between DCCMS and Agriculture extension officers at national level and, particularly through cascading agricultural-relevant information down to district level through the Ministry of Agriculture extension services. Responsibility for mapping these linkages and opening communication channels will initially rest with the UNDP-funded National Climate Change Programme Manager, with the DEC's feeding back on the effectiveness.
- DCTs will investigate opportunities for linking weather and disaster information at district level and communication channels (including in coordinating with the Department for Disaster Management Affairs and their existing risk communication channels and mechanisms)
- Developing indicative plans for communication to target communities (who will receive the messages, from whom, at what time, etc.)
- Utilization of alternative communication channels, such as community radio, to further disseminate the messages from the agricultural extension officers.

Outcome 3: Mainstreamed adaptation in broader development frameworks at country level and in targeted vulnerable areas

Outcome 3 of the project directly addresses outcome 2.1 of the GEF LDCF RBM framework, namely "Outcome 2.1 - Mainstreamed adaptation in broader development frameworks at country level and in targeted vulnerable areas" by leading to output 2.1 "adaptation measures and necessary budget allocations included in relevant frameworks". This component strengthens central government planning processes.

*Baseline context*

The broad-level policy ambition of climate change in the MGDSII needs to be translated into investment planning by line ministries. The forthcoming National Climate Change Policy and Climate Change Investment Plan further require that different sectors and line ministries incorporate the priorities into their activities.

The forthcoming National Climate Change Policy provides the policy framework that requires that different sectors and line ministries do incorporate the priorities into their activities. Similarly the forthcoming National Climate Change Investment Plan highlights the goals, objectives and strategies for enhancing climate change investment. Two of the four priorities in the Climate Change Investment Plan directly cover the priorities identified within the districts (integrated watershed management and improving climate change community resilience through agriculture production), whilst strengthening availability of climate information contributes to a third priority, which is enhancing disaster risk management. At national level these same priorities fall within the sectors of agriculture, water and forestry, which is why they have been identified as the priorities for this project. However, although the priorities have been identified and costed at aggregate level, there is still a need for the policy processes within each sector to integrate these priorities in their own sectoral planning and budgeting so that the climate change policy and investment plan priorities are effectively implemented.

The Government of Malawi (through the MECCM and MEPD and support from UNDP and UNEP) is implementing the Poverty and Environment Initiative to support the mainstreaming of environment and natural resources into national development planning and establish all relevant sectoral policy frameworks. In particular, the PEI aims to develop awareness and promote action to tackle entrenched environmental problems and their socio-economic impacts in order to support delivery of the Government of Malawi (GoM)'s Malawi Growth and Development Strategy (MGDS) II and, therefore, contribute to the realisation of the MDGs.

The baseline situation is thus a government commitment to the integration of climate change adaptation into national level ministries, but as yet no implementation plans to detail how it should take place; whilst at the same time the PEI will be making the case for policy making and programming based on expenditure analysis and fiscal reform, but without specific inclusion of climate change adaptation. UNDP has been supporting the Government of Malawi with the development and implementation of the National Climate Change Programme since 2008.

#### *Adaptation alternative*

The project will complement the PEI programme by adding a climate adaptation dimension to ongoing support within the field of ENRM and the link to poverty reduction, as well as strengthening the guidance and influencing the budget allocation for DRR and CC in three sectors highlighted as priorities for CCA within the National Climate Change Policy – namely forestry, agriculture and water using their current respective planning and budgeting mechanisms of a sector working group strategy, SWAp and sector strategy respectively. The LDCF project will generate CC impact information that can be used in the 'alternative accounting' methods workstream of the PEI programme. The complementarity between PEI and ADAPT-PLAN will also support the ongoing commitment of UN agencies to "Delivering as One" and provide a streamlined and complementary modality of assistance to the government of Malawi. The climate change impact information can also be used as an input to developing the strategic plan of the planned climate change fund.

The project aims to encourage responsibility for mainstreaming CCA by line ministries to ensure that spending plans are consistent with the principles of climate resilience, and that spending plans across sector lines are ultimately integrated to make best use of resources. The project aims for adjustments to be made to budgets are completed by year 3, so that there is still time for urgent and immediate adaptation priorities to be implemented through the three priority sectors during the project life. The approach to do this will mirror that suggested for the district level – namely appropriate incentivization. In Malawi all sector strategies/sector working group strategies and SWAp are submitted to the Ministry for Economic Planning and Development (MEP&D), which assesses them against a number of criteria before recommending (or otherwise) that the Ministry of Finance releases appropriate funds. Similarly M&E throughout the project life is overseen by MEP&D. As a result, MEP&D will be the responsible party for the third outcome of the project; and given they also employ the current district M&E officers who will be implementing adaptation indicators at that level, this also ensures continuity and complementarity between outcomes 1 and 3. Currently the criteria that they use to assess proposals and monitor their progress does not include climate adaptation indicators, but they are keen to modify them. This approach would bring about transformational change regarding the integration of CCA priorities into Malawian sectors because it would make domestic resources, as opposed to solely donor resources, available for CCA activities and create an imperative for different sectors to consider the potential for their plans to contribute to CCA. The resulting institutional framework for CCA activities will be a product of the project and will

continue after the project grant ends, and thus will be inherently sustainable, as well as supporting other policies and high level strategies within Malawi (i.e. the National Climate Change Policy and the MGDSII). Some of the effort in this component will also be about promoting understanding about how adaptation can be implemented by the non-state sector, and enabling policies and instruments needed to catalyze these investments, thereby providing a second mechanism for scaling up adaptation. A coherent and integrated cross-government CCA planning exercise will help to make sectoral guidance that is prepared for districts by the center more coherent and integrated too, which will help districts implement CCA coherently on the ground.

Since this outcome requires considerable technical capacity in specialized (e.g. costing adaptation) and emerging (e.g. adaptation indicators) fields, and given that the particular needs and requirements of the three line ministries will vary based on the fact they are all currently operating from slightly different planning documents, outcome three will be supported by a technical support programme of draw-down support as required by each line ministry. This technical support programme will be led by the main RP for this component – MEP&D, with support from the Ministry of Local Government and Rural Development (as the line ministry for districts).

#### *Funding modalities*

Normal	Budget (US\$)
UNDP-UNEP PEI	1,600,000
UNDP TRAC	800,000
MED&P	150,000
<b>LDCF project grant</b>	<b>549,000</b>
<b>Total project value</b>	<b>3,099,000<sup>7</sup></b>

#### *Outputs and activities*

The theory of change to achieve the third medium term goal (mainstreamed climate change adaptation in development framework at national level) is based on a draw-down package of support to the three line ministries – to be customized to their respective needs – to enable them to undertake economic costing of planned adaptation activities and then update their respective development plans accordingly. As with the local level, adaptation indicators will be incorporated into the existing development plan screening process, so that the Ministry of Finance releases funds to support implementation of the plans if climate change and resultant vulnerabilities have been taken into account. The order of activities is thus as follows:

#### *Output 3.1-Technical support programme for climate change adaptation costing work set up and made operational.*

##### *Indicative activities:*

- Building on the process followed by the CCTC for the development of the national Climate Change Investment Plan, the project will develop capacity for adaptation economic costing

<sup>7</sup> Note baseline funding here is for the period 2014-2017

work through trainings and the operation of a national support programme with primary service providers chosen from among Malawian institutions, supported by partnerships with international organizations where necessary

*Output 3.2-Training delivered to operationalise the Ministry of Finance budget preparation guidelines.*

*Indicative activities:*

- PEI has already worked to adjust budget preparation guidelines, which should provide a top-down directive to integrate climate change in the annual budgeting process – so the focus here will be on raising awareness and operationalizing the guidelines through sensitization and training offered on a draw-down basis as part of the technical support programme.

*Output 3.3-Training developed and rolled out to 100 technical staff and managers in 3 relevant ministries to facilitate the investment plan development process.*

*Indicative activities:*

- Training plan developed on the basis of consultations with relevant ministry staff.
- Training will be undertaken with 60 technical staff from Agriculture, Water and Forestry (planning and budgeting officers), focusing on addressing climate change within the planning process but customized to the particular needs of each sector; as well as 40 staff from the MEP&D who will be responsible for implementing and monitoring the adaptation indicators as part of the sector planning process. This training course will form part of the project's technical support programme (see also components 1 and 2) and will likely partner an international consultancy – to bring in relevant expertise from other contexts - with a local organisation who have the interest and capacity to be trained themselves, throughout their participation and partnership in the process, such that they will subsequently be able to scale up the training to new districts.

*Output 3.4-Economic costings of adaptation priorities developed by Sector Working Groups.*

*Indicative activities:*

- Staff trained under output 3.3, and with support of the relevant CCTC members from each sector, will apply the same principles for screening and costing as used for the NCCP and CCIP to develop sectoral adaptation plans through the development of economic costings, which are consistent with the national priorities.

Following the same process and principles followed by the CCTC at the national level, training will be made available for ministry and sector staff to achieve output 3.4. The UNDP methodology on Investment and Financial Flow Analysis already piloted in a number of countries in UNDP globally will be considered as a total economic costing model for use in the sector adaptation costing work.

Depending on the particular needs of each line ministry and the capacity of the required partner organizations to deliver the capacity building, outputs 3.5 and 3.6 will follow.

*Output 3.5-Spending plans (as outlined in the Ministry strategies, Sector Working Group strategies/SWAs) in Agriculture, Water and Forestry adjusted to incorporate adaptation investment priorities.*

*Indicative activities:*

- Sector budgets will be adjusted by the trained teams from each sector to implement the costed adaptation priorities as identified in output 3.4.

*Output 3.6-Regulatory and fiscal incentives to stimulate climate risk reduction by the private sector (citizens, companies, etc.) identified and work plan for implementation agreed with Government of Malawi for three priority sectors.*

*Indicative activities:*

- Developing a shared understanding among government, the three priority sectors will also assess the fiscal and regulatory instruments needed to incentivize adaptation action from the non-state sector, as well as agreeing a timeline and workplan for developing such instruments.

## **2.5. Key indicators, risks and assumptions**

The outcome indicators are designed to measure changes in the coverage, impact, sustainability and replicability of the project outcomes (see table 4).

Table 4: Outcome indicators

<b>Indicator</b>	<b>Time scale and Measurement</b>
<b>Outcome 2.2 (GEF outcome 1.1,output 1.1.1.1)</b>	
GEF indicator 1.1.1 (Adaptation actions implemented in national/sub-regional development frameworks (no. and type)	Time Frame: By end of Project Measured by: Number of District Development Plans that include adaptation (3) and number of Village Actions Plans that include adaptation (number to be determined after the initial vulnerability assessment)
<b>Outcome 2 (GEF outcome 2.2, output 2.3.1)</b>	
GEF indicator 2.3.1.1 (Risk reduction and awareness activities introduced at local level.)	Time Frame: By end of Project Measured by: Number of households (with equal participation of men and women)(approximately 5800, with the exact number to be determined by the vulnerability assessment) trained and provided with inputs required for climate-resilient livelihoods based on agricultural diversification, sustainable forest management, erosion control/sustainable land and water management
<b>Outcome 2 (GEF Outcome 2.1)</b>	
GEF Indicator 2.1.1 (Relevant risk information disseminated to stakeholders)	Time Frame: By end of Project 70% of the 5,800 households regularly receiving climate risk information
<b>Outcome 3 (GEF outcome 1.1, Output 1.1.1_</b>	
GEF indicator 1.1.1 (Adaptation actions implemented in national/sub-regional development frameworks )	Time Frame: By end of Project Measured by: Number of sector strategy/sector working group/SWApS that contain specific reference to adaptation (3: water, forestry and agriculture)

Indicator	Time scale and Measurement
GEF indicator 1.1.1.1 (Development frameworks that include specific budgets for adaptation actions)	Measured by: Number of sector strategy/sector working group/SWAp that contain costed adaptation actions (3: water, forestry and agriculture)

Risks that could potentially affect the success of the project are included with recommended countermeasures in Annex 7.

As always, the overall theory of change and the successful implementation of the project activities is dependent upon some critical assumptions. This assumes the ongoing active political commitment of Malawi to devolution and improvement of a development planning process that is decentralized and participatory and open to all citizens, as opposed to subject to elite capture and manipulation by intermediate political goals. Stakeholders that need to continue to remain engaged with this process and committed to the project implementation include District-level stakeholders (e.g. District Commissioners, the District Executive Committee, District Environmental Sub-Committee and EDO); selected Village Development Committees; National level members of the water, forestry and agriculture sector working group/sector strategy/SWAp; the Local Development Fund; and the Ministry of Economic Planning and Development and Local Development. It assumes that the adjusted budget allocation mechanisms are properly applied. It also assumes that vulnerable Malawians are both able to conceptualize and then willing to act upon the threats of climate change with all its uncertainties about the exact nature of changes it will bring on the small scale, and within the context of a myriad of other, perhaps more immediate, development concerns. The National Climate Change Programme also needs to be able to successfully execute its duty with project coordination, and in a timely fashion, which relies on the support of the MECCM, as the executing and implementing agency, to do so.

## ***2.6. Cost-effectiveness***

Approximately 65% of the costs are associated with the procurement of goods to support tangible adaptation activities (under outcome 2); with around 35% committed to enable the relevant analyses, training and capacity building to take place such that development planning processes can be modified to integrate adaptation and that regular government investment can build resilient economic growth. Once the system has been enabled (i.e. adjusting the screening tools that trigger release of public monies through the establishment of adaptation M&E indicators at district and national level) it will be self-sustaining provided there is capacity to apply the modified system and enforcement. It will be easily replicable to other districts and line ministries. It will also be catalytic in ensuring that regular domestic public sector investments contribute to resilience to climate change rather than inadvertently create vulnerability. Value for money has been sought in the budgeting of all activities, given UNDP's awareness and understanding of the national context. The training and capacity building elements will all be conducted through one technical support programme, likely managed by a consortium to ensure that the specialist expertise is well represented; and both international and national partners to ensure sustainability. With regard to procurement of project inputs under outcome 2, standard procedures of the Malawi government and UNDP will be carefully applied to ensure value for money in all purchases of goods and procurement of services for the project, and the project will use strict internal and external audit controls that meet international standards.



We are working at the District level for 65% of the project so there are three alternative ways we could do this: i) government execution ii) NGO execution iii) Private sector implementation. We have chosen government execution because the project is about strengthening government planning systems (this is in the project title) which means helping both national and district level authorities plan for CCA and, in the context of the decentralisation agenda, helping District authorities implement activities (financial planning, procurement, supervision, accounting for monies). (Note that District authorities could however sub-contract implementation to NGOs or another third party depending on capacities – the role of Government would then change from implementer to supervisor, but planning, supervision and accountability still remains with the District structures). Pp 65 of the prodoc sets out the organisational infrastructure that we will use to implement the project at the District level: The District Executive Committees (DEC) have the oversight and operational responsibility, which will be undertaken by way of the District Environmental Subcommittees, part of the DEC, and headed operationally by the Environmental District Officers – who will act as assistant project coordinators in this project. Using the government infrastructure to implement the project is expected to be cost-effective as management costs are kept low because salaries are paid for by government.

## ***2.7. Sustainability***

The following section discusses sustainability in relation to financial, institutional and social and environmental considerations.

Financial sustainability: The availability of national level financing for climate change activities in Malawi, like other developing countries, has typically been a problem, with high reliance on donors. However, with the policy framework of the MGDSII and the National Climate Change Policy, ministries and sectors will be encouraged to include climate adaptation activities within their budgets, and the Ministry of Finance is similarly mandated to account for this in allocating the national budget. A key component of this project, in order to ensure overall sustainability, is ensuring that appropriate financial incentives and rewards exist for those ministries/sectors that do effectively integrate adaptation into their development planning. The channels that will be used to distribute finances in the project, namely the Local Development Fund for districts, and the Ministry of Finance for national level (through the Ministry of Economic Planning and Development will be strengthened by the project in order that regular government investments build an resilient economy. The methodology will subsequently be valid for use by other districts/national ministries or sectors.

The sector-based CCA costings will be essential to developing evidence-based information to contribute to the strategic plan for the Fund. At district level, a life cycle approach to costing adaptation options will ensure financial sustainability.

Institutional sustainability: The project focuses upon existing institutional structures of the government and involves modifications/additions to their existing core foci. At national level, the Ministry of Finance and Ministry for Economic Planning and Development will be core cross-cutting institutions, working with the Ministries of Water and Agriculture, and the Department of Forestry within the Ministry for Environment and Climate Change Management. Also at national level the Ministry of Local Government and Local Development Fund will support the district level, where the District Executive Committee, District Environmental Sub-Committee and District Civil Protection Committee, cascading down into Area and Village Protection

Committees, that will coordinate District activities). The project is embedded in the National Climate Change Programme and its supporting institutions, the National Steering and Technical Committees, and will also support these institutions. Levels of cooperation and coordination between these various institutions – horizontally and vertically – will be built through the project, not only contributing to the attainment of project outputs, but wider institutional capacity as required for good governance. The integration of adaptation into the existing M&E system will require training in the use and application of the indicators; but it will also strengthen the commitment to the use of M&E in the decentralised planning process which is currently a gap (as the MEP&D-funded district M&E officers provide information to be used in national planning but do not currently collect information that is used to inform district level planning in subsequent cycles).

The three major consultancies foreseen during the project, namely technical assistance to design context-appropriate adaptation indicators for M&E at national and local scales; and technical support for costing adaptation priorities are all highly specialised and/or emerging fields of enquiry and thus, to ensure Malawi benefits from the most comprehensive information, it is likely that there will be a need to bring in international consultants. In order to ensure sustainability, the consultancies will all be operationalised through the partnership of an international consultant with a local Malawian partner, whose capacity will be built up through the consultancy such that by the end of the project any technical backstopping required can take place within country. In order to ensure consistency and collaboration, they have been foreseen as part of one technical support programme to be managed by a consortium that shows the appropriate expertise in each of the three areas.

Social sustainability: The extensive consultations that have begun during PPG phase and will continue throughout the project will contribute to social sustainability. Particularly at district level, core teams have spent considerable time working together to identify appropriate activities which will ease the process of implementation. Capacity development and empowerment of the target beneficiaries and their communities in developing their Climate Adaptation Plans and providing training and support for the implementation of those plans will build up assets and adaptive capacity in the face of climate change in a way that promotes sustainability of action as well as paying due attention to requirements for sustainability which will be factored into the project design.

This will support the process of implementation of the National Climate Change Policy as currently each ministry has one or two representatives on the CCTC – but they may not always have the required back up within their own ministries. A strong focus on the sub-district level, with particular focus on gender equity, will also contribute to social sustainability. District level planning processes will invest in social capital and result in fully owned adaptation plans.

Environmental Sustainability:

Building viable and robust ecosystem services, such as reforestation and catchment management to improve water availability and encourage sustainable livelihoods, is essential for environmental sustainability. The soft skills accompanying the ecosystem-based adaptation will ensure that the environmentally-sustainable livelihoods continue beyond the life of the project. When the ultimate decisions on activities and communities have been made, all such activities will be assessed for environmental sustainability in accordance with Malawi's Environmental Management Act 1996 and the Guidelines for Environmental Impact Assessment of 1997, which is the responsibility of the Director of Environmental Affairs in the MECCM (the executing agency for this project).



## 2.8 Replicability

The fact that the project is putting in place, and then demonstrating, the institutional framework required to integrate adaptation into development planning means not only that the outcome is replicable, but that replicability is a key post-project aim. At project level choices necessarily have to be made about who participates: in this case, the three ministries/sectors were chosen based on the priority ones identified in the National Climate Change Policy and Climate Change Investment Plan (and coincide with the key sectors of concern identified in the Second National Communication and NAPA); and the three districts were chosen based on their vulnerability profile and the fact that they were not already involved in other climate adaptation projects (particularly those receiving funding through the LDCF). Ultimately, the positive demonstration by these ministries/sectors and districts, through the effective use of the established institutional architecture to incentivise the integration of adaptation into planning through the enabling of appropriate finances will not only make this project replicable, but the intention is that other ministries/sectors and districts will actively want to follow suit at a later date.

Replication of activities will be enabled by the incorporation of adaptation into the comprehensive project M&E system, which may be taken up in planning process in other Districts. In this way, bottom up information on cost effectiveness can be fed into District and national level planning processes and contribute to the development of a climate finance ready system.

## 2.9. Stakeholder involvement plan

This project was initially conceived by the Climate Change Technical Committee and, as outlined in section 1.9, the development of the project involved extensive district level consultations with the three districts of Nkhata Bay, Ntcheu and Zomba (themselves chosen based on NAPA-identified vulnerable districts) as well as the relevant stakeholders at national level in the three line ministries. The CCTC has been kept well-informed of the consultation process and emerging finds of the project document development phase (see Annex 4).

Stakeholders described as Responsible Parties in Table 5 will be leading project outputs, and are all government entities. NGOs were actively involved in the consultation process as outlined in Annex 4, and are formally represented on each District Executive Committee, so will also play an indirect supporting role in project implementation. See Annex 4 for the full list of project stakeholder analysis and consultations.

Table 5: Key stakeholders and their role in the project

Stakeholder	Role in the project
Ministry of Environment and Climate Change Management	As the government-mandated lead on all climate change issues in Malawi, the Ministry of Environment and Climate Change Management will be the <b>Implementing Partner</b> for the project, so accountable for project results. It will also be <b>Responsible Party (RP) for Output 2.4</b> . It comprises 3 departments (Environmental Affairs, Climate Change and Meteorological Services and Forestry), all of which will play key roles in this project. Environmental Affairs coordinates District Environmental Officers, who are taking the operational lead on the district-level aspects of components 1 and 2; Department of Climate Change and Meteorological Services will be a key partner in the provision of forecast information under output 2.4; and the Department of Forestry is one of

	the three sectors chosen for integrating climate change in its planning.
Ministry of Economic Planning and Development	The Ministry of Economic Planning and Development will be a <b>RP for component 3</b> .
Ministry of Finance	The Ministry of Finance will be a collaborator/beneficiary by virtue of modifying its existing environmental budgeting guidelines to include climate change adaptation.
Ministry of Agriculture and Food Security	The Ministry of Agriculture and Food Security will be a collaborator/beneficiary and their Sector Wide Approach (SWAp) is one of the three sectors chosen for integrating climate change in its planning.
Ministry of Water and Irrigation	The Ministry of Water and Irrigation will be a collaborator/beneficiary and their Ministry Strategy is one of the three sectors chosen for integrating climate change in its planning.
Ministry of Local Government and Rural Development	The Ministry of Local Government and Rural Development is the lead ministry for decentralisation. Their role as a collaborator/beneficiary will be overseeing and coordinating district level training and capacity building activities in order to ensure complementarity with other ongoing climate change training at local level (as part of the technical support programme).
Local Development Fund	The Local Development Fund will be the <b>RP for Outcome 2</b> with the role of releasing funds to district level in accordance with the newly developed adaptation indicators (and training will be provided to LDF staff, and to district M&E staff in conjunction with LDF staff regarding the use of these indicators).
Nkhata Bay District Council	Nkhata Bay District Executive Council will be a <b>RP for Outcome 1</b> . They will screen their district development plan for adaptation opportunities (including consultation at sub-district level), introduce these in the next iteration, and incorporate appropriate adaptation indicators for M&E (following appropriate training); and implement the priority adaptation activities, as well as contributing to project level M&E.
Ntcheu District Council	Ntcheu District Council will be a <b>RP for Outcome 1</b> . They will screen their district development plan for adaptation opportunities (including consultation at sub-district level), introduce these in the next iteration, and incorporate appropriate adaptation indicators for M&E (following appropriate training); and implement the priority adaptation activities, as well as contributing to project level M&E.
Zomba District Council	Zomba District Council will be a <b>RP for Outcome 1</b> . They will screen their district development plan for adaptation opportunities (including consultation at sub-district level), introduce these in the next iteration, and incorporate appropriate adaptation indicators for M&E (following appropriate training); and implement the priority adaptation activities, as well as contributing to project level M&E.
NGOs	In Ntcheu active NGOs include Concern Universal, Care International, CADECOM, Red Cross and NASFAM. In Nkhata Bay active NGOs include World Vision, Livingstonia Synod, Ripple Africa, the Wildlife and Environment Society of Malawi, Total Land Care and CADECOM. In Zomba active NGOs include Emmanuel International, World Vision, Save the Children, CADECOM, Malawi Red Cross and LEAD International. A variety of these will be involved in the participatory vulnerability and adaptation assessments and supporting the implementation of tangible adaptation activities, depending on the needs identified and the relative strengths.

Project beneficiaries at community level	Whilst all residents in the three districts should ultimately benefit from the project as a result of the integration of adaptation into the development plans, direct beneficiaries of tangible adaptation activities to support the implementation of Village Action Plans with integrated adaptation include those in the traditional authorities of Fukamalaza, Mankhambira, Mkumbira, Timbiri, Kabunduli and Mnyaluwanga in the Lweya-Limphasa valley area of Nkhata Bay (2000 households); 2000 households in the Chipusira catchment area in Ntcheu; and 1800 households in the TAs of Mwambo and Ngwerero in Zomba.
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## ***2.10 Compliance with UNDP Safeguards Policies***

According to pre-screening procedures (UNDP 2012a, 2012b), this project falls into category 2 (components 1, 2 and 3 address upstream planning processes at national and local levels). The Output around practical implementation of measures (Output 2.3-Adaptation measures implemented to promote drought and flood management and other adaptation measures to promote climate resilience) could potentially be classified as category 3a (as the project addresses downstream, on-the-ground activities that could lead to environmental and social impacts/risks, including gender impacts) but since these activities will be screened through the environmental and social safeguards system based on the World Bank's protocol used by the Local Development Fund – which will be adjusted for adaptation - it is expected that environmental and social impacts will be identified at that point and the design of the investments duly adjusted to mitigate the negative effects.

### 3. Project Results Framework

<p><b>This project will contribute to achieving the following Country Programme Outcome as defined in the UNDAF Action Plan:</b></p> <p><b>UNDAF Outcome 1.3 - Targeted population in selected districts benefit from effective management of environment, natural resources, climate change and disaster risk by 2016.</b></p>					
<p><b>Country Programme Outcome Indicators:</b></p> <p><b>CP/UNDAF Outcome Indicator 1 - Proportion of land covered by forest (Baseline 36.2%; Target 32%).</b></p>					
<p><b>Primary applicable Key Environment and Sustainable Development Key Result Area</b></p> <p><b>3. Promote climate change adaptation</b></p>					
<p><b>Applicable SOF (e.g. GEF) Strategic Objective and Program:</b></p> <p><b>Objective 1 - Reduce vulnerability to the adverse impacts of climate change, including variability, at local, national, regional and global level</b></p> <p><b>Objective 2 – Increase adaptive capacity to respond to the impacts of climate change, including variability, at local, national, regional and global level</b></p>					
<p><b>Applicable SOF (e.g. GEF) Expected Outcomes:</b></p> <p><b>Outcome 1.1 - Mainstreamed adaptation in broader development frameworks at country level and in targeted vulnerable areas</b></p> <p><b>Outcome 2.3 - Strengthened awareness and ownership of adaptation and climate risk reduction processes at local level</b></p>					
<p><b>Applicable SOF (e.g. GEF) Outcome Indicators:</b></p> <p><b>Indicator 1.1.1.1-Development frameworks that include specific budgets for adaptation actions</b></p> <p><b>Indicator 2.3.1 – % of population declaring ownership of adaptation processes</b></p>					
	Indicator	Baseline	Targets End of Project	Source of verification	Risks and Assumptions
<p>Project Objective<sup>8</sup></p> <p>To strengthen consideration of climate change adaptation needs in decentralised and national development plans.</p>	<p>Adaptation actions implemented in national/sub-regional development frameworks</p>	<p>Communities are highly vulnerable to climate change and adaptive capacity is not supported within the development planning framework at national or local level</p>	<p>Development frameworks that include specific budgets for adaptation actions - 3 ministries and 3 DDPs</p>	<p>Spending plans in three ministries and the three DDPs.</p>	<p>Risks:</p> <ul style="list-style-type: none"> <li>• Problems related to involvement and co-operation of stakeholders</li> <li>• Conflicts among stakeholders as regards roles in the project.</li> <li>• Poor co-ordination among implementing and Responsible Parties</li> <li>• Lack of commitment from target communities.</li> <li>• Climate hazards disrupting tangible adaptation activities</li> <li>• Extraneous factors, such as political change, disrupting institutional framework</li> </ul>

<sup>8</sup>Objective (Atlas output) monitored quarterly ERBM and annually in APR/PIR

					<p>Assumptions:</p> <ul style="list-style-type: none"> <li>National and local authorities whose involvement is essential remain keen and committed to active participation</li> <li>Ministries want to collaborate on the project for enhanced socio economic development;</li> <li>Other projects and programmes do not displace interest and willingness to collaborate on the project;</li> <li>Local communities see value in the project and actively engage in the identification and implementation of adaptation measures</li> </ul>
<p>Outcome 1<sup>9</sup></p> <p>Strengthened awareness and ownership of adaptation and climate risk reduction processes at local level</p>	<p>Stakeholder-driven adaptations are specified and budgeted within District Development Plans and Village Actions Plans</p> <p>Number and type of targeted institution with increased adaptive capacity to minimise exposure to climate variability.</p>	<p>Adaptation does not feature in appropriate development frameworks and thus is not owned by the population</p>	<p>At least 3 DDPs and 3 Village Action Plans</p>	<p>District Development Plans for Nkhata Bay, Ntcheu and Zomba; Village Actions Plans for targeted communities in each district; qualitative interviews with custodians of development frameworks and relevant community members</p> <p>60 District and Sub-District officers in each of the 3 Districts (180 in total) trained on adaptation technical themes.</p>	<p>Risks:</p> <ul style="list-style-type: none"> <li>Problems related to involvement and co-operation of stakeholders (including turnover of staff and loss of staff who actively embrace the project)</li> <li>Conflicts among stakeholders as regards roles in the project.</li> <li>Lack of commitment from target communities.</li> <li>Extraneous factors, such as political change, disrupting institutional framework (for example further changes to the decentralisation framework)</li> </ul> <p>Assumptions:</p> <ul style="list-style-type: none"> <li>District Executive Committees and Village Development Committees whose involvement is essential remain keen and committed to active participation</li> <li>Other projects and programmes do not displace interest and willingness to collaborate on the project;</li> <li>Local communities see value in the project and actively engage in the Village Action Plan development process</li> </ul>
Outcome 2	Livelihoods of 5,800 people made climate-	Indicator score = 1	Indicator score = 3 Risk reduction and awareness	End of project evaluation survey with project	Risks:

<sup>9</sup> All outcomes monitored annually in the APR/PIR. It is highly recommended not to have more than 4 outcomes.

<p>Diversified and strengthened livelihoods and sources of income for vulnerable people in target areas.</p>	<p>resilient following training in, and tangible support for, risk-resilient livelihood activities according to their particular geographical locations</p> <p>Relevant risk information disseminated to stakeholders</p>	<p>Climate risk information (1 day through to seasonal forecasts) exists and is communicated at national level but rarely makes it through to local level</p>	<p>activities implemented for 5800 households in Nkhata Bay, Ntcheu and Zomba:</p> <ul style="list-style-type: none"> <li>• agricultural diversification,</li> <li>• sustainable forest management,</li> <li>• erosion control/sustainable land and water management,</li> <li>• resilient livelihoods</li> </ul> <p>70% of the 5,800 households regularly receiving climate risk information</p>	<p>beneficiaries</p> <p>End of project evaluation survey with project beneficiaries</p>	<ul style="list-style-type: none"> <li>• Problems related to involvement and co-operation of stakeholders (Village leaders and community members)</li> <li>• Staff change among key positions at district level (impeding effective coordination with Village Development Committees)</li> <li>• Conflicts among stakeholders as regards roles in the project.</li> <li>• Lack of commitment from communities in their chosen resilient livelihood activities</li> <li>• Climate hazards disrupting tangible adaptation activities</li> <li>• Poor co-ordination between DCCMS and the Ministry of Agriculture</li> <li>• Difficulties for the project manager in coordinating the improved communication of climate information</li> </ul> <p>Assumptions:</p> <ul style="list-style-type: none"> <li>• Local government staff collaborates effectively to implement resilient livelihood activities.</li> <li>• Other projects and programmes do not displace interest and willingness to collaborate on the project;</li> <li>• Local communities see value in the project and actively engage in the identification and implementation of resilient livelihoods</li> <li>• Met Services and the Ministry of Agriculture play a proactive role in translating and then communicating climate information down to local level</li> </ul>
<p>Outcome 3</p> <p>Mainstreamed adaptation in broader development frameworks at country level and in targeted vulnerable areas</p>	<p>Number of development frameworks and sector strategies that include budget allocation targets for adaptation</p>	<p>Within the three priority sectors (forestry, water and agriculture) adaptation is, to varying degrees, hinted at but not explicitly or comprehensively addressed, and nor are effective budgets allocated</p>	<p>3 sector strategies/ for water, forestry and agriculture and appropriately budgeted adaptation measures</p>	<p>Water sector strategy, forestry sector working group strategy, agriculture SWAp documents and Ministry of Finance disbursement records</p>	<p>Risks:</p> <ul style="list-style-type: none"> <li>• Problems related to involvement and co-operation of sector staff</li> <li>• Conflicts among stakeholders as regards roles in the project.</li> <li>• The Ministry of Finance does not release funds as anticipated</li> <li>• Turnover of key staff may impede progress</li> <li>• Political change (e.g. ministry restructuring or other institutional change) may affect the</li> </ul>

	Number and type of targeted institution with increased adaptive capacity to minimise exposure to climate variability.			60 Sector officers in ministries of agriculture, water and forestry trained on CCA technical themes.	<p>decision-making process</p> <p>Assumptions:</p> <ul style="list-style-type: none"> <li>• Sector stakeholders see the value of incorporating adaptation and are willing to work to do so</li> <li>• Other projects and programmes do not displace interest and willingness to collaborate on the project;</li> <li>• The Ministry of Economic Planning and Development and Ministry of Finance undertake their supporting roles</li> <li>• There is no significant delay from a change to how each sector undertakes its development planning and budgeting (e.g. one may switch from a sector working group to SWAp, which would require a likely overhaul and therefore take the team's time before adaptation could be included)</li> </ul>
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*Note: Impact-related indicators for Outcome 2 will be identified during the indictor development work (project output 1.7) and tracked during the course of project implementation.*



#### 4. Total budget and workplan

<b>Award ID</b>	00081840	<b>Project ID(s):</b>	Project ID: 00090986
<b>Award Title:</b>	Malawi: Integrating adaptation into development planning (ADAPT PLAN)		
<b>Business Unit: MWI10</b>	MW110		
<b>Project Title:</b>	Malawi: Integrating adaptation into development planning (ADAPT PLAN)		
<b>PIMS no.</b>	4958		
<b>Implementing Partner (Executing Agency)</b>	Ministry of Environment and Climate Change Management		

SOF (e.g. GEF) Outcome/Atlas Activity	Responsible Party/ Implementing Agent	Fund ID	Donor Name	Atlas Budgetary Account Code	ATLAS Budget Description	Amount Year 1 (USD)	Amount Year 2 (USD)	Amount Year 3 (USD)	Amount Year 4 (USD)	Amount Year 5 (USD)	TOTAL (USD)	See Budget Note:
<b>OUTCOME 1:</b>  Strengthened awareness and ownership of adaptation and climate risk reduction processes at local level	<b>Ministry of Environment and Climate Change Management</b>	<b>62160</b>	<b>LDC F</b>	71200	International Consultants	30,000	15,000	15,000			60,000	A
				71300	Local Consultants	30,000	15,000	10,000			55,000	B
				75700	Trainings, workshops and Conf	40,000	40,000	40,000	40,000	40,000	200,000	C
				72200	Equipment and Furniture	25,000					25,000	C1
				72500	Office supplies	15,000	15,000	15,000	15,000	15,000	75,000	D
				71600	Travel	55,000	50,000	50,000	50,000	50,000	255,000	E
				74500	Miscellaneous	10,000	10,000	10,000	10,000	10,000	50,000	F
					<b>Total Outcome 1</b>	<b>205,000</b>	<b>145,000</b>	<b>140,000</b>	<b>115,000</b>	<b>115,000</b>	<b>720,000</b>	

<b>OUTCOME 2:</b>  Reduced vulnerability in development sectors	<b>Ministry of Environment and Climate Change Management</b>	<b>62160</b>	<b>LDC F</b>	71200	International Consultants	30,000	15,000				45,000	G
				71300	Local Consultants	30,000	15,000	10,000			55,000	H
				75700	Trainings, workshops and Conf	40,000	40,000	40,000	40,000	40,000	200,000	H1
				72100	Contractual services -C	50,000	788,500	777,500	640,000	45,000	2,301,000	I
				71600	Travel	50,000	40,000	40,000	40,000	40,000	210,000	J
				72500	Office Supplies	15,000	15,000	15,000	15,000	15,000	75,000	K
				74500	Miscellaneous	5,000	5,000	5,000	5,000	5,000	25,000	L
					<b>Total Outcome 2</b>	<b>220,000</b>	<b>918,500</b>	<b>887,500</b>	<b>740,000</b>	<b>145,000</b>	<b>2,911,000</b>	
<b>OUTCOME 3:</b>  Mainstreamed adaptation in broader development frameworks at country level and in targeted vulnerable areas	<b>Ministry of Environment and Climate Change Management</b>	<b>62160</b>	<b>LDC F</b>	71200	International Consultants	40,000	20,000				60,000	M
				71300	Local Consultants	40,000	20,000				60,000	N
				72100	Contractual Services - C	40,000	40,000	40,000	40,000	40,000	200,000	O
				71600	Travel	25,800	25,800	25,800	25,800	25,800	129,000	P
				72500	Office Supplies	15,000	15,000	15,000	15,000	15,000	75,000	Q
				74500	Miscellaneous	5,000	5,000	5,000	5,000	5,000	25,000	R
					<b>Total Outcome 3</b>	<b>165,800</b>	<b>125,800</b>	<b>85,800</b>	<b>85,800</b>	<b>85,800</b>	<b>549,000</b>	

OUTCOME 4: MONITORING, LEARNING, ADAPTIVE FEEDBACK & EVALUATION  (as per the results framework and M&E Plan and Budget)	Ministry of Environment and Climate Change Management	6216 0	LDC F	71300	Local Consultants	30,000		20000		15,000	65,000	S
				72100	Travel		10,000	10,000	10,000		30,000	T
					Total Outcome 4	30,000	10,000	30,000	10,000	15,000	95,000	95,000
PROJECT MANAGEMENT UNIT  (This is not to appear as an Outcome in the Results Framework and should not exceed 10% of project budget)	Ministry of Environment and Climate Change Management	6216 0	LDC F	71600	Travel	10,000	10,000	10,000	10,000	10,000	50,000	U
				71400	Contractual Services - I	20,000	20,000	20,000	20,000	20,000	100,000	V
				72500	Office Supplies	10,000	10,000	10,000	10,000	10,000	50,000	W
					Total Management	45,000	45,000	45,000	45,000	45,000	225,000	
PROJECT TOTAL						665,800	1,244,300	1,188,300	995,800	405,800	4,500,000	

Summary of Funds

<b>Co-financing sources</b>	<b>Yr1</b>	<b>Yr2</b>	<b>Yr3</b>	<b>Yr4</b>	<b>Yr 5</b>	<b>Total</b>
<b>LDCF</b>	605 800.00	1 284 300.00	1 228 300.00	1 035 800.00	345 800.00	4 500 000.00
<b>UNDP</b>	600 000.00	600 000.00	600 000.00	600 000.00		2 400 000.00
<b>GoM District budgets</b>	602 268.48	602 268.48	602 268.48	602 268.48	602 268.48	3 011 342.39
<b>GoM LDF</b>	200 000.00	200 000.00	200 000.00	200 000.00	200 000.00	1 000 000.00
<b>MEP&amp;D</b>	30000	30000	30000	30000	30000	150 000.00
<b>Total</b>	<b>2 008 068.48</b>	<b>2 686 568.48</b>	<b>2 630 568.48</b>	<b>2 438 068.48</b>	<b>1 148 068.48</b>	<b>11 061 342.39</b>

Budget Note	Description of cost item
<b>A</b>	<ul style="list-style-type: none"> <li>Hiring consultancy firm(s) to develop and conduct training within the 3 districts on (a) integration of climate change into development planning, as specific to the Malawian context, and building on existing generic climate change materials that have been produced by the Ministry of Local Government and Rural Development and (b) to develop and conduct training on adaptation indicators (for indicative TOR see Annex 8)</li> </ul>
<b>B</b>	<ul style="list-style-type: none"> <li>Hiring consultancy firm/think tank (ideally a local institution, in order to build national Malawian capacity) to partner with international consultants on outputs listed in A. The intention is that their capacity will be built in mainstreaming adaptation into development and the development and use of adaptation indicators such that they can support the replication of the project to further districts in future years (for indicative TOR see Annex 8)</li> </ul>
<b>C</b>	<ul style="list-style-type: none"> <li>Contractual services in component 1 covers contribution (not salaries, but tangible running costs such as those associated with organising and hosting meetings) to enable experts to execute project duties as part of their existing contracts</li> </ul>
<b>C1</b>	<ul style="list-style-type: none"> <li>Covers the cost of office equipment and furniture.</li> </ul>
<b>D</b>	<ul style="list-style-type: none"> <li>Consumable office supplies as required in each of the 3 districts to enable execution of duties, for example printer cartridges, paper, photocopying costs</li> </ul>
<b>E</b>	<ul style="list-style-type: none"> <li>Travel costs include for consultants (international consultants to reach Malawi and local consultants to get to Lilongwe) during missions to conduct the training; for district level staff to reach Lilongwe to attend training (year 1); for district staff to conduct relevant risk and vulnerability assessments in target communities (year 1) and for district staff to visit appropriate villages where Village Action Plans are being developed (years 1-5)</li> </ul>
<b>F</b>	<ul style="list-style-type: none"> <li>To cover exchange rate fluctuations and contingency</li> </ul>
<b>G</b>	<ul style="list-style-type: none"> <li>Hiring consultancy firm to revise and update the LDF's existing environment and social safeguards system to incorporate adaptation indicators that are suitable robust to ensure that only activities that will be resilient in the face of projected climate change will pass through, whilst at the same time suitably generic for application across the LDF portfolio in all districts, and then train appropriate LDF staff in their use (for indicative TOR see Annex 8)</li> </ul>
<b>H</b>	<ul style="list-style-type: none"> <li>Hiring consultancy firm/think tank (ideally a local institution, in order to build Malawian capacity) to partner with international consultants on outputs listed in G (year 1), and then to work with the trained LDF staff in year 2 to train Environmental District Officers in the application of the new LDF adapted adaptation safeguards (for indicative TOR see Annex 8)</li> </ul>

<b>H1</b>	<ul style="list-style-type: none"> <li>Contractual services - companies in component 2 covers contribution (not salaries, but tangible running costs such as those associated with organising and hosting meetings) to enable them to execute project duties as part of their existing contracts. In years 2-4, the procurement of necessary inputs to enable the tangible adaptation activities in the targeted communities in each of the 3 districts.</li> </ul>
<b>I</b>	<ul style="list-style-type: none"> <li>Cost of implementing CCA adaptation measures at district levels such as the development of screening tools used by the Local Development Fund updated to incorporate adaptation to climate change, technical training delivered to communities in order to implement the CCA plans sustainably, and improved climate information systems.</li> </ul>
<b>J</b>	<ul style="list-style-type: none"> <li>Travel costs include for consultants (international consultants to reach Malawi and local consultants to get to Lilongwe) during missions to conduct the training (year 1); for Environmental District Officers to come to Lilongwe for training in year 2; and for district staff to travel to target communities to oversee implementation of adaptation activities and provide training where required (years 1-5)</li> </ul>
<b>K</b>	<ul style="list-style-type: none"> <li>Consumable office supplies as required in each of the 3 districts to enable execution of duties, for example printer cartridges, paper, photocopying costs</li> </ul>
<b>L</b>	<ul style="list-style-type: none"> <li>To cover exchange rate fluctuations and contingency</li> </ul>
<b>M</b>	<ul style="list-style-type: none"> <li>Hiring consultancy firms to (a) train national level staff in appropriate sectors to integrate climate change into their sectoral development planning (based on a needs assessment); (b) provide guidance on costing adaptation actions and (c) revise and update MEP&amp;D's existing screening system/LDF's safeguards system to incorporate adaptation indicators that are suitably robust to ensure that only activities that will be resilient in the face of projected climate change will pass through, whilst at the same time suitably generic for application across the LDF portfolio in all districts, and then train appropriate MEP&amp;D staff in their use (for indicative TOR see Annex 8)</li> </ul>
<b>N</b>	<ul style="list-style-type: none"> <li>Hiring local consultancy firm/think tank (ideally an institution, in order to build Malawian capacity) to partner with international consultants on outputs listed in M (for indicative TOR see Annex 8)</li> </ul>
<b>O</b>	<ul style="list-style-type: none"> <li>Contractual services - companies in component 3 covers contribution (not salaries, but tangible running costs such as those associated with organising and hosting meetings) to enable them to execute project duties as part of their existing contracts.</li> </ul>
<b>P</b>	<ul style="list-style-type: none"> <li>Travel costs include for consultants (international consultants to reach Malawi and local consultants to get to Lilongwe) during missions to undertake the needs assessment, conduct the training, provide guidance on costing adaptation actions and revise and update MEP&amp;D's adaptation system (years 1-2); and to reimburse national staff involved in sectoral planning for the costs of attending meetings in Lilongwe (years 1-5)</li> </ul>
<b>Q</b>	<ul style="list-style-type: none"> <li>Consumable office supplies as required by the participating sectors to enable execution of duties, for example printer cartridges, paper, photocopying costs</li> </ul>
<b>R</b>	<ul style="list-style-type: none"> <li>To cover exchange rate fluctuations and contingency</li> </ul>

<b>S</b>	<ul style="list-style-type: none"> <li>Hiring local consultant/consultancy firm to undertake the baseline, train relevant project staff (at national and district level) in monitoring protocols (year 1) and conduct mid term review (year 3) and end-of-project evaluation (year 5)</li> </ul>
<b>T</b>	<ul style="list-style-type: none"> <li>Cost of travel for field missions and activities</li> </ul>
<b>U</b>	<ul style="list-style-type: none"> <li>To cover travel costs of staff from the Project Management Unit (including for the evaluation in outcome 4) to visit districts and target communities (as appropriate), and for reimbursing Lilongwe-based travel as part of outcome 3</li> </ul>
<b>V</b>	<ul style="list-style-type: none"> <li>Contractual services - I in component 5 covers contribution (project manager; assistant project managers and contribution to finance assistant) to enable them to execute project duties as part of their existing contracts</li> <li>Also covers local procurement of training support, for example under output 2.1 to train the LDF and DEC staff in financial management to handle the cash transfers</li> <li>Cost of auditing</li> </ul>
<b>W</b>	<ul style="list-style-type: none"> <li>Consumable office supplies as required by the project management unit to enable execution of duties, for example printer cartridges, paper, photocopying costs, professional printing costs (e.g. of finalised documentation, such as the adapted safeguards system for LDF; new indicators for MEP&amp;D)</li> </ul>

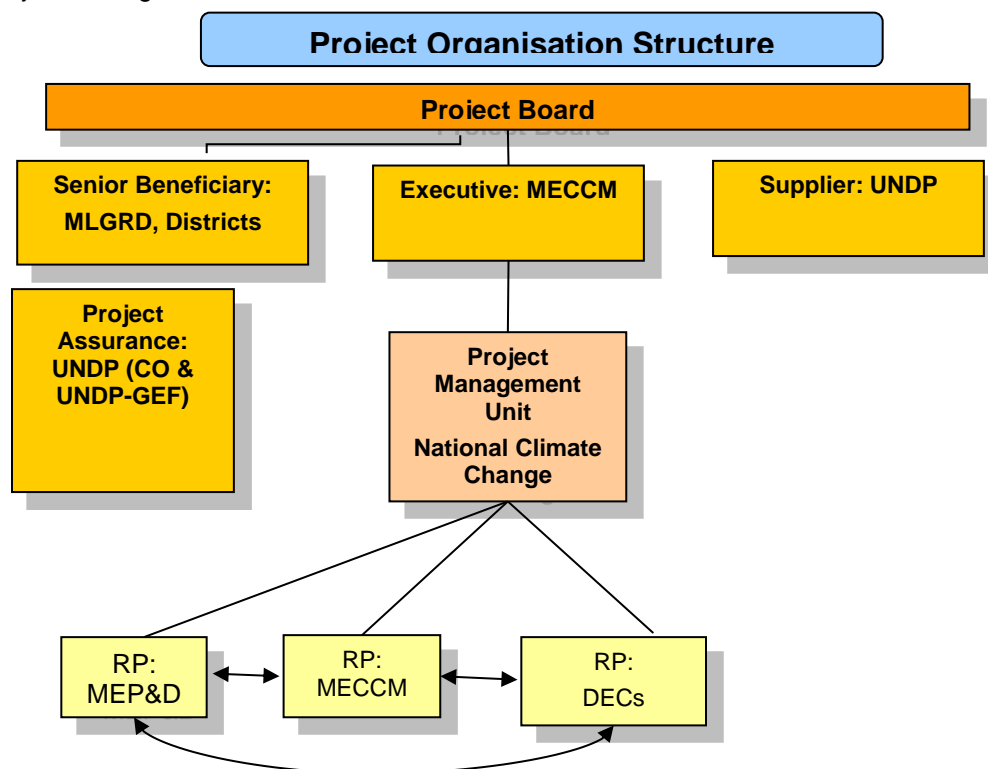


## 5. Management Arrangements

(SEE [UNDP POPP](#) FOR FURTHER DETAILS)

This project will be implemented under UNDP's National Implementation Modality. The Ministry of Environment and Climate Change Management will be the Implementing Partner (see Annex 6 for the capacity assessment). Figure 7 outlines the management structure.

Figure 7 Project Management Structure



The **Project Board** will comprise the National Steering Committee on Environment, Natural resources and Climate Change, who will provide policy guidance for the project as proposed by the well-established National Climate Change Technical Committee which has its own procedures and processes which should not be duplicated by the creation of additional structures. The NCCTC will provide technical direction of the project, and it will play a critical role in project monitoring and evaluations by quality assuring these processes and products, and using evaluations for performance improvement, accountability and learning. It ensures that required resources are committed and arbitrates on any conflicts within the project or negotiates a solution to any problems with external bodies. In addition, it approves the appointment and responsibilities of the Project Manager. Based on the approved Annual WorkPlan, the NCCTC can also consider and approve the quarterly plans (if applicable) and approve any essential deviations from the original plans.

UNDP Malawi is a member of the National Technical Committee as well as the Steering Committee on Climate Change, and this will enable UNDP's to discharge its project assurance role effectively to ensure management for development results, best value money, fairness, integrity, transparency and effective international competition.

The Project Manager will work under the technical direction of the Director of Environmental Affairs and will coordinate closely with the Programme Manager of the National Climate Change Programme to ensure that synergies and efficiencies are secured.

The project manager's roles will include:

- Developing annual work plans together with implementing institutions
- Ensuring overall coordination of the programme following the agreed annual work plan
- Supervision of the activities implemented by the RPs
- Accurate accounting and timely reporting of the use of programme funds (in conjunction with a finance assistant part-financed by this project)
- Monitoring the achievement of results within budget and providing timely progress reports as indicated in the programme document (based on inputs provided from the implementing partners) using an already established institutional framework for support (see figure 8).

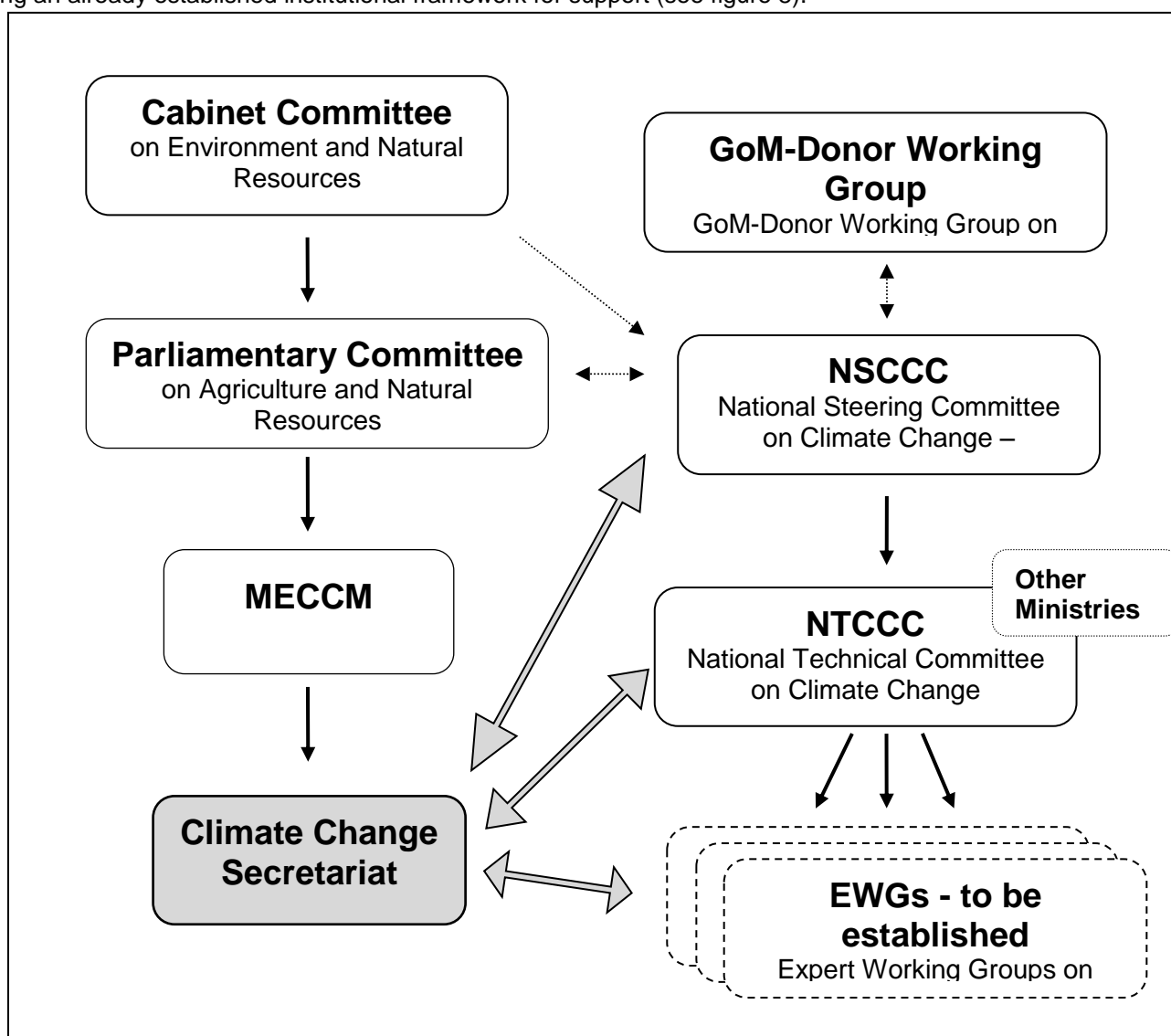


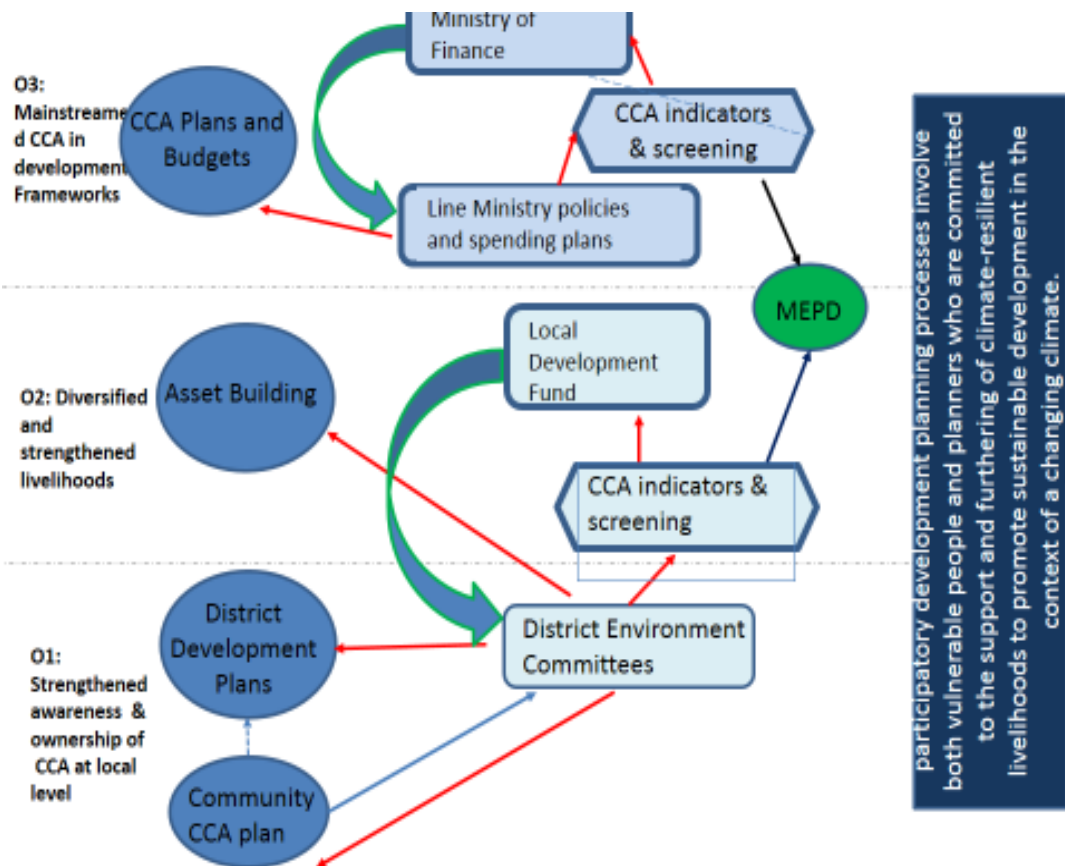
Figure 7: The existing institutional structure for management of climate change in Malawi

Looking more specifically at accountability within specific institutions, Figure 7 details the reporting structure and lines of communication from District level to project management and the implementing entity. At local level, funds will be transferred directly to the District Councils (by way of their District Development Funds), which are managed by the District Directors of Finance. The District Executive Committees (DEC) have the oversight and operational responsibility for spending this money, which will be undertaken by way of the District Environmental Subcommittees (part of the DEC, and headed operationally by the EDOs – who will act as assistant project coordinators in this project) applying to the District Commissioner (as head of the DEC), with the Director of Finance releasing funds. MOUs will be signed with the appropriate DEC to confirm the availability of EDOs for, and commitment to, the outputs to be delivered together with the activity plan. EDOs will also report to and recommend to the DC, based on the provision of appropriate proposals and/or reporting requirements (fulfilling M&E) when it is appropriate to release funds from the DEC account to project bank accounts held by the Village Development Committees. EDOs will also form the primary point of contact with the Project Manager at district level, and will regularly communicate project progress and discuss issues arising through meetings. District representatives will also attend NCTC meetings to inform the national level about progress in their districts. All sector-specific project activities will be implemented by the relevant head of sector (e.g. forestry, agriculture) in order to ensure efficient coordination with other sectoral activities, in communication (and collaboration) with the ADMOs.

At the community level the Village Development Committees will be empowered to coordinate the activities. This will enhance collaboration of all local structures and the district team. The precise roles and mandate of the two teams will be defined during the implementation phase. This model is being used in Nkhata Bay in other projects and it is proving to be effective and efficient in terms of resource utilisation and management as well as coordination. This arrangement is in line with the existing decentralisation structures and will strengthen both vertical and horizontal coordination within the districts whilst simultaneously leading to effective implementation of activities and delivery of results. Within each Village Development Committee is a Project Implementing/Management Committee, which, in cooperation with the Village NR Management Committee and/or Civil Protection Committee will oversee the tangible adaptation activities in outcome 2.

Figure 9 summarises the role of the various RPs and the reporting lines according to each component of the project. Red arrows indicate flows of information, black arrows indicate the provision of monitoring information and, proving that monitoring information is acceptable, the large green-outlined arrows represent the flows of finance.

Figure 9: main reporting lines and influencing factors between RPs



## 6. Monitoring Framework and Evaluation

The project will be monitored through the following M&E activities. The M&E budget is provided in table 7.

### Project start:

A Project Inception Workshop will be held within the first 2 months of project start and will be attended by those with assigned roles in the project organization structure, UNDP country office and where appropriate/feasible regional technical policy and programme advisors as well as other stakeholders. The Inception Workshop is crucial to reinforcing ownership for the project results and to plan the first year annual work plan.

The Inception Workshop should address a number of key issues including:

- Assist all partners to fully understand and take ownership of the project. Detail the roles, support services and complementary responsibilities of UNDP CO and RCU staff vis à vis the project team. Discuss the roles, functions, and responsibilities within the project's decision-making structures, including reporting and communication lines, and conflict resolution mechanisms. The Terms of Reference for project staff will be discussed again as needed.
- Based on the project results framework and the relevant GEF Tracking Tool if appropriate, finalize the first annual work plan. Review and agree on the indicators, targets and their means of verification, and recheck assumptions and risks.

- c) Provide a detailed overview of reporting, monitoring and evaluation (M&E) requirements.

The Monitoring and Evaluation work plan and budget should be agreed and scheduled. Discuss financial reporting procedures and obligations, and arrangements for annual audit. Plan and schedule Project Board meetings. Roles and responsibilities of all project organisation structures should be clarified and meetings planned. The first Project Board meeting should be held within the first 12 months following the inception workshop.

An Inception Workshop report is a key reference document and must be prepared and shared with participants to formalize various agreements and plans decided during the meeting.

#### **Quarterly:**

- Progress made shall be monitored in the UNDP Enhanced Results Based Management Platform.
- Based on the initial risk analysis submitted, the risk log shall be regularly updated in ATLAS. Risks become critical when the impact and probability are high. Note that for UNDP GEF projects, all financial risks associated with financial instruments such as revolving funds, microfinance schemes, or capitalization of ESCOs are automatically classified as critical on the basis of their innovative nature (high impact and uncertainty due to no previous experience justifies classification as critical).
- Based on the information recorded in Atlas, a Project Progress Reports (PPR) can be generated in the Executive Snapshot.
- Other ATLAS logs can be used to monitor issues, lessons learned etc. The use of these functions is a key indicator in the UNDP Executive Balanced Scorecard.

#### **Annually:**

- Annual Project Review/Project Implementation Reports (APR/PIR): This key report is prepared to monitor progress made since project start and in particular for the previous reporting period (30 June to 1 July). The APR/PIR combines both UNDP and GEF reporting requirements.

The APR/PIR includes, but is not limited to, reporting on the following:

- Progress made toward project objective and project outcomes - each with indicators, baseline data and end-of-project targets (cumulative)
- Project outputs delivered per project outcome (annual).
- Lesson learned/good practice.
- AWP and other expenditure reports
- Risk and adaptive management
- ATLAS QPR
- Portfolio level indicators (i.e. GEF focal area tracking tools) are used by most focal areas on an annual basis as well.

#### **Periodic Monitoring through site visits:**

UNDP CO and the UNDP RCU will conduct visits to project sites based on the agreed schedule in the project's Inception Report/Annual Work Plan to assess first hand project progress. Other members of the Project Board may also join these visits. A Field Visit Report/BTOR will be prepared by the CO and UNDP RCU and will be circulated no less than one month after the visit to the project team and Project Board members.

**Mid-term of project cycle:**

The project will undergo an independent Mid-Term Evaluation at the mid-point of project implementation (mid 2016). The Mid-Term Evaluation will determine progress being made toward the achievement of outcomes and will identify course correction if needed. It will focus on the effectiveness, efficiency and timeliness of project implementation; will highlight issues requiring decisions and actions; and will present initial lessons learned about project design, implementation and management. Findings of this review will be incorporated as recommendations for enhanced implementation during the final half of the project's term. The organization, terms of reference and timing of the mid-term evaluation will be decided after consultation between the parties to the project document. The Terms of Reference for this Mid-term evaluation will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF. The management response and the evaluation will be uploaded to UNDP corporate systems, in particular the UNDP Evaluation Resource Center (ERC).

The relevant GEF Focal Area Tracking Tools will also be completed during the mid-term evaluation cycle.

**End of Project:**

An independent Final Evaluation will take place three months prior to the final Project Board meeting and will be undertaken in accordance with UNDP and GEF guidance. The final evaluation will focus on the delivery of the project's results as initially planned (and as corrected after the mid-term evaluation, if any such correction took place). The final evaluation will look at impact and sustainability of results, including the contribution to capacity development and the achievement of global environmental benefits/goals. The Terms of Reference for this evaluation will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF.

The Terminal Evaluation should also provide recommendations for follow-up activities and requires a management response which should be uploaded to PIMS and to the UNDP Evaluation Office Evaluation Resource Center (ERC).

The relevant GEF Focal Area Tracking Tools will also be completed during the final evaluation.

During the last three months, the project team will prepare the Project Terminal Report. This comprehensive report will summarize the results achieved (objectives, outcomes, outputs), lessons learned, problems met and areas where results may not have been achieved. It will also lay out recommendations for any further steps that may need to be taken to ensure sustainability and replicability of the project's results.

**Learning and knowledge sharing:**

Monitoring of project progress at district and sub-district level will take place quarterly and be used to inform both district level and ministry level policies and plans. Currently although districts have M&E officers and collect their own data, there is no mechanism for this to feed into MEP&D, and thus this project is innovative in establishing that mechanism. Likewise the development of internal analysis on adaptation costs, supported by the economic aspect of the technical support programme, can be used to inform line ministry spending plans and the level

of need for devolved budgets, as well as the development of a strategic plan for the Climate Change Fund proposed in the Climate Change Investment Plan.

Results from the project will be disseminated within and beyond the project intervention zone through existing information sharing networks and forums (such as the Climate Change Technical Committee).

The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be of benefit to project implementation though lessons learned. The project will identify, analyse, and share lessons learned that might be beneficial in the design and implementation of similar future projects.

Finally, there will be a two-way flow of information between this project and other projects of a similar focus.

#### **Communications and visibility requirements:**

Full compliance is required with UNDP's Branding Guidelines. These can be accessed at <http://intra.undp.org/coa/branding.shtml>, and specific guidelines on UNDP logo use can be accessed at: <http://intra.undp.org/branding/useOfLogo.html>. Amongst other things, these guidelines describe when and how the UNDP logo needs to be used, as well as how the logos of donors to UNDP projects needs to be used. For the avoidance of any doubt, when logo use is required, the UNDP logo needs to be used alongside the GEF logo. The GEF logo can be accessed at: [http://www.thegef.org/gef/GEF\\_logo](http://www.thegef.org/gef/GEF_logo). The UNDP logo can be accessed at <http://intra.undp.org/coa/branding.shtml>.

Full compliance is also required with the GEF's Communication and Visibility Guidelines (the "GEF Guidelines"). The GEF Guidelines can be accessed at: [http://www.thegef.org/gef/sites/thegef.org/files/documents/C.40.08\\_Branding\\_the\\_GEF%20final\\_0.pdf](http://www.thegef.org/gef/sites/thegef.org/files/documents/C.40.08_Branding_the_GEF%20final_0.pdf). Amongst other things, the GEF Guidelines describe when and how the GEF logo needs to be used in project publications, vehicles, supplies and other project equipment. The GEF Guidelines also describe other GEF promotional requirements regarding press releases, press conferences, press visits, visits by Government officials, productions and other promotional items.

Where other agencies and project partners have provided support through co-financing, their branding policies and requirements should be similarly applied.

**Table 7 M& E work plan and budget**

<b>Type of M&amp;E activity</b>	<b>Responsible Parties</b>	<b>Budget US\$</b> <i>Excluding project team staff time</i>	<b>Time frame</b>
Inception Workshop and Report	<ul style="list-style-type: none"> <li>Project Manager</li> <li>UNDP CO, UNDP CCA</li> </ul>	Indicative cost: 5,000	Within first two months of project start up
Measurement of Means of Verification of project results.	<ul style="list-style-type: none"> <li>UNDP CCA RTA/Project Manager will oversee the hiring of specific studies and institutions, and delegate responsibilities to relevant team members.</li> </ul>	To be finalized in Inception Phase and Workshop.	Start, mid and end of project (during evaluation cycle) and annually when required.
Measurement of Means of Verification for Project Progress on <i>output and implementation</i>	<ul style="list-style-type: none"> <li>Oversight by Project Manager</li> <li>Project team</li> </ul>	To be determined as part of the Annual Work Plan's preparation.	Annually prior to ARR/PIR and to the definition of annual work plans
ARR/PIR	<ul style="list-style-type: none"> <li>Project manager and team</li> <li>UNDPCO</li> </ul>	None	Annually



Type of M&E activity	Responsible Parties	Budget US\$ <i>Excluding project team staff time</i>	Time frame
	<ul style="list-style-type: none"> <li>▪ UNDP RTA</li> <li>▪ UNDP EEG</li> </ul>		
Periodic status/ progress reports	<ul style="list-style-type: none"> <li>▪ Project manager and team</li> </ul>	None	Quarterly
Mid-term Evaluation	<ul style="list-style-type: none"> <li>▪ Project manager and team</li> <li>▪ UNDP CO</li> <li>▪ UNDP RCU</li> <li>▪ External Consultants (i.e. evaluation team)</li> </ul>	Indicative cost: 35,000	At the mid-point of project implementation.
Final Evaluation	<ul style="list-style-type: none"> <li>▪ Project manager and team,</li> <li>▪ UNDP CO</li> <li>▪ UNDP RCU</li> <li>▪ External Consultants (i.e. evaluation team)</li> </ul>	Indicative cost: 40,000	At least three months before the end of project implementation
Project Terminal Report	<ul style="list-style-type: none"> <li>▪ Project manager and team</li> <li>▪ UNDP CO</li> <li>▪ local consultant</li> </ul>	0	At least three months before the end of the project
Audit	<ul style="list-style-type: none"> <li>▪ UNDP CO</li> <li>▪ Project manager and team</li> </ul>	Indicative cost per year: 3,000 = \$12,000	Yearly
Visits to field sites	<ul style="list-style-type: none"> <li>▪ UNDP CO</li> <li>▪ UNDP RCU (as appropriate)</li> <li>▪ Government representatives</li> </ul>	For GEF supported projects, paid from IA fees and operational budget	Yearly
<b>TOTAL indicative COST</b> Excluding project team staff time and UNDP staff and travel expenses		US\$ 95,000	

**Audit:**

The Project will be audited in accordance with UNDP Financial Regulations and Rules and applicable audit policies.

## **7. Legal Context**

This document together with the CPAP signed by the Government and UNDP which is incorporated by reference constitute together a Project Document as referred to in the SBAA [or other appropriate governing agreement] and all CPAP provisions apply to this document.

Consistent with the Article III of the Standard Basic Assistance Agreement, the responsibility for the safety and security of the implementing partner and its personnel and property, and of UNDP's property in the implementing partner's custody, rests with the implementing partner.

The implementing partner shall:

- a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
- b) assume all risks and liabilities related to the implementing partner's security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The implementing partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via <http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.

Date/Month/Year

## Annex 2: Letters of Co-financing

Nkhata Bay District Council  
Ministry of Local Government and Rural  
Development  
Telephone: +265 (0) 1 352 287/243/426



All correspondence should be addressed to:  
The District Commissioner  
P.O. Box 1  
Nkhata Bay  
Malawi

14<sup>th</sup> February, 2014

Dear Ms Soopo,

**Subject: Nkhata Bay District Co-financing commitment to the LDCF Project  
entitled:**

***"Implementing urgent adaptation priorities through strengthened decentralized  
and national development plans".***

Nkhata Bay District is implementing various Government and Development Partner funded projects aimed at increasing socio-economic development in the area. All projects center on improving the people's resilience to adverse social conditions mainly through knowledge and skills development in all key sectors.

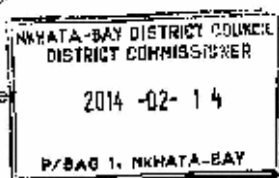
We are already experiencing effects of climate change in our district. Climate related catastrophes are significantly eroding the development achievements that the district has registered over the past two decades. We are therefore pleased and committed to implement the GEF-LDCF funded programme: *"Implementing urgent adaptation priorities through strengthened decentralized and national development plans"*. The programme will help us to implement consolidated plans and priorities for climate change adaptation to ensure sustainable development and increase our people's resilience to climate related adversities. Achievement of the above requires us to incorporate climate change adaptation priorities in our planning, programming and budgeting at community, sectoral and district levels.

We therefore confirm Nkhata Bay's commitment of the district budget of MK1,005,797,994.00 (USD2,366,583.51) for the period 2014-2018 to serve as parallel co-financing to the GEF-LDCF project.

We look forward to our continued cooperation.

Yours sincerely,

  
Fred Mowete  
District Commissioner



Telephone: +265 (0)1 235 411/431/298  
Fax: +265 (0)1 235 462  
E-mail: [massembly@globeemr.net](mailto:massembly@globeemr.net)  
All correspondences should be addressed to  
The District Commissioner



NTCHEU DISTRICT COUNCIL  
PRIVATE BAG 1  
NTCHEU  
MALAWI

17/02/2014

Resident Representative  
UNDP Malawi  
P.O. Box 30135  
Lilongwe 3.

Dear Ms Seppo

**SUBJECT: NTCHEU DISTRICT CO-FINANCING OF THE LCDF PROJECT ENTITLED: IMPLEMENTING URGENT ADAPTATION PRIORITIES THROUGH STRENGTHENED DECENTRALISED AND NATIONAL DEVELOPMENT PLANS.**

Ntcheu district council is implementing various Government and development partner funded project like Local Development Fund (LDF), Shire River Basin Management Project, Rural Infrastructure Development Programme, and Improved Forest Management for Sustainable Livelihood Programme and many more. The objective of these projects is to increase socio-economic development in the district.

Although Ntcheu district council is implementing these projects, the vulnerability of the people against effects of climate change which the district is experiencing such as prolonged dry spell, floods, wind storm and many more is still increasing. And will therefore need to ensure that our plans, programmes and budgets have incorporated climate change adaptation priorities: establishment of small scale irrigation schemes and soil improvement programme, fish farming, dam construction catchment area protection. We are therefore very pleased and committed to implement the GEF-LCDF funded programme: implementing urgent adaptation priorities through strengthened decentralized and national development plans", as this will assist us in planning for and implementing climate change adaptation priorities to ensure sustainable development and increase resilience for the vulnerable population in our district

We therefore confirm Ntcheu district's commitment of the district budget of Mk135, 000,000. (300,000 \$ for the period of 2014-2018 to serve as parallel co- financing to the GEF LCDF project. This financial commitment will be in form of time, vehicles and human resource.

Telephone: (+265) 01524089

Facsimile: (+265) 01524089

All Communications should be addressed to:

The District Commissioner



In reply please quote:  
ZOMBA DISTRICT COUNCIL

P O Box 23, ZOMBA

20<sup>th</sup> June, 2014

The Resident Representative  
United Nations Development Program (UNDP)  
P.O. Box 30135  
Lilongwe 3  
Malawi

Dear Ms. Seppo

Subject: Zomba District Co-financing commitment to the LDCF project entitled:  
"Implementing Urgent adaptation priorities through strengthened decentralized and national  
development plans"

Zomba District is implementing various Government and Development Partner funded projects to increase socio-economic development in the area

We are already witnessing effects of climate change in our District, and will therefore need to ensure that our plans, programs and budgets have incorporated climate change adaptation priorities. We are therefore very pleased and committed to implement the GEF-LDCF funded program: "Implementing urgent adaptation priorities through strengthened decentralized and national development plans", as this will assist us in planning for and implementing climate change adaptation priorities to ensure sustainable development and increased resilience for the vulnerable population in our District.

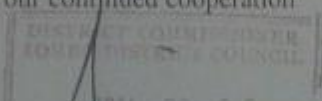
We therefore confirm Zomba District Council's commitment of the District budget of **MK155, 141, 496.00 (USD 344, 758.88)** for the period 2014 -2018 to serve as parallel co-financing to the GEF-LDCF project.

We look forward to our continued cooperation

Yours sincerely

A handwritten signature in dark ink, appearing to read 'Charles M. Thombozi'.

CHARLES M. THOMBOZI  
DISTRICT COMMISSIONER



Red Cross House  
Area 14  
Capital City  
Lilongwe 3  
MALAWI  
Tel: 01775666 / 01776339  
Fax: 01775949  
Email: ldf@ldf.org



Local Development Fund  
Technical Support Team  
Ministry of Finance  
Private Bag 352  
LILONGWE 3

Ref. No. MSF3/ADMN/180

11<sup>th</sup> April 2014

Ms Mia Seppo  
Resident Representative  
United Nations Development Programme  
Box 30135  
LILONGWE 3

Dear Madam

**LOCAL DEVELOPMENT FUND (LDF) CO-FINANCING COMMITMENT TO THE  
LDCF PROJECT ENTITLED: "IMPLEMENTING URGENT ADAPTATION  
PRIORITIES THROUGH STRENGTHENED DECENTRALIZED AND NATIONAL  
DEVELOPMENT PLANS"**

The Local Development Fund is implementing various Government and Development Partner funded projects to increase socio-economic development across the country, including the districts of Nkhata Bay, Ntcheu and Zomba.

We are anticipating effects of climate change in some of the Districts where we are funding projects, and will therefore need to ensure that our development interventions have incorporated climate change adaptation priorities. We are therefore very pleased and committed to implement the GEF-LDCF funded programme: "Implementing urgent adaptation priorities through strengthened decentralized and national development plans", as this will assist us in planning for and implementing climate change adaptation priorities to ensure sustainable development and increase resilience for the vulnerable population in the Districts.

We therefore confirm the Local Development Fund's average annual commitment of MK400 million (US\$1,000,000) of its budgeted support to the districts, including the required administrative and other related costs, for the period 2014 – 2018 to serve as parallel co-financing to the GEF-LDCF project.

We look forward to our continued cooperation.

Yours sincerely

Sam Kakhobwe  
**EXECUTIVE DIRECTOR**





UNDP-UNEP POVERTY-ENVIRONMENT INITIATIVE  
Initiative Pauvreté-Environnement PNUD-PNUE  
Iniciativa Pobreza-Medio Ambiente PNUD-PNUMA  
Инициатива ПРООН-ЮНЕП Бедность и Окружающая Среда



03 February 2014

Dear Ms. Seppo,

**Subject: Local Development Fund (LDF) co-financing commitment to the LDCF project entitled: "Implementing urgent adaptation priorities through strengthened decentralized and national development plans".**

UNDP-UNEP PEI is implementing its 2 Phase in Malawi, concentrating on influencing and integrating poverty - environment concerns in national and district planning and budgeting.

Climate Change is one of the main concerns influencing socio-economic development, and Malawi will therefore need to ensure that development interventions have incorporated climate change adaptation priorities. We are therefore very pleased and committed to support the implementation of the GEF-LDCF funded programme: "implementing urgent adaptation priorities through strengthened decentralized and national development plans", as this will facilitate and complement our on-going activities with the Ministry of Economic Planning and Development.

We therefore confirm PEI's commitment of its projected support to Malawi of USD 1,600,000 for the period 2014 - 2017 to serve as parallel co-financing to the GEF LDCF project

We look forward to our continued cooperation.

Yours sincerely,

David Smith  
PE Africa Manager



Empowered lives.  
Resilient nations.

REF: MWI/2014/00069479

3rd February 2014

Dear Ms. Dinu,

**Subject: UNDP co-financing commitment to the LDCF project entitled: *"Implementing urgent adaptation priorities through strengthened decentralized and national development plans"*.**

UNDP assists the Government of Malawi to elevate and sustain socio-economic development, in the face of on-going challenges, in particular from the effects of climate change. In this light, UNDP assists the Government of Malawi to incorporate climate change adaptation and environment priorities in national and local development interventions. We are therefore very pleased and committed to implement the GEF-LDCF funded programme: "Implementing urgent adaptation priorities through strengthened decentralized and national development plans", as this will assist the Government in planning for and implement climate change adaptation priorities to ensure sustainable development and increased resilience for the vulnerable population in the country, with special attention to targeted Districts.

We therefore confirm UNDP's commitment of USD800,000 of its budgeted support to the UNDP-UNEP Poverty Environment Initiative, whose objective is to integrate environment and natural resources concerns into national planning processes, for the period 2014 - 2017 to serve as parallel co-financing to the GEF LDCF project

We look forward to our continued cooperation.

Yours sincerely,

Mia Scppo

**UNDP Resident Representative**

Ms. Adriana Dinu  
Officer-in-Charge and Deputy Executive Coordinator  
UNDP - Global Environment Facility  
United Nations Development Programme  
304 East 45th Street, 9th Floor  
New York, NY 10017 USA

Plot No 7, Area 40, P O Box 30135, Lilongwe 3, Malawi; E-mail: [registry.mw@undp.org](mailto:registry.mw@undp.org); Webpage: [www.undp.org.mw](http://www.undp.org.mw)  
Telephone: (265) 1-773 5000/74190/28/532/797; 774 081/404; Fax: (265) 1-773 637

Tel. No. 01788 888  
Fax No: 01788,247



MINISTRY OF FINANCE,  
ECONOMIC PLANNING &  
DEVELOPMENT,  
P.O. BOX 30136  
LILONGWE 3  
MALAWI

Ref. No. DII/13/32

received  
26/06/2014

24<sup>th</sup> June, 2014

Resident Representative,  
UNDP,  
P.O. Box 30350,  
Lilongwe 3.

Dear Ms. Seppo,

**CO-FINANCING COMMITMENT TO THE LDCF PROJECT ENTITLED:  
"IMPLEMENTING URGENT ADAPTATION PRIORITIES THROUGH  
STRENGTHENED DECENTRALIZED AND NATIONAL DEVELOPMENT PLANS."**

Government is implementing various Development Partner funded projects to increase socio-economic development in Malawi both at national and district level.

We are anticipating effects of climate change in some of the districts where we are funding climate change projects and have incorporated climate change adaptation priorities in our development interventions. We therefore look forward to implementing the GEF LDCF funded programme: "Implementing urgent adaptation priorities through strengthened decentralized and national development plans." This programme will assist us in planning for and implementing climate change adaptation priorities to ensure sustainable development and increased resilience for the vulnerable population in Malawi, particularly at the district level.

We therefore confirm our commitment of 150,000 USD as co-financing support to the GEF LDCF project to ensure the mainstreaming of adaptation to climate change in development planning frameworks at national level and targeted vulnerable areas for the period 2014-2018. This amount includes administrative and other related costs as required.

We look forward to our continued cooperation.

Yours sincerely,

Ted Sitima-wina

**SECRETARY FOR ECONOMIC PLANNING  
AND DEVELOPMENT**

### ***Annex 3: Bibliography***

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## ***Annex 4: Stakeholder involvement plan***

The consultation process for project preparation took place between June and October 2013. During this time, over 100 professionals, were engaged at national and district level, as well as many community members in target locations (see also section 2.1). Stakeholders were primarily, but not exclusively, government staff. In addition to key bilateral meetings, the consultation process also involved participation in two meetings of the Climate Change Technical Committee (CCTC) at national level (see Table 5 for key Government of Malawi stakeholders and their role in the project), initial district level consultations plus a district level workshop, attended by representative teams from each selected district (Annex 4 lists all the stakeholders consulted at various stages). At national level, NGOs are active participants in the CCTC, whilst at local level districts were encouraged to invite one NGO or CBO to attend the initial introductory consultation.

The first step within the consultation process with the CCTC was to determine the three districts to participate in the project. This was done by a process of elimination involving three steps applied to the twenty-eight districts. The first criteria was to highlight the fourteen districts identified as the most vulnerable by the Government of Malawi. The second criteria was to highlight districts that are participating in MLOGSIP (Malawi Local Government Strengthening and Investment Programme) – as the initial co-financing baseline intervention identified with the Project Identification Form (PIF) to the Global Environment Facility (GEF). The third criteria cut down the districts to those that do not already have a Least Developed Countries Fund (LDCF) project underway. After these cuts, three districts were eligible: Nkhata Bay in the northern region, Ntcheu in the central region and Zomba in the southern region (see Figure 10).



Figure 10: Location of Nkhata Bay, Ntcheu and Zomba within Malawi

Consultations were also held with target communities and local authorities during the Vulnerability and Capacity Assessment (VCA) that took place during the PPG phase of the project. The importance of gender equity and other gender aspects was emphasized throughout the consultation process.

Presentation and participation at meeting of CCTC, 2<sup>nd</sup> July 2013, Ufulu Gardens Hotel



A meeting of the Climate Change Technical Committee was called for 2nd July, and attended by a selection of the membership, including the Ministry of Environment and Climate Change Management (including the Department of Environmental Affairs, Department of Forestry, and Department of Climate Change and Meteorological Services); the Ministry of Economic Planning and Development (including the Department for Social Protection), Ministry of Finance, World Bank, USAID, Christian Aid, Centre for Environmental Policy and Advocacy (CEPA) and UNDP.

*Outcomes* of the discussion following presentation of the PIF were:

- the process to follow in the development of the methodology (consultative at both levels of governance;
- key partners with whom to engage (a variety of government ministries and selected NGOs with experience in climate change-related activities and/or the particular districts);
- Identification of complementarity with existing projects and programmes
- Endorsement of three districts that would benefit from the project

Presentation of PPG process and draft project proposal, CCTC meeting, 16-17<sup>th</sup> October, 2013

The structure of this project document was presented and preliminarily endorsed at the CCTC meeting on 16-17<sup>th</sup> October 2013.

Table: List of stakeholders consulted throughout the development period

<b>First mission: International and national consultant</b>		
25th meeting of the Climate Change Technical Committee	Various – as per minutes	2/07/2013
Mr. Aloysius Kamperewera	Director, Environmental Affairs Department	2/07/2013
Sabine Joukes	Christian Aid/Ensuring Climate Resilience Programme	3/07/2013
William Chadza	Centre for Environmental Policy and Advocacy (CEPA)	3/07/2013
Mr. Fred Movete	District Commissioner, Nkhata Bay	5/07/2013
Mr. F. Matewere	District Development Officer, Nkhata Bay	5/07/2013
Mr. Master B. Simon	District Environment Officer, Nkhata Bay	5/07/2013
Mr. Godly Taliana	District Forestry Officer, Nkhata Bay	5/07/2013
Mr. Force Ngwira	Ripple Africa, Nkhata Bay	5/07/2013
	District Forestry Officer, Ntcheu	8/07/2013
	District Agriculture Officer (acting also on behalf of Land Resources), Ntcheu	8/07/2013
Augenio Cheyo	District Irrigation Officer, Ntcheu	8/07/2013
Benjamin Somanje	District Fisheries Officer, Ntcheu	8/07/2013
Harry Phiri	District Commissioner, Zomba	9/07/2013
Clifton Thyangathyanga	District Environment Officer, Zomba	9/07/2013
Hudson Magagula	District Forestry Officer, Zomba	9/07/2013
Florence Ntepa	District Disaster Management Officer, Zomba	9/07/2013

Welton Phalira	LEAD International, Zomba	9/07/2013
<b>Second District level consultation – National consultant</b>		
<b>Nkhata Bay District</b>		
Fred Movete	District Commission (DC), Nkhata Bay Council	
Godfrey Shaibu	Director Of Administration (DOA), Nkhata Council	
Victor P. Matayataya	District Community Services Officer (DCSO), Gender	
G. Mpinganjira	District Youth Officer (DYO), Youth and Sports	
Mzondi Moyo	District Education Manager (DEM), Education	
H.D. Lungu	District Intelligence Officer, OPC	
Masozi Kasambala	Reporter, ZBS	
F.B Mpinganjira	Roads Supervisor, Public Works	
S.K Chando	Technician, Information	
M. Munthali	Reporter, Mzimba Radio	
Prisca Zimba	District Social Welfare Assistant (DSWA), Social Welfare	
Kondwani Ghambi	M & E Officer, Council	
M.S Kamanga	Clerk, Council	
A.Mlorie	Project Manager, NGO Macodeso	
Stanley Chongume	Environmental Educator, WESM	
P. Phiri	C/Administrator, Judiciary	
Simon Kamanga	Messenger, Council	
B. Manda	Messenger, Council	
S. Mhone	Messenger, Council	
S. Kamowa	MISO, Council	
W. Mayuni	Driver, Council	
Nhlamini	Driver, Council	
A. Mlorie	Project Manager, NGO Macodeso	

<b>Ntcheu</b>		
Memory Kamoyo	NUDC	
B. Somanje	Fisheries	
K. Lipenga	FPAM	
J. Ksaidi	Education	
B. Mlemangombe	Police	
F. Mphonda	Lands	
J. Jkanteka	Rural housing	
C. Chisambi	YONECO	
P. Wbchautsi	Agriculture	
B. Kamphambale	Prison	
H. Lweya	Malawi Housing Corporation	
Mary Mwale	Labour	
S. Nkolokosa	Forestry	
Gift Munthali	Council	



F. Sadyamtambe	Trade	
Helix Dzuwa	Malawi Electoral Commission	
S. Smasogumbani	Office of the President and Cabinet	
B. Chimseisu	Irrigation	
P. Munthali	NUDC	
Blessings Nkanjombe	Capital FM	
Gonje Pethbultanbda	Information	
Prince Henderson	Malawi Broadcasting Corporation	
Amel Mkandawire	Central Region Water Board	
Brberson Mwale	Youth Development	
G. Chingani	-	
Mathero Kambalame	Youth and Sports	
Phaless Chizule	Conn. Dev.	
William Lamapemba	JC'S Office	
L. Kawala	Planning	
Lignetchimutu	-	
<b>Zomba</b>		
Agness Chaphuka	ADC Treasure	
Madalitso Sobinka	ACPC	
Livison Mwalure	Area Development Committee	
Patience Mbampha	CDA	
Vincent Nyambalo	Village Development Committee	
Judith Nankhonyopa	Village Development Committee	
Stephano Namafolo	Business	
Mwayi Mbalame	Business	
Denisi Beni	Village Development Committee	
Fredrik Kachere	Area Development Committee	
Lester Maganga	Area Development Committee	
Fredrik Naonje	Area Development Committee	
Boidi Tibula	Area Development Committee	
Doglous Choteka	FEW	
Patricia Doglous	ACPC	
Petro Lucio	ACPC	
Luciano Kanyoka	VCPC	
Rabecca Chingamba	VCPC	
Thomas Malata	Area Development Committee	
Jones Namowenya	CPC	
Richard Katete	Care giver	
Alice Mbayani	VCPC	
Rasour Kambalame	SHSA	
G. Bamusi	VCPC	
James Magombo	VCPC	
Willy Wasito	ACPC	

Peter Maginza	Area Development committee (Chair)	
Noel Chikwanje	Area Development Committee (chair)	
Bonewell Simbi	Area Development Committee (Chair)	
Felix Chnkango	ACPC	
Dickson Bread	ACPC	
Admson Mponda	Area Development Committee Member	
James Magombo	VCPC	
Willy Wasito	ACPC	
Peter Maginza	Area Development committee (Chair)	
Noel Chikwanje	Area Development Committee (Chair)	
Bonewell Simbi	Area Development Committee (Chair)	
Felix Chnkango	ACPC	
Dickson Bread	ACPC	
Admson Mponda	Area Development Committee Member	
Emily Macheka		
<b>District level workshop attendees</b>		
Flamina John		3–5/09/13
Rebecca Medson		3–5/09/13
Clara Alfred		3–5/09/13
Fales Dzilekwa		3–5/09/13
Rose Wasiri		3–5/09/13
Ema Zakeyo		3–5/09/13
Kate Izeki		3–5/09/13
Efeleta Banda		3–5/09/13
Estele Kagonda		3–5/09/13
Mary Gulugute		3–5/09/13
Chifunir Ogunde		3–5/09/13
Sarah Black		3–5/09/13
Banson Dzilekwa		3–5/09/13
Devete Dzifu		3–5/09/13
Yohane Baston		3–5/09/13
Hazwed Bandawe		3–5/09/13
Clifton Thyangathyanga	Environment District Officer, Zomba	3–5/09/13
Florence Ntepa	Disaster Management Officer, Zomba	3–5/09/13
Immaculate Munthali	Assistant Irrigation Engineer, Zomba	3–5/09/13
Kezia Theu	Assistant Fisheries Officer, Zomba	3–5/09/13
Chisomo Kawira	Lands Assistant Officer	3–5/09/13
Anand Babu	NRM and climate change advisor, EP&D	3–5/09/13
Jan Rijpma	Assistant Resident Representative, UNDP	3–5/09/13
Sothini Nyirenda	Climate change Programme Analyst, UNDP	3–5/09/13
<b>Third mission – International and national consultant</b>		

Aloysius Kamperewera	Director, Environmental Affairs Department	16/06/2013
	Director of Programmes, Local Development Fund	16/06/2013
Robins Goursi	Training Officer, Local Development Fund	16/06/2013
Steven Mchenga	Director of Financial Management Services, Local Development Fund	16/09/2013
Wezi Mjojo	Director, National Local Government Finance Committee	17/09/2013
Francis Kachule	Desk Officer for the UN, Data Management Division, Ministry of Finance	17/09/2013
Moses Chirwa	Desk Officer for the UN, Data Management Division, Ministry of Finance	17/09/2013
Yona Kapona	Director of Economic Planning, Ministry of Economic Planning and Development	17/09/2013
Ted Sitima-Wina	Permanent Secretary, Ministry of Economic Planning and Development (and chair of the Climate Change Steering Committee)	17/09/2013
Steve K. Mwanza	Director of Water Supply Services, Ministry of Water and Irrigation	18/09/2013
Mr J.J. Mussa	Director of Land Resources and Conservation, Ministry of Agriculture and Food Security	19/09/2013
Henry Geoffrey Hunga	Principal Land Resources Conservation Officer, Ministry of Agriculture and Food Security	19/09/2013
Gray Munthali	Deputy Director, Department of Climate Change and Meteorological Services (and Chair of the Climate Change Technical Committee)	19/09/2013
Hastings Ngoma	Risk Management Expert and African Risk Capacity Coordinator, Department of Planning, Ministry of Agriculture and Food Security	19/09/2013
Yanira Ntupanyama	Permanent Secretary, Ministry of Environment and Climate Change	23/09/2013
Mr T. Makambe	Deputy Director for Forestry, Forestry Department, Ministry of Environment and Climate Change Management	23/09/2013
Mr Kasaso	Assistant Director for Forestry (planning), Forestry Department, Ministry of Environment and Climate Change Management	23/09/2013
<b>Fourth mission – International consultant</b>		
26th meeting of the Climate Change Technical	Various – as per minutes	16–7/10/2013

Committee		
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### ***Annex 5: Other projects with which ADAPT-PLAN has complementarities***

The project recognises and complements the planned approaches and efforts of the three other LDCF projects at various stages of implementation within Malawi: the Climate Adaptation for Rural Livelihoods and Agriculture (CARLA) project, the 'Climate-proofing of Local and urban Development gains in Mangochi and Machinga districts' and "Strengthening climate information and early warning systems in Eastern and Southern Africa for climate resilient development and adaptation to climate change – Malawi" LDCF projects.

The goal of the CARLA project is to improve resilience to current climate variability and future climate change by developing and implementing adaptation strategies and measures that will improve agricultural production and rural livelihoods (Government of Malawi, 2010). The project is working in Dedza, Karonga and Chikwawa districts to support community-based adaptation that improves agricultural production and rural livelihoods, whilst also strengthening the awareness and capacity of districts and relevant national level ministries to support community-based adaptation. Based on demonstrations from a model CARLA community, selected vulnerable communities will be encouraged to develop Community Adaptation Action Plans. There is no overlap of project sites, but through the CCTC communication regarding the nature of these community level adaptation plans will be shared, given that ADAPT-PLAN has the same aim in communities in Nkhata Bay, Ntcheu and Zomba. Since CARLA is more advanced in implementation, these communications should enable avoidance of any emerging pitfalls in the process and replication of good practices in process into the ADAPT-PLAN project.

The climate proofing urban and rural development gains in Mangochi and Machinga districts project also under development, has a goal of using ecological, physical and policy measures to reduce vulnerability to climate change driven droughts, floods and post-harvest grain losses for rural and urban communities of Machinga and Mangochi Districts of Malawi (reaching over 0.5 million people). These districts lie along the upper Shire basin which is along the great African rift valley, and suffer from recurrent extremes of floods and drought. The project will use two components to facilitate the use of an integrated package of ecological, physical and policy measures to reduce climate change related risks and improve the effectiveness of the baseline initiatives in Mangochi and Machinga Districts. Ecological and physical infrastructure measures for water management will be adopted to regulate baseflow and reduce risk of climate change driven floods while mitigating against droughts. In addition, climate safe post-harvest management technologies and practices will reduce grain loss and increase food security and resilience of vulnerable rain depended small holder farmers. Replication and sustainability of these initiatives will be secured through mainstreaming climate change considerations and financing into local development programs and a capacitated extension service.

The Strengthening climate information and early warning systems in Eastern and Southern Africa for climate resilient development and adaptation to climate change – Malawi project, implemented by the Department of Disaster Management Affairs under the Office of the President and Cabinet – in collaboration with key Responsible Parties, namely Department of Climate Change and Meteorological Services and Department of Water Resources – will: i) establish a functional network of meteorological and hydrological monitoring stations and associated infrastructure to better understand climatic changes; ii) develop and disseminate tailored weather and climate information (including early warnings for drought, floods and Mwera winds) to meet the needs of end-users in particular local farmers and fishermen in at least 7 disaster prone priority districts, namely Phalombe, Dedza, Kasungu, Lilongwe, Salima, Nkhatakota, Karonga and Nkhata Bay; iii) integrate weather and climate information and early warning systems into national sector specific policies and district development plans in at least 7 priority disaster-prone districts; and iv) establish cooperation agreements

with national hydro-meteorological counterparts in Mozambique to improve warnings for tropical cyclones, flooding, Mwera winds and drought. The project is expected to be completed by December 2017; and is embedded in the overarching UNDP support to Disaster Risk Management (DRM) and UNDAF. Since Nkhata Bay is included as one of the main districts in which strengthening climate information and early warning is being implemented, it is excluded under output 2.4 of ADAPT-PLAN, which refers to the improved communication of weather information to benefit local-level farmers.

A Project entitled: *Building the capacity of most vulnerable households to meet their basic needs and withstand shocks (by resisting or adapting their livelihoods)*, has been developed by FAO, UNICEF, UNDP and WFP, that will be implemented in Phalombe District, led by FAO. The project will link humanitarian interventions (mainly as a result of food insecurity caused by droughts) with development interventions (social protection, agriculture, Disaster Risk Reduction) in order to build resilience of targeted vulnerable population. It will specifically undertake: 1. Participatory identification of integrated (social, agricultural, nutrition, WASH and ecological) action required to increase resilience of vulnerable households to climatic and economic shocks; 2. Support and implement Social protection programmes in coordination with humanitarian emergency assistance; and 3. Strengthen capacity of service providers (government staff including agricultural, health and education extension workers, local authorities, schools, lead farmers, input providers, religious leaders, all communications channels like community radios, local theatre groups) and thereby strengthen capacities of vulnerable households and at risk communities to "bounce back" aftershocks. This will further define and operationalize the concept of resilience and its operationalization at District level, and may serve as model for further resilience based activities in Malawi. UNDP will be responsible for supporting District coordination and capacity strengthening, e.g. through the District Planning processes.

The project also recognizes the two NGO consortia of NGOs implementing Enhancing Community Resilience Programmes (ECRP) funded by DFID to the tune of \$3 million from 2012-16, benefiting 600,000 people (c.120,000 households). The consortia operates in 11 districts, none of which overlap with those in this project. The approach is to enable communities to switch to resilient livelihoods through working with Civic Protection Committees and Lead Farmers to provide knowledge and behavioral practices (not inputs) in order to address dependency and ease the likelihood of other non-targeted households following suit. Of particular relevance to ADAPT-PLAN is the fact that they are also improving communication of weather information to farmers. They have signed a cost-free MoU with the DCCMS to provide the forecasts every 5 days. They then translate them into layman's language and work through an African-owned web-based supplier [Esoko](#), which sends the messages to cellphones at a cost of \$1 per farmer per year. Given the cost implications, and the fact that communicating weather information is a small and supportive component of the ADAPT-PLAN project, the preferred method of communication will be different, but the process of better communicating weather information can build on ECRP's experience as it is replicated to the two additional districts. DCCMS is strongly in favour of, and willing to support the process of improved communication of its information.

## Annex 6: Capacity Assessment

The following table outlines the HACT preliminary Micro Assessment for the Environmental Affairs Department in the Ministry of Environment and Climate Change Management – the executive on the project board and the current host of the ongoing National Climate Change Programme. At the time of submission, the Ministry of Environment and Climate Change was relatively new and thus its HACT had not yet been completed.

Additionally, according to the list of micro-assessed IPs as at 14<sup>th</sup> November 2013, all three participating districts (Nkhata Bay, Ntcheu and Zomba) have been classified “moderate risk” by the latest district-level HACT, which means that cash transfers through the LDF can be allowed but with appropriate spot checks and training.

UN agencies in Malawi are in the process of conducting HACT assessments on all ministries (e.g. MEP&D is due its next assessment shortly). Other Responsible Partners in this project (e.g. the LDF and Districts) have not yet been assessed, but quarterly spot checks will be made by project manager/assistance project manager as it is standard for them to be done quarterly on all implementing partners.

AREAS FOR ASSESSMENT	ASSESSMENT QUESTIONS	REFERENCE DOCUMENTS AND INFORMATION SOURCES
<b>PART I. BACKGROUND INFORMATION</b>		
1. History	Date of establishment of the organization <i>EAD was established in 1994, but now it is under a new ministry called Ministry of Environment and Climate Change (MECC) which has been established in 2012</i>	Annual Reports, Media Kit, Website
2. Mandate and constituency	What is the current mandate or purpose of the organization? Who is the organization's primary constituency? <i>To oversee compliance and coordination of environment and natural resource in the country</i>	Annual Reports, Media Kit, Website
3. Legal status	What is the organization's legal status? Has it met the legal requirements for operation in the programme country? <i>EAD is a legal entity under the 1996 Environmental Management Act.</i>	Charter, legal registration
4. Funding	<i>What is the organization's main source (s) of funds?</i> <i>Government of Malawi, UNDP, UNEP</i>	Annual Reports
5. Certification	Is the organization certified in accordance with any international standards or certification procedure? <i>The EAD is not certified through any international ISO or project management standards.</i>	ISO, Project Management standard, other standards
6. Proscribed organizations	Is the organization listed in any UN reference list of proscribed organizations? <i>No</i>	<a href="http://www.un.org/sc/committees/1267/consolist.shtml">http://www.un.org/sc/committees/1267/consolist.shtml</a>
<b>PART II. PROJECT MANAGEMENT CAPACITY</b>		
<b>2.1 Managerial Capacity</b>		
1. Leadership Commitment	Are leaders of the organization ready and willing to implement the proposed project? <i>The leadership of EAD is willing to implement the proposed project.</i>	Interviews
2. Management experience and qualifications	Which managers in the organization would be concerned with the proposed project? What are their credentials and experience that relate to the proposed project? Do these managers have experience implementing UNDP or other donor-funded projects? <i>The managers that will be concerned include the Principle Secretary for MECC, The Director, The Assistant directors, and Environmental District Officers. The team has sufficient experience and credentials related to the proposed project. The team also been involved in managing UNDP or other donor</i>	CVs of managers Interviews with managers Reports of past projects



AREAS FOR ASSESSMENT	ASSESSMENT QUESTIONS	REFERENCE DOCUMENTS AND INFORMATION SOURCES
	<i>supported programmes for more than 19 years.</i>	
3. Planning and budgeting	<p>Does the organization apply a results-based management methodology? Are there measurable outputs or deliverables in the strategies, programmes and work plans? Are budgets commensurate with intended results? How do planners identify and accommodate risks?</p> <p><i>The Programme applies the RBM methodology. Measurable indicators are clearly set out in the PSD as well as in the Annual Work-plans. Budgets are based on the various outputs which are designed to lead to the realization of the intended results. Planners identify risks at both the design and on-going monitoring levels. Project activities are adjusted accordingly depending on the identified risks.</i></p>	<p>Strategy documents</p> <p>Project and programme documents</p> <p>Sample proposals, work plans and budgets</p>
4. Supervision, review, and reporting	<p>How do managers supervise the implementation of work plans? How do they measure progress against targets?</p> <p>How does the organization document its performance, e.g., in annual or periodic reports? How are the organization's plans and achievements presented to stakeholders?</p> <p>Does the organization hold regular programme or project review meetings? Are such meetings open to all stakeholders?</p> <p>Are the organization's activities subject to external evaluation? How does the organization learn and adapt from its experience?</p> <p><i>Managers supervise the implementation of work plans through continuous engagement and monitoring of activities against submitted quarterly work plans. Progress is measured through quarterly reports but concrete evidence towards progress is only obtained through evaluations.</i></p> <p><i>The Programme documents its performance through quarterly, bi-annual and annual progress reports. The Programme's plans and achievements are presented to stakeholders through annual work plans and reports.</i></p> <p><i>The Programme holds tripartite review meetings with its financing partners once a year and other stakeholders through stakeholder consultative forums. The meetings are open to implementing partners and cooperating organizations.</i></p>	<p>Annual reports, presentation to stakeholders</p> <p>Internal reports</p> <p>Evaluation reports</p> <p>Lessons-Learned reports</p>
5. Networking	<p>What other organizations are critical for the successful functioning of this organization? How does the organization conduct relations with these organizations? Is the organization a party to knowledge networks, coordinating bodies, and other fora?</p> <p><i>Other organisations critical for successful functioning of EAD include but not limited to Ministry of Finance, Ministry of Environment and Climate Change, Ministry of Economic Planning and Development, Ministry of Local Government and Rural Development, District Assemblies, Department of Meteorology and Climate Change, UN agencies, development partners, NGOs and Faith Based organisations.</i></p> <p><i>EAD manages its relations well and is part of the Steering and Technical Committees for Climate Change, annual national symposium of Disaster Risk Management, Climate Change, Environment and Energy.</i></p>	<p>Descriptions of network and stakeholder fora</p>
<b>2.2 Technical Capacity</b>		

AREAS FOR ASSESSMENT	ASSESSMENT QUESTIONS	REFERENCE DOCUMENTS AND INFORMATION SOURCES
1. Technical knowledge and skills	<p>Do the skills and experience of the organization's technical professionals match those required for the project? Would these professionals be available to the project?</p> <p>Does the organization have the necessary technical infrastructure (e.g., laboratories, equipment, software, technical data bases, etc.) to support the implementation of the project?</p> <p>How do staff members of the organization keep informed about the latest techniques and trends in their areas of expertise?</p> <p>What external technical contacts and networks does the organization utilize?</p> <p>What professional associations does the organization and/or its professional staff belong to?</p> <p><i>The skills and experience of technical professionals match those required for the programme. There is adequate technical infrastructure.</i></p> <p><i>The staff keep informed about latest developments in their specialist areas through continuous staff development programs, attending workshops and conferences.</i></p> <p><i>The organization hires Consultants for some assignments to enhance objectivity, infuse new knowledge and techniques and bring in fresh perspectives.</i></p>	<p>CVs of technical staff</p> <p>Knowledge network membership</p> <p>Technical library facilities</p> <p>Reports from participation in international, regional, national or local meetings and conferences</p> <p>Facilities description</p>
<b>PART III. ADMINISTRATIVE AND FINANCIAL MANAGEMENT CAPACITIES</b>		
<b>3.1 Administrative capacity. Note: Answer only questions that are relevant to the proposed project.</b>		
1. Facilities, infrastructure and equipment	<p>Does the organization possess sufficient administrative facilities, infrastructure, equipment and budget to carry out its activities, particularly in relation to the requirements of the project?</p> <p>Can the organization manage and maintain the administrative and technical equipment and infrastructure?</p> <p><i>The organization possesses sufficient administrative facilities, infrastructure and equipment but government budget allocations are at times not adequate.</i></p> <p><i>The existing administrative and technical equipment can be managed and maintained professionally.</i></p>	<p>Facilities and equipment available for project requirements</p> <p>Maintenance personnel and budget</p>
2. Procurement and contracting	<p>Does the organization have the legal authority to enter into contracts and agreements with other organizations? Does the organization have access to legal counsel to ensure that contracts are enforceable, meet performance standards, and protect the interests of the organization and UNDP?</p> <p>Does the organization have dedicated procurement capacity? Do procurement personnel have skills and experience that are appropriate to the requirements of the project? Does the organization have written procurement procedures?</p> <p>Is there evidence that the organization conducts procurement on the basis of best value for money, transparency, and effective international competition?</p> <p>Does the organization have a system and procedures for asset management and inventory control?</p> <p><i>The organization has legal authority. Being a Government Agency, the final resort in terms of legal matters is with the Attorney General's Office but this has never been invoked so far.</i></p>	<p>Procurement manual</p> <p>Standard contracts</p> <p>Documentation on procurement processes, sample contracts</p> <p>Supplier data base</p> <p>Audit reports</p> <p>Interview with legal counsel</p> <p>CVs of procurement personnel</p>

AREAS FOR ASSESSMENT	ASSESSMENT QUESTIONS	REFERENCE DOCUMENTS AND INFORMATION SOURCES
	<p><i>The organization has procurement capacity and also gets critical procurement support from the UNDP procurement section for high value external purchases. The project follows the Government of Malawi procurement guidelines. Yes there is evidence that procurement is guided by the stated values.</i></p> <p><i>Yes there is a system of and procedures for asset management and inventory control.</i></p>	
3. Recruitment and personnel management	<p>Does the organization have the legal authority to enter into employment contracts with individuals?</p> <p>Does the organization have dedicated personnel capacity? Do recruitment personnel have skills and experience that are appropriate to the requirements of the project? Does the organization have written recruitment procedures?</p> <p>Is there evidence that the organization conducts recruitment objectively on the basis of competition, fairness, and transparency?</p> <p>Does the organization have a salary scale that would apply to project personnel? Would that scale inhibit the hiring of the best candidates?</p> <p><i>The organization has legal authority to enter into employment contracts. There is some personnel capacity within the organization but, if necessary, the organization can draw from the parent Department's Human Resources Section. The organization does not have its own written recruitment procedures but draws from both the GoM and UNDP best practices.</i></p>	<p>Personnel manual</p> <p>Standard contracts and agreements</p> <p>Job descriptions or terms of reference</p> <p>Documentation of recruitment processes</p> <p>Roster files of potential job candidates</p> <p>CVs of recruitment personnel</p>
<b>3.2 Financial Management Capacity</b>		
1. Financial management organization and personnel	<p>Does the organization have written rules and regulations for financial management that are consistent with international standards? Does the organization have a dedicated finance unit?</p> <p>Do finance managers and personnel have skills and experience that are appropriate to the requirements of the project? Is the existing financial management capacity adequate to meet the additional requirements of the project?</p> <p>Do finance personnel have experience managing donor resources?</p> <p><i>EAD has a finance unit with a recording system as follows: Books for Internal and external checks; book for banking check and book for budget check. These books are used by the Ministry of Finance to check the compliance accuracy of financial management. It is complemented with quarter and annual accountability report system</i></p> <p><i>For the Ministry of Finance that can be made available to donors upon request.</i></p> <p><i>There is ongoing work to create the manual of procedure for financial regulation;</i></p> <p><i>Annual audits carried out since Programme inception have consistently deemed the financial position of the programme to be in accordance with UNDP accounting requirements until 2010 when some challenges emerged. These have been largely attributed to high staff turn-over within the finance unit. Provisions</i></p>	<p>CVs of financial personnel</p> <p>A bank account or bank statements</p> <p>Interviews with financial management staff</p> <p>Finance manual</p> <p>Financial sector review report</p>

AREAS FOR ASSESSMENT	ASSESSMENT QUESTIONS	REFERENCE DOCUMENTS AND INFORMATION SOURCES
	<p><i>were made to train all new accounts personnel on UNDP guidelines.</i></p> <p><i>Most of the finance personnel have experience managing donor resources.</i></p>	
2. Financial position	<p>Does the organization have a sustainable financial position? What is the maximum amount of money the organization has ever managed? If the proposed project is implemented by this organization, what percentage of the organization's total funding would the project comprise?</p> <p><i>EAD has for operational fund received from State Budget but for the implementation of projects EAD also depends on contributions from development partners i.e. UNDP, WB</i></p> <p><i>So far the programme has managed a maximum of USD 500,000 per annum</i></p> <p><i>The current project would represent 70% of the organization's total cumulative funding</i></p>	Financial statements
3. Internal control	<p>Does the organization maintain a bank account? Does the organization have written rules and procedures on segregation of duties for receipt, handling and custody of funds? How does the organization ensure physical security of advances, cash and records?</p> <p>Does the organization have clear written procedures and internal controls governing payments? How does the organization ensure that expenditures conform to their intended uses? Does the organization have a policy requiring two signatures for payments over a defined limit?</p> <p>Is there any evidence of non-compliance with financial rules and procedures?</p> <p><i>Yes the organization has a bank account and follows GoM rules for segregation of duties in the Accounts section.</i></p> <p><i>Advances are maintained in the bank account. There is no evidence of non-compliance with financial rules and procedures.</i></p> <p><i>The physical security of advances and cash is ensured through the insistence of using a cheque based payments system while records are stored both electronically and physically in secure, fire proof cabinets.</i></p>	Finance manual Financial rules and regulations
4. Accounting and financial reporting	<p>Are accounts established and maintained in accordance with national standards or requirements?</p> <p>When and to whom does the organization provide its financial statements?</p> <p>Can the organization track and report separately on the receipt and use of funds from individual donor organizations?</p> <p>Is there any evidence of deficiencies in accounting or financial reporting?</p> <p><i>Accounting records meet national accounting standards.</i></p> <p><i>Financial statements are provided to the UNDP, Ministry of Finance and the Auditors on a quarterly basis and upon request.</i></p> <p><i>Funds are managed through a designated Environment and Energy project account.</i></p>	Description of accounting system and reporting arrangements Financial reports

AREAS FOR ASSESSMENT	ASSESSMENT QUESTIONS	REFERENCE DOCUMENTS AND INFORMATION SOURCES
5. Audit	<p>Is the organization subject regularly to external audit? Is audit conducted in accordance with international audit standards? Are audit findings public? If so, have the organization's financial audits produced any significant recommendations for strengthening of financial systems and procedures? Have audits identified instances non-compliance with rules and procedures or misuse of financial resources? What has been done to carry out audit recommendations?</p> <p><i>The project is audited on an annual basis by UNDP appointed external auditors in accordance with international standards.</i></p> <p><i>Audit reports, though not published, are public documents.</i></p> <p><i>The National Audit Office also conducts audits for EAD's implementing partners, also on an annual basis. So far, there has been major findings regarding deficiencies in accounting and financial reporting in the last audit report for 2011 which resulted in a change of financing modality from Direct Cash Transfer to Direct Payment. This is an interim arrangement to enable EAD to improve its financial management systems.</i></p> <p><i>Donor and Internal follow up meetings have been held to ensure audit recommendations are carried out.</i></p>	<p>Audit reports</p> <p>Audit follow up reports</p>

## Annex 7: Risk Log

### OFFLINE RISK LOG

(see [Deliverable Description](#) for the Risk Log regarding its purpose and use)



<b>Project Title: ADAPT-PLAN</b>	<b>Award ID:</b>	<b>Date: 02 February 2014</b>
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#	Description	Date Identified	Type	Impact & Probability	Countermeasures / Mngt response	Owner	Submitted, updated by	Last Update	Status
1	Political instability	2013 (project formulation)	Political	Uncertainty around the election has contributed to uncertainty among donors in future contributions, possibly negatively affecting leveraging efforts by UNDP (P=3, I=2)	Through UNDP, political developments and governance issues in the country will be monitored closely and discussed with donor partners where appropriate measures will be adopted that will not negatively affect the future of the programme.	Project Coordinator	Prodoc consultant	June 2014	Under monitoring
2	Institutional change	2013 (project formulation)	Organizational	2014 is an election year and there is a low probability (P=1, I=5) that the ministries may be shuffled around by the new government so the final quarter of 2014 is foreseen as a realistic start date.	Through UNDP, institutional change will be monitored and a proactive approach to modification of implementation arrangements designed if required.	Project coordinator	Prodoc consultant	June 2014	Under monitoring

3	Financial management (in)capacity	2013 (project formulation )	Financial	<p>The “cashgate” financial mismanagement case caused many donors to freeze their assistance pending further investigation</p> <p>All three Districts have been HACT-assessed as moderate risk.</p> <p>(P =3, I=3)</p>	<p>Through UNDP, political developments and governance issues in the country will be monitored closely and discussed with donor partners where appropriate measures will be adopted that will not negatively affect the future of the programme.</p> <p>Addressing weaknesses of HACT assessments: quarterly spot checks and financial management training to back up the direct cash transfer-through LDF mechanism.</p>	Project coordinator	Prodoc consultant	June 2014	Under monitoring
4	Political will and change in mindset around climate change	2013 (project formulation )	Strategic	Whilst line ministries and districts are currently committed, a change in staffing could alter their commitment to mainstreaming adaptation (P = 2, I = 3)	The situation will be monitored but risk will likely decrease over time once implementation begins	Project coordinator	Prodoc consultant	June 2014	To be monitored after implementation
5	Diverting of funds by implementing partners (MLGRD	2014 (project	financial	Continued inadequate funding for district development plans may	The situation will be monitored but is unlikely due to the	Project coordinator	Prodoc consultant	June 2014	To be monitored as part of project



	and 3 districts)	start)		lead to some districts being tempted to divert funds for other activities (P = 2, I = 3)	HACT audits and fact that each institutions has to use appropriate M&E to have budgets released				and process M&E
6	Major climate hazards occurring in districts of implementation	2014 (project start)	Environmental	Occurrence of floods and droughts may impede effectiveness of project implementation through undermining and delaying the planning process and implementation of tangible adaptation activities and diverting political attention to emergency response (P = 2, I = 3)	UNDP and the project coordinator will monitor the situation and provide guidance on modifying timelines for delivery if required	Project coordinator	Prodoc consultant	June 2014	To be monitored once project is under implementation

## ***Annex 8: Indicative TOR for project personnel***

(Note they are divided into consultancies reflecting the particular thematic elements – integrating adaptation into development planning with specific reference to the Malawian context at district and national level; developing scale-appropriate adaptation indicators for use at district and national level; and adaptation costing; but ultimately one multi-disciplinary consortium may be sought to provide the entire technical support programme)

### **Consultancy 1: Designing and conducting training on mainstreaming climate adaptation into development planning at national and district levels**

This consultancy should be undertaken by an international firm in partnership with a national firm (in the attempts that the national firm's capacity is also built around the issues, so that they can deliver future iterations of the training course when scaling up the approach to different districts and ministries). Applications can be sought from pre-existing partnerships; or the NCCP may wish to make recommendations of local institutions to partner with international firms that submit proposals.

#### ***1. Background***

ADAPT-PLAN is concerned with mainstreaming adaptation into development planning at national and local (district) levels in Malawi. The project is funded by the Least Developed Countries Fund and will run for 5 years from 2014. In keeping with the National Climate Change Policy and the Climate Change Investment Plan, the priority line ministries for mainstreaming at national level are the Ministry of Agriculture, Ministry of Water, and the Department of Forestry in the Ministry of Environment and Climate Change Management. In terms of current developing planning, Agriculture has a Sector-Wide Approach, Water has a sector strategy, and Forestry has a sector working group strategy. Three districts have been chosen for the project: one in the north (Nkhata Bay), one in the centre (Ntcheu) and one in the south (Zomba). In-keeping with Malawi's commitment to decentralisation, each district develops their own District Development Plan. The ADAPT-PLAN projects aims for each ministry and district to be able to mainstream adaptation within their development plans, and to do this appropriate training is required.

As part of the process of developing the National Climate Change Policy and under the National Climate Change Programme, various scoping studies of training and capacity building needs have already been undertaken. The Ministry of Local Government and Rural Development has already developed a generic climate change-related training course ("Climate Change Training Manual for Training District Councils"), and thus the focus here is to repeat what has already been done but, using those resources, to develop highly practical and strategic training courses on HOW to mainstream climate change. As a result it is essential that the incumbent understands not only climate change and the risks that it will pose to development activities in Malawi, but also the decision-making context and how to best incorporate adaptive mechanisms within that process; and a mechanism for costing adaptation priorities that uses the same method used to develop the National Climate Change Policy and Climate Change Investment Plan.

ADAPT-PLAN Outputs that this Terms of Reference addresses:

- *Output 1.1 "A capacity development and incentive plan developed and action plan for implementation created to support the effective deployment of roles and responsibilities.*

- *Output 1.2 “Training materials developed and the capacity of 60 district staff and sub-district project beneficiaries built on climate change integration in local development planning, policies and regulation and environmental impact assessment.”*
- *Output 3.3 “Training developed and rolled out to 100 technical staff and managers in 3 relevant ministries to facilitate the investment plan development process.”*

## **2. Objective of consultancy**

To build the functional capacity of government planners at national and local (district) level to recognise climate change risks to their portfolios and activities and identify opportunities for addressing those risks through the mainstreaming of adaptation within their particular development planning processes and cycles. This includes an element of environmental impact assessment for district level staff, so that they are able to assess the likely environmental risks and impacts of planned interventions. The training programmes will be for (i) national level staff in the three line ministries and (ii) district level planning staff (District Environmental Sub-Committee and District Coordination Teams) in the three districts.

## **3. Duties and responsibilities**

Building on existing national capacity needs assessments and by directing the district-level climate capacity needs assessments that will be undertaken by the executives, develop applied training modules which can be used by planning staff to:

- Incorporate climate risk assessments in relation to possible impacts on people and the economy into integrated area-based planning approaches;
- Interpret climate modelling results to understand the nature of projected future change;
- Identify appropriate adaptation strategies to reduce the risks of climate change to their intended development plans;
- Conduct feasibility assessments of adaptation strategies which include cost-benefit, cost effectiveness and financial flows analysis, taking into account climate change risks over the lifetime of the CCA measures, assessed (building on the methods used in the National Climate Change Policy and Climate Change Investment Plan);
- Development of business plans to identify adaptation livelihoods and strategies with the best return and sustainability. The scope for value addition should be considered in the development of the business plans;
- Identify suitable indicators for monitoring and evaluation of such adaptation initiatives;
- Participatory methods for area-based planning (including vulnerability assessments) and monitoring and evaluation (particularly for district staff);
- Link all of the above tools and methods to the planning cycles in question (bearing in mind that although Agriculture is currently the only ministry with a SWAp, others are intending to move in that direction)
- As well as any other emerging needs.

An agreed schedule of training events should take place in 2015 in order that the relevant staff are appropriately equipped to begin the mainstreaming process as soon as possible; with technical backstopping available throughout 2016 and 2017. 60 participants are targeted within the 3 districts; and 60 staff within the 3 line ministries. Ideally one course should be run per district in each district, and one per ministry in Lilongwe.

Technical backstopping should be available to trainees as they begin the processes of operationalising their learning in 2015. The initial contract covers a set number of days and travel time to enable this, with a provision that more can be available on a needs basis.

#### **4. Outputs**

1. Development of training modules for use at district and national level (some of these will be the same; others will be different reflecting the different planning processes)
2. Six sets of training conducted in 2015 (with sex-disaggregated participant lists and evaluation forms available for each)
3. A report for each of the training levels (district and national) prepared, setting out main observations on participants' interventions, how the modules have been adapted over the training schedule and why, and a synthesis of evaluations.
4. Reports of technical backstopping as requested by different participants (remote and in-person).

#### **5. Timeline**

The contract will start in September 2014. The preparation of the training modules should take place between September and December 2014. The training schedule should begin in January 2015. The final training modules should be delivered by January 2015.

#### **6. Minimum required qualifications, skills and experience**

An international firm with demonstrable experience in the following:

- Development of training programmes
- Training facilitation
- Climate planning and risk management;
- Monitoring and evaluation techniques;
- Business case development;
- Project appraisal techniques;
- Climate change adaptation measures;
- Participatory vulnerability assessment techniques
- Awareness of development planning processes in Malawi
- Geographical experience in southern Africa
- Ability to travel as required

#### **Consultancy 2: Designing context-appropriate adaptation indicators for M&E at national and local scales**

This consultancy should be undertaken by an international firm in partnership with a national firm (in the attempts that the national firm's capacity is also built around the issues, so that they can deliver future iterations of the training course when scaling up the approach to different districts and ministries). Applications can be sought from pre-existing partnerships; or the NCCP may wish to make recommendations of local institutions to partner with international firms that submit proposals.

#### **1. Background**

ADAPT-PLAN is concerned with mainstreaming adaptation into development planning at national and local (district) levels in Malawi. The project is funded by the Least Developed

Countries Fund and will run for 5 years from 2014. In order to institutionalise the mainstreaming of adaptation within development planning processes, the project will set up a sustainable system of adaptation monitoring and evaluation that determines whether activities are deemed eligible for government funding (at local level through the Local Development Fund; or at national level through the Ministry of Finance).

The Local Development Fund currently uses an environmental safeguards system to assess whether projects are eligible for funding, and this consultancy should improve and expand that system to include climate risk indicators that prove that activities support adaptation. District Development Plans will then be subject to this system when applying for funding to carry out their planned activities, and the implementation and outputs of these projects will, in turn, be monitored against these new climate risk/adaptation indicators.

At national level, all line ministries submit their SWAps, sector working group strategies or sector strategies (i.e. their development plans) to the Ministry of Economic Planning and Development, who similarly screen them and recommend (or otherwise) that the Ministry of Finance releases funds to implement them. This system needs to have additional climate risk/adaptation indicators in order that any development plans that are not adaptive are stopped from receiving funding.

Although the drivers of climate risk and adaptation are likely to be similar at national and local level, in reality the indicators used in each system are likely to differ slightly in order to appropriately capture the correct scale of analysis. Once the safeguards systems have been developed, those using them (Local Development Fund staff and Ministry of Economic Planning and Development staff; and the relevant district and line ministry development planning staff) need to be trained in them and their use.

ADAPT-PLAN Outputs that this Terms of Reference addresses:

- *Output 2.1: “Screening tools used by the Local Development Fund updated to incorporate adaptation to climate change.”*
- *Output 3.3 “Training developed and rolled out to 100 technical staff and managers in 3 relevant ministries to facilitate the investment plan development process.”*

## **2. Objective of consultancy**

To design indicators for use in screening, monitoring and evaluating development proposals at local and national level to ensure that they have considered climate risk and are adaptive; and to build the capacity of the relevant personnel in the necessary institutions (the Local Development Fund and District Finance Officer, District M&E Officer and EDO at local level; and Department of Planning in MEP&D and planning staff in agriculture, water and forestry) at national level to effectively use these indicators to design and also monitor development plans.

## **3. Duties and responsibilities**

- Build on the review of district level indicators and the extent to which they are climate-resilient, to be undertaken in each district by the M&E officer and EDO under output 1.7 “*CCA vulnerability/CCA resilience indicators and data collection protocols agreed and added to district level databanks for planning purposes.*”
- Build a climate safeguards system comprising scale-appropriate indicators for use at district level (as applied by the Local Development Fund) and national level (as applied by the Ministry for Economic Planning and Development)

- Provide training in the use of these scale-specific safeguards systems to district planning staff and Local Development Fund staff at the local level; and to Ministry of Economic Planning and Development staff and planning staff in three line ministries (Agriculture, Water and Forestry) at national level

Technical backstopping should be available to trainees as they begin the processes of operationalising their learning in 2015. The initial contract covers a set number of days and travel time to enable this, with a provision that more can be available on a needs basis.

#### **4. Outputs**

- Development of a district climate safeguards system (including trials based on existing portfolios to ensure appropriateness)
- Development of a national climate safeguards system (including trials based on existing portfolios to ensure appropriateness)
- Development of training modules to familiarise local level staff with the operation of the district level system
- Development of training modules to familiarise national level staff with the operation of the national level system
- Four sets of training conducted in 2015: one with district level “implementers” of the safeguards (i.e. the Local Development Fund staff); one with district level staff who need to apply the system to their proposals; one with national level “implementers” of the safeguards (i.e. the Ministry of Economic Planning and Development); and one with national level staff who need to apply the system to their proposals (i.e. planners in Agriculture, Water and Forestry).
- A report for each of the training levels (district and national) prepared, setting out main observations on participants’ interventions, how the modules have been adapted over the training schedule and why, and a synthesis of evaluations.
- Reports of technical backstopping as requested by different participants (remote and in-person).

#### **5. Timeline**

The contract will start in January 2015. It should take cognisance of the outputs of the first consultancy, which is training on how to identify climate risks and design adaptive responses, as well as propose indicators – as the ultimate safeguards system will likely build on these (it will have to be broader to cover a wider range of sectors). The preparation of the safeguards system and trialling on existing portfolios should take place between January and July 2015. The training schedule should begin in August 2015. The final training modules should be delivered by January 2016.

#### **6. Minimum required qualifications, skills and experience**

An international firm with demonstrable experience in the following:

- Portfolio climate risk screening
- Adaptation monitoring and evaluation
- Indicator creation and use
- Development of training programmes
- Training facilitation
- Awareness of development planning processes in Malawi
- Geographical experience in southern Africa
- Ability to travel as required

### **Consultancy 3: Designing and conducting training on costing adaptation activities at national and local levels**

This consultancy should be undertaken by an international firm in partnership with a national firm (in the attempts that the national firm's capacity is also built around the issues, so that they can deliver future iterations of the training course when scaling up the approach to different districts and ministries). Applications can be sought from pre-existing partnerships; or the NCCP may wish to make recommendations of local institutions to partner with international firms that submit proposals.

#### **1. Background**

ADAPT-PLAN is concerned with mainstreaming adaptation into development planning at national and local (district) levels in Malawi. The project is funded by the Least Developed Countries Fund and will run for 5 years from 2014. In keeping with the National Climate Change Policy and the Climate Change Investment Plan, the priority line ministries for mainstreaming at national level are the Ministry of Agriculture, Ministry of Water, and the Department of Forestry in the Ministry of Environment and Climate Change Management. In terms of current developing planning, Agriculture has a Sector-Wide Approach, Water has a sector strategy, and Forestry has a sector working group strategy. Three districts have been chosen for the project: one in the north (Nkhata Bay), one in the centre (Ntcheu) and one in the south (Zomba). In-keeping with Malawi's commitment to decentralisation, each district develops their own District Development Plan. The ADAPT-PLAN projects aims for each ministry and district to be able to mainstream adaptation within their development plans, and to do this appropriate training is required.

As part of the process of developing the National Climate Change Policy and under the National Climate Change Programme, various scoping studies of training and capacity building needs have already been undertaken. The Ministry of Local Government and Rural Development has already developed a generic climate change-related training course ("Climate Change Training Manual for Training District Councils"), and thus the focus here is to repeat what has already been done but, using those resources, to develop highly practical and strategic training courses on HOW to mainstream climate change. As a result it is essential that the incumbent understands not only climate change and the risks that it will pose to development activities in Malawi, but also the decision-making context and how to best incorporate adaptive mechanisms within that process; and a mechanism for costing adaptation priorities that uses the same method used to develop the National Climate Change Policy and Climate Change Investment Plan.

ADAPT-PLAN Outputs that this Terms of Reference addresses:

- *Output 1.3 "Climate public expenditure and institutional analysis carried out to determine CCA expenditures and CCA expenditure gaps within district level budgets, supported by a training programme for relevant staff."*
- *Output 3.1 "Technical support programme for climate change adaptation costing work set up and made operational."*
- *Output 3.2 "Training delivered to operationalise the Ministry of Finance budget preparation guidelines."*

#### **2. Objective of consultancy**

To build the functional capacity of government planners at national and local (district) level to recognise climate change risks to their portfolios and activities and identify opportunities for

addressing those risks through the mainstreaming of adaptation within their particular development planning processes and cycles. The training programmes will be for (i) national level staff in the three line ministries and (ii) district level planning staff (District Environmental Sub-Committee and District Coordination Teams) in the three districts.

### **3. Duties and responsibilities**

Building on existing national capacity needs assessments and the district-level climate capacity needs assessments that will be undertaken by the executives, develop applied training modules which can be used by planning staff to:

- Incorporate climate risk assessments in relation to possible impacts on people and the economy into integrated area-based planning approaches;
- Interpret climate modelling results to understand the nature of projected future change;
- Identify appropriate adaptation strategies to reduce the risks of climate change to their intended development plans;
- Conduct feasibility assessments of adaptation strategies which include cost-benefit, cost effectiveness and financial flows analysis, taking into account climate change risks over the lifetime of the CCA measures, assessed (building on the methods used in the National Climate Change Policy and Climate Change Investment Plan);
- Development of business plans to identify adaptation livelihoods and strategies with the best return and sustainability. The scope for value addition should be considered in the development of the business plans;
- Identify suitable indicators for monitoring and evaluation of such adaptation initiatives;
- Participatory methods for area-based planning (including vulnerability assessments) and monitoring and evaluation (particularly for district staff);
- Link all of the above tools and methods to the planning cycles in question (bearing in mind that although Agriculture is currently the only ministry with a SWAp, others are intending to move in that direction)
- As well as any other emerging needs.

An agreed schedule of training events should take place in 2015 in order that the relevant staff are appropriately equipped to begin the mainstreaming process as soon as possible; with technical backstopping available throughout 2016 and 2017. 60 participants are targeted within the 3 districts; and 60 staff within the 3 line ministries. Ideally one course should be run per district in each district, and one per ministry in Lilongwe.

Technical backstopping should be available to trainees as they begin the processes of operationalising their learning in 2015. The initial contract covers a set number of days and travel time to enable this, with a provision that more can be available on a needs basis.

### **4. Outputs**

1. Development of training modules for use at district and national level (some of these will be the same; others will be different reflecting the different planning processes)
2. Six sets of training conducted in 2014 (with sex-disaggregated participant lists and evaluation forms available for each)



3. A report for each of the training levels (district and national) prepared, setting out main observations on participants' interventions, how the modules have been adapted over the training schedule and why, and a synthesis of evaluations.
4. Reports of technical backstopping as requested by different participants (remote and in-person).

## **5. Timeline**

The contract will start in September 2015. The preparation of the training modules should take place between September and December 2015. The training schedule should begin in January 2015.

## **6. Minimum required qualifications, skills and experience**

An international firm with demonstrable experience in the following:

- Development of training programmes
- Training facilitation
- Climate planning and risk management;
- Monitoring and evaluation techniques;
- Business case development;
- Project appraisal techniques;
- Climate change adaptation measures;
- Participatory vulnerability assessment techniques
- Awareness of development planning processes in Malawi
- Geographical experience in southern Africa
- Ability to travel as required

## **4. Position for duration of project –Project Manager**

### **1. Background**

ADAPT-PLAN is concerned with mainstreaming adaptation into development planning at national and local (district) levels in Malawi. The project is funded by the Global Environment Facility through the Least Developed Countries Fund and will run for 5 years from 2014. In keeping with the National Climate Change Policy and the Climate Change Investment Plan, the priority line ministries for mainstreaming at national level are the Ministries responsible for Agriculture, Water and Forestry. In terms of current developing planning, Agriculture has a Sector-Wide Approach, Water has a sector strategy, and Forestry has a sector working group strategy. Three districts have been selected for the project: one in the north (Nkhata Bay), one in the centre (Ntcheu) and one in the south (Zomba). In-keeping with Malawi's commitment to decentralisation, each district develops their own District Development Plan. The ADAPT-PLAN project aims for each ministry and district to be able to mainstream adaptation within their development plans. Resources are also to be made available for tangible adaptation activities to support some of the activities identified as priorities within the district. Most of the field activities will be subcontracted to Responsible Parties.

### **2. Objectives**

The Project Manager will provide overall operational management for the successful execution and implementation of the project. (S)he will be based within the National Climate Change Programme at the Ministry of Environment and Climate Change Management. The Project Manager will be a technical and administrative specialist that can provide both

technical and administrative support to the project, support the Project Director in the execution of technical duties, and effectively management sub-contractors.

### **3. Duties and Responsibilities**

The PM will be responsible for the following tasks:

- Support the project director with managing human and financial resources in consultation with the Project Board Executive to achieve results in line with the outputs and activities outlined in the project document.
- Providing inputs into the preparation and implementation of annual and quarterly results-based work plans in line with indicators and targets specified in the logical framework endorsed by the management.
- Provide ad-hoc advice and support the RPs and sub-grantees where necessary
- Coordinating project activities with related and parallel activities with other government and NGO projects/programmes.
- Monitoring project activities, including financial matters, and preparing quarterly progress reports, and organising quarterly progress reviews.
- Supporting the Project Board Executive in organising PB and recording the minutes of the meetings.
- Reporting and providing feedback on project strategies, activities, progress, and barriers to PB and the TA
- Managing relationships with project stakeholders including donors, NGOs, government agencies, and others as required.
- Assisting the project manager with collating project monitoring data, analyze and produce Quarterly, Annual & Situational reports for UNDP/GEF, and other specific donor requirements
- Engage the donor community and local government development policy makers to disseminate results and learning, especially through the Climate Change Technical Committee.
- Support the Project Manager in all information needs as and when requested

### **6. Minimum required qualifications, skills and experience**

- University degree in administration, management, or other appropriate field
- A minimum of five years of experience in administration or project management, preferably in Malawi
- Strong communication skills with the ability to effectively and persuasively present information in a variety of settings and formats
- Technical skills in information and data management
- Understanding of climate change adaptation is desirable.

## Annex 9 Environmental and Social Assessment

### UNDP Environmental and Social Screening Template (December 2012)

#### QUESTION 1:

**Has a combined environmental and social assessment/review that covers the proposed project already been completed by implementing partners or donor(s)?**

Select answer below and follow instructions:

☒ →NO: Continue to Question 2 (do not fill out Table 1.1)

☐ →YES: No further environmental and social review is required if the existing documentation meets UNDP's quality assurance standards, and environmental and social management recommendations are integrated into the project. Therefore, you should undertake the following steps to complete the screening process:

1. Use Table 1.1 below to assess existing documentation. (It is recommended that this assessment be undertaken jointly by the Project Developer and other relevant Focal Points in the office or Bureau).
2. Ensure that the Project Document incorporates the recommendations made in the implementing partner's environmental and social review.
3. Summarize the relevant information contained in the implementing partner's environmental and social review in Annex A.2 of this Screening Template, selecting Category 1.
4. Submit Annex A to the PAC, along with other relevant documentation.

**Note: Further guidance on the use of national systems for environmental and social assessment can be found in the UNDP ESSP Annex B.**

TABLE 1.1: CHECKLIST FOR APPRAISING QUALITY ASSURANCE OF EXISTING ENVIRONMENTAL AND SOCIAL ASSESSMENT	Yes/No
1. Does the assessment/review meet its terms of reference, both procedurally and substantively?	
2. Does the assessment/review provide a satisfactory assessment of the proposed project?	
3. Does the assessment/review contain the information required for decision-making?	
4. Does the assessment/review describe specific environmental and social management measures (e.g. mitigation, monitoring, advocacy, and capacity development measures)?	
5. Does the assessment/review identify capacity needs of the institutions responsible for implementing environmental and social management issues?	
6. Was the assessment/review developed through a consultative process with strong stakeholder engagement, including the view of men and women?	
7. Does the assessment/review assess the adequacy of the cost of and financing arrangements for environmental and social management issues?	

**Table 1.1 (continued) For any “no” answers, describe below how the issue has been or will be resolved (e.g. amendments made or supplemental review conducted).**

**QUESTION 2:**

**Do all outputs and activities described in the Project Document fall within the following categories?**

- ☐ Procurement (in which case UNDP's [Procurement Ethics](#) and [Environmental Procurement Guide](#) need to be complied with)
- ☐ Report preparation
- ☐ Training
- ☐ Event/workshop/meeting/conference (refer to [Green Meeting Guide](#))
- ☐ Communication and dissemination of results

Select answer below and follow instructions:

- ☒ **NO** → Continue to Question 3
- ☐ **YES** → No further environmental and social review required. Complete Annex A.2, selecting Category 1, and submit the completed template (Annex A) to the PAC.

### QUESTION 3:

Does the proposed project include activities and outputs that support *upstream* planning processes that potentially pose environmental and social impacts or are vulnerable to environmental and social change (refer to Table 3.1 for examples)? (Note that *upstream* planning processes can occur at global, regional, national, local and sectoral levels)

Select the appropriate answer and follow instructions:

☒ **NO** → Continue to Question 4.

☐ **YES** → Conduct the following steps to complete the screening process:

1. Adjust the project design as needed to incorporate UNDP support to the country(ies), to ensure that environmental and social issues are appropriately considered during the upstream planning process. Refer to Section 7 of this Guidance for elaboration of environmental and social mainstreaming services, tools, guidance and approaches that may be used.
2. Summarize environmental and social mainstreaming support in Annex A.2, Section C of the Screening Template and select "Category 2".
3. If the proposed project ONLY includes upstream planning processes then screening is complete, and you should submit the completed Environmental and Social Screening Template (Annex A) to the PAC. If downstream implementation activities are also included in the project then continue to Question 4.

TABLE 3.1 EXAMPLES OF UPSTREAM PLANNING PROCESSES WITH POTENTIAL DOWNSTREAM ENVIRONMENTAL AND SOCIAL IMPACTS	Check appropriate box(es) below
1. Support for the elaboration or revision of <b>global-level</b> strategies, policies, plans, and programmes.  <i>For example, capacity development and support related to international negotiations and agreements. Other examples might include a global water governance project or a global MDG project.</i>	
2. Support for the elaboration or revision of <b>regional-level</b> strategies, policies and plans, and programmes.  <i>For example, capacity development and support related to transboundary programmes and planning (river basin management, migration, international waters, energy development and access, climate change adaptation etc.).</i>	
3. Support for the elaboration or revision of <b>national-level</b> strategies, policies, plans and programmes.  <i>For example, capacity development and support related to national development policies, plans, strategies and budgets, MDG-based plans and strategies (e.g. PRS/PRSPs, NAMAs), sector plans.</i>	
4. Support for the elaboration or revision of <b>sub-national/local-level</b> strategies, policies, plans and programmes.  <i>For example, capacity development and support for district and local level development plans and regulatory frameworks, urban plans, land use development plans, sector plans, provincial development plans, provision of services, investment funds, technical guidelines and methods, stakeholder engagement.</i>	

#### QUESTION 4:

**Does the proposed project include the implementation of *downstream* activities that potentially pose environmental and social impacts or are vulnerable to environmental and social change?**

To answer this question, you should first complete Table 4.1 by selecting appropriate answers. If you answer “No” or “Not Applicable” to all questions in Table 4.1 then the answer to Question 4 is “NO.” If you answer “Yes” to any questions in Table 4.1 (even one “Yes” can indicate a significant issue that needs to be addressed through further review and management) then the answer to Question 4 is “YES”:

☒ **NO** → No further environmental and social review and management required for downstream activities. Complete Annex A.2 by selecting “Category 1”, and submit the Environmental and Social Screening Template to the PAC.

☐ **YES** → Conduct the following steps to complete the screening process:

1. Consult Section 8 of this Guidance, to determine the extent of further environmental and social review and management that might be required for the project.
2. Revise the Project Document to incorporate environmental and social management measures. Where further environmental and social review and management activity cannot be undertaken prior to the PAC, a plan for undertaking such review and management activity within an acceptable period of time, post-PAC approval (e.g. as the first phase of the project) should be outlined in Annex A.2.
3. Select “Category 3” in Annex A.2, and submit the completed Environmental and Social Screening Template (Annex A) and relevant documentation to the PAC.

**TABLE 4.1: ADDITIONAL SCREENING QUESTIONS TO DETERMINE THE NEED AND POSSIBLE EXTENT OF FURTHER ENVIRONMENTAL AND SOCIAL REVIEW AND MANAGEMENT**

1. Biodiversity and <a href="#">Natural</a> Resources	Answer (Yes/No/ Not Applicable)
1.1 Would the proposed project result in the conversion or degradation of <a href="#">modified habitat</a> , <a href="#">natural habitat</a> or <a href="#">critical habitat</a> ?	No
1.2 Are any development activities proposed within a legally protected area (e.g. natural reserve, national park) for the protection or conservation of biodiversity?	No
1.3 Would the proposed project pose a risk of introducing invasive alien species?	No
1.4 Does the project involve natural forest harvesting or plantation development without an independent forest certification system for sustainable forest management (e.g. <i>PEFC</i> , the <i>Forest Stewardship Council</i> certification systems, or processes established or accepted by the relevant National Environmental Authority)?	No
1.5 Does the project involve the production and harvesting of fish populations or other aquatic species without an accepted system of independent certification to ensure sustainability (e.g. the <i>Marine Stewardship Council</i> certification system, or certifications, standards, or processes established or accepted by the relevant National Environmental Authority)?	No
1.6 Does the project involve significant extraction, diversion or containment of surface or ground water? <i>For example, construction of dams, reservoirs, river basin developments, groundwater extraction.</i>	No
1.7 Does the project pose a risk of degrading soils?	No
2. Pollution	Answer (Yes/No/ Not Applicable)
2.1 Would the proposed project result in the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and	No

<b>TABLE 4.1: ADDITIONAL SCREENING QUESTIONS TO DETERMINE THE NEED AND POSSIBLE EXTENT OF FURTHER ENVIRONMENTAL AND SOCIAL REVIEW AND MANAGEMENT</b>	
transboundary impacts?	
<b>2.2</b> Would the proposed project result in the generation of waste that cannot be recovered, reused, or disposed of in an environmentally and socially sound manner?	No
<b>2.3</b> Will the proposed project involve the manufacture, trade, release, and/or use of chemicals and hazardous materials subject to international action bans or phase-outs? <i>For example, DDT, PCBs and other chemicals listed in international conventions such as the Stockholm Convention on Persistent Organic Pollutants, or the Montreal Protocol.</i>	No
<b>2.4</b> Is there a potential for the release, in the environment, of hazardous materials resulting from their production, transportation, handling, storage and use for project activities?	No
<b>2.5</b> Will the proposed project involve the application of pesticides that have a known negative effect on the environment or human health?	No
<b>3. Climate Change</b>	
<b>3.1</b> Will the proposed project result in significant <sup>10</sup> greenhouse gas emissions? <i>Annex E provides additional guidance for answering this question.</i>	No
<b>3.2</b> Is the proposed project likely to directly or indirectly increase environmental and social vulnerability to climate change now or in the future (also known as maladaptive practices)? You can refer to the additional guidance in Annex C to help you answer this question. <i>For example, a project that would involve indirectly removing mangroves from coastal zones or encouraging land use plans that would suggest building houses on floodplains could increase the surrounding population's vulnerability to climate change, specifically flooding.</i>	No
<b>4. Social Equity and Equality</b>	<b>Answer</b> (Yes/No/ Not Applicable)
<b>4.1</b> Would the proposed project have environmental and social impacts that could affect indigenous people or other vulnerable groups?	No
<b>4.2</b> Is the project likely to significantly impact gender equality and women's empowerment <sup>11</sup> ?	Yes
<b>4.3</b> Is the proposed project likely to directly or indirectly increase social inequalities now or in the future?	No in both cases
<b>4.4</b> Will the proposed project have variable impacts on women and men, different ethnic groups, social classes?	Yes
<b>4.5</b> Have there been challenges in engaging women and other certain key groups of stakeholders in the project design process?	No
<b>4.6</b> Will the project have specific human rights implications for vulnerable groups?	No
<b>5. Demographics</b>	
<b>5.1</b> Is the project likely to result in a substantial influx of people into the affected community(ies)?	No

<sup>10</sup> Significant corresponds to CO<sub>2</sub> emissions greater than 100,000 tons per year (from both direct and indirect sources). Annex E provides additional guidance on calculating potential amounts of CO<sub>2</sub> emissions.

<sup>11</sup> Women are often more vulnerable than men to environmental degradation and resource scarcity. They typically have weaker and insecure rights to the resources they manage (especially land), and spend longer hours on collection of water, firewood, etc. (OECD, 2006). Women are also more often excluded from other social, economic, and political development processes.



<b>TABLE 4.1: ADDITIONAL SCREENING QUESTIONS TO DETERMINE THE NEED AND POSSIBLE EXTENT OF FURTHER ENVIRONMENTAL AND SOCIAL REVIEW AND MANAGEMENT</b>		
<b>5.2</b>	Would the proposed project result in substantial voluntary or involuntary resettlement of populations? <i>For example, projects with environmental and social benefits (e.g. protected areas, climate change adaptation) that impact human settlements, and certain disadvantaged groups within these settlements in particular.</i>	No
<b>5.3</b>	Would the proposed project lead to significant population density increase which could affect the environmental and social sustainability of the project? <i>For example, a project aiming at financing tourism infrastructure in a specific area (e.g. coastal zone, mountain) could lead to significant population density increase which could have serious environmental and social impacts (e.g. destruction of the area's ecology, noise pollution, waste management problems, greater work burden on women).</i>	No
<b>1. Culture</b>		
<b>6.1</b>	Is the project likely to significantly affect the cultural traditions of affected communities, including gender-based roles?	No
<b>6.2</b>	Will the proposed project result in physical interventions (during construction or implementation) that would affect areas that have known physical or cultural significance to indigenous groups and other communities with settled recognized cultural claims?	No
<b>6.3</b>	Would the proposed project produce a physical "splintering" of a community? <i>For example, through the construction of a road, powerline, or dam that divides a community.</i>	No
<b>2. Health and Safety</b>		
<b>7.1</b>	Would the proposed project be susceptible to or lead to increased vulnerability to earthquakes, subsidence, landslides, erosion, flooding or extreme climatic conditions? <i>For example, development projects located within a floodplain or landslide prone area.</i>	No
<b>7.2</b>	Will the project result in increased health risks as a result of a change in living and working conditions? In particular, will it have the potential to lead to an increase in HIV/AIDS infection?	No
<b>7.3</b>	Will the proposed project require additional health services including testing?	No
<b>3. Socio-Economics</b>		
<b>8.1</b>	Is the proposed project likely to have impacts that could affect women's and men's ability to use, develop and protect natural resources and other natural capital assets? <i>For example, activities that could lead to natural resources degradation or depletion in communities who depend on these resources for their development, livelihoods, and well-being?</i>	No
<b>8.2</b>	Is the proposed project likely to significantly affect land tenure arrangements and/or traditional cultural ownership patterns?	No
<b>8.3</b>	Is the proposed project likely to negatively affect the income levels or employment opportunities of vulnerable groups?	No
<b>9. Cumulative and/or Secondary Impacts</b>		<b>Answer</b> (Yes/No/ Not Applicable)
<b>9.1</b>	Is the proposed project location subject to currently approved land use plans (e.g. roads, settlements) which could affect the environmental and social sustainability of the project? <i>For example, future plans for urban growth, industrial development, transportation infrastructure, etc.</i>	NO
<b>9.2</b>	Would the proposed project result in secondary or consequential development which could lead to environmental and social effects, or would it have potential to generate	No

<b>TABLE 4.1:</b> <b>ADDITIONAL SCREENING QUESTIONS TO DETERMINE THE NEED AND POSSIBLE EXTENT OF FURTHER ENVIRONMENTAL AND SOCIAL REVIEW AND MANAGEMENT</b>
<p>cumulative impacts with other known existing or planned activities in the area?</p> <p><i>For example, a new road through forested land will generate direct environmental and social impacts through the cutting of forest and earthworks associated with construction and potential relocation of inhabitants. These are direct impacts. In addition, however, the new road would likely also bring new commercial and domestic development (houses, shops, businesses). In turn, these will generate indirect impacts. (Sometimes these are termed “secondary” or “consequential” impacts). Or if there are similar developments planned in the same forested area then cumulative impacts need to be considered.</i></p>

**ANNEX A.2: ENVIRONMENTAL AND SOCIAL SCREENING SUMMARY**  
(to be filled in after Annex A.1 has been completed)

**Name of Proposed Project:**

**A. Environmental and Social Screening Outcome**

Select from the following:

- ☒ Category 1. No further action is needed
- ☐ Category 2. Further review and management is needed. There are possible environmental and social benefits, impacts, and/or risks associated with the project (or specific project component), but these are predominantly indirect or very long-term and so extremely difficult or impossible to directly identify and assess.
- ☐ Category 3. Further review and management is needed, and it is possible to identify these with a reasonable degree of certainty. If Category 3, select one or more of the following sub-categories:
- ☐ Category 3a: Impacts and risks are limited in scale and can be identified with a reasonable degree of certainty and can often be handled through application of standard best practice, but require some minimal or targeted further review and assessment to identify and evaluate whether there is a need for a full environmental and social assessment (in which case the project would move to Category 3b).
- ☐ Category 3b: Impacts and risks may well be significant, and so full environmental and social assessment is required. In these cases, a scoping exercise will need to be conducted to identify the level and approach of assessment that is most appropriate.

**B. Environmental and Social Issues** (for projects requiring further environmental and social review and management)

In this section, you should list the key potential environmental and social issues raised by this project. This might include both environmental and social opportunities that could be seized on to strengthen the project, as well as risks that need to be managed. You should use the answers you provided in Table 4.1 as the basis for this summary, as well as any further review and management that is conducted.

The three project districts have all observed climate change-related environmental degradation which, in turn, is affecting livelihoods and undermining potential for sustainable development. In Nkhata Bay the Lweya-Limphasa landscape has been experiencing floods, partly due to changes in rainfall patterns and partly due to human practices, such as deforestation and river bank cultivation, which increase the vulnerability to flooding. In Ntcheu observations show that both winters and summers are getting warmer and parts of the district (namely traditional authorities Makwangwala, Ganya, Phambala, Njolomole, Chakhumbira and Mpando) are getting drier, reducing water resources and creating additional pressure on scarce water; whilst deforestation for firewood and to create farmland in low-lying areas has increased vulnerability to flooding when it does rain. In Zomba the lake Chilwa landscape is particularly vulnerable to riverine flooding combined with drying up of the lake as a result of changing rainfall patterns combined with population growth and poverty driving unsustainable land use practices.

The project is not expected to lead to negative environmental impacts. Rather the effects are expected to be positive through implementation of ecosystem-based adaptation. The project document argues that building viable and robust ecosystem services, such as reforestation and catchment management to improve water availability and encourage sustainable livelihoods, is essential for environmental sustainability. One of the assumptions of the logical framework is that the soft skills accompanying the ecosystem-based adaptation will ensure that the environmentally-sustainable livelihoods continue beyond the life of the project. The exact nature of the adaptation measures to be implemented will be scoped out in detail during the implementation phase. However, it is noted in the prodoc (Outcome 2 outputs) that a short-list of activities have been scoped out that could have negative environmental consequences, for example: eg fish points, irrigation, smoking kilns. Need to think about where construction materials and natural resources will come from eg water. The prodoc notes that when the ultimate decisions on activities and communities have been made, all such activities will be assessed for environmental sustainability through the Local Development Fund environmental screening process in accordance with Malawi's Environmental Management Act 1996 and the Guidelines for Environmental Impact Assessment of 1997, which is the responsibility of the Director of Environmental Affairs in the MECCM (the executing agency for this project). The project provides a budget to train District and national staff in the implementation of the strengthened environmental standards to include climate change. During project implementation, the project team will need to ensure that the modified environmental standards are applied correctly and that the standards are enforced.

In terms of gender equity, women were invited to and attended the stakeholder consultations, participating and acting as chairpersons, sharing their perspectives on how climate change is contributing to undermining their livelihoods (dwindling forest cover in Nkhata Bay, water shortages in Ntcheu and flood-proneness in Zomba), which have been included in the planned ecosystem-based tangible adaptation activities. The target beneficiaries for tangible adaptation activities will be identified during the project implementation phase. The equitable participation of women, men and children will be ensured during the detailed community adaptation planning exercises, in order to maximize adaptation benefits, to promote gender equality, and for maximum sustainability.

**C. Next Steps** (for projects requiring further environmental and social review and management):

In this section, you should summarize actions that will be taken to deal with the above-listed issues. If your project has Category 2 or 3 components, then appropriate next steps will likely involve further environmental and social review and management, and the outcomes of this work should also be summarized here. Relevant guidance should be obtained from Section 7 for Category 2, and Section 8 for Category 3.

and the outcomes of this work should also be summarized here. Relevant guidance should be obtained from Section 7 for Category 2, and Section 8 for Category 3.

**D. Sign Off**

Project Manager



Date

25/06/14

PAC

Date

Programme Manager  
Date :

(UNDP-EFP)

25/06/14



Riyoma