

<b>PILOT PROGRAM FOR CLIMATE RESILIENCE</b>			
<b>MDB Request for Payment of Implementation Services Costs</b>			
<b>1. Country/Region:</b>	Zambia	<b>2. CIF Project ID#:</b>	XPCRZM041A
<b>3. Project Title:</b>	<i>Zambia Strengthening Climate Resilience ( PPCR Phase II)</i>		
<b>4. Request for project funding (USDmill.)<sup>1</sup>:</b>	<i>At time of country program submission (tentative):</i>  <i>USD29 Million- Grant</i> <i>USD 20 Million-Concessional Loan</i> <i>USD 1 million for PPG</i>	<i>At time of project approval:</i>  <i>USD31 Million- Grant</i> <i>USD5 Million-Concessional Loan</i> <i>USD 2 Million as PPG (incl US\$1 million for IBRD and US\$1 million for AfDB operations)<sup>2</sup></i>	
<b>5. Estimated costs for MDB project implementation services (USDmill.)<sup>3</sup>:</b>	<i>Initial estimate - at time of Country program submission:</i> <i>USD 982,000</i>  <i>Final estimate - at time of project approval: USD 982,000</i>	<i>MDB: IBRD</i>  <i>Date: February 7, 2013</i>	
<b>6. Request for payment of MDB Implementation Services Costs (USD.mill.):</b>	<input type="checkbox"/> First tranche: USD 491,000 <input checked="" type="checkbox"/> Second tranche: USD 491,000		
<b>7. Project/program financing category:</b>	a - Investment financing - additional to ongoing MDB project b- Investment financing - blended with proposed MDB project c - Investment financing - stand-alone d - Capacity building - stand alone		<input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>
<b>8. Expected project duration (no. of years):</b>	6 Years		
<b>9. Explanation of final estimate of MDB costs for implementation services:</b>	<i>If final estimate in 5 above exceeds the relevant benchmark range, explain the exceptional circumstances and reasons:</i>  The amount requested is consistent with the original request of 2 tranches of USD491,000 (a total of USD982,000)		

<sup>1</sup> Including the preparation grant request

<sup>2</sup> Please note that the PPG for the two projects was processed jointly, and administered by the World Bank under a bilateral agreement with AfDB

<sup>3</sup> If the final MDB cost estimate exceeds the relevant benchmark, it needs to be supported by (i) a breakdown of costs of inputs required (staff/consultant time, travel, number of missions, etc) and (ii) by an explanation of the particular aspects of project design and implementation that drive MDBcoststo exceed the benchmark (Item 9 in template).

**10. Justification for proposed stand-alone financing in cases of above 6 c or d<sup>4</sup>:**

Zambia's IDA allocation is very limited (averaging about US\$100 million a year) and mostly used for budgetary support and core development operations. However, the project is fully linked within both the Government's as well as the Bank's priorities, including several IDA operations in Water Management, Agriculture and Livestock. The project is also very well integrated with other parallel financing initiatives by the Government (estimated at US\$160 million during the course of the project) as well as by other development partners (estimated at US\$170 million). As such, the project leverages an amount of financing that is nearly ten times the requested amount. As this funding is disbursed through separate (parallel) mechanisms, it is not considered to be strictly co-financing as understood by the World Bank's Legal Department, and as such, only the PPCR funding is reflected in the main body of the PAD. However, the complementary projects are summarized on Annex 8 of the PAD.

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<sup>4</sup> The justification should include an explanation of (i) why no linkages to ongoing or planned MDB financing have been possible or pursued, and (ii) the expected effectiveness of the proposed stand-alone SCF project in addressing the objectives and priorities of the country investment plan/strategy; and a confirmation that the proposed project forms part of the MDB's agreed country assistance strategy.