

Terms of Reference

First Joint Mission to Support Malawi in Developing the Strategic Plan for Climate Resilience (SPCR) for the Pilot Program for Climate Resilience (PPCR)

November 30 – December 6, 2016

1. Summary

A First Joint Mission of the Government of Malawi (GOM), the Multilateral Development Banks and other partners is planned in Malawi from November 30 – December 6, 2016. The overall objective of this mission is to support the GOM to elaborate its Strategic Plan for Climate Resilience (SPCR) under the Pilot Program for Climate Resilience (PPCR), through: (i) defining and finalizing priority activities and key analytical studies to inform the SPCR; and (ii) reviewing and refining the first draft of the SPCR for submission to the Climate Investment Funds (CIF) Administration Unit for approval and endorsement by the PPCR Sub-Committee. The mission will be led by the GOM's Ministry of Finance, Planning and Economic Development (MoFEPD) and the Ministry of Natural Resources Management, Energy and Mining (MoNRMEM), and supported by the Multilateral Development Banks (The World Bank – the Lead MDB for PPCR, in collaboration with the African Development Bank). At the end of the Joint Mission, an Aide Memoire will be produced highlighting the confirmed SPCR priority activities and identified analytical studies, together with a revised preparation roadmap.

The First Joint Mission will build on the initial joint scoping mission of 29 February – 04 March 2016, which consulted with various stakeholders and guided the prioritization of thematic areas for inclusion in the SPCR. This mission will focus on: (i) finalizing and firming up the SPCR's priority activities and key analytical studies to inform the SPCR; (ii) reviewing and refining the first draft of the SPCR; and (iii) identifying expert reviewers for the SPCR.

2. Background and Country Context

Malawi's expression of interest to develop a Strategic Program for Climate Resilience (SPCR) under the Pilot Program for Climate Resilience (PPCR) was approved by the Climate Investment Funds (CIF) on May 14, 2015. As result of the approval, Malawi could access US\$ 1.5 million to prepare the SPCR. During the Scoping Mission held from February 29 to March 04 2016, the Government of Malawi chose the option of executing the grant, with support from the selected MDBs. The PPCR preparation grant provides financial support for a range of activities, including institutional capacity assessment and support, and technical studies that are relevant in informing the SPCR for the country. The PPCR program will support Malawi to transform its development plans and investment programs to address climate risks and vulnerabilities, in line with the Malawi Growth and Development Strategy II (MGDSII, 2011-16), the National Climate Change Policy, and building on the National Climate Change Investment Plan, the Climate Action Intelligence Plan, National Adaptation Programmes of Action and various other ongoing and planned relevant studies and strategies.

Malawi's Climate Change Context and Challenges: Malawi is highly vulnerable when exposed to climate extremes as a result of a narrow economic base and dependence on natural resources (with 90% of exports depending on foodstuffs and forest products; and 80% of the labour force employed in the natural resources sector – although only 31% of the land is classified as suitable for rain-fed agriculture). ND GAIN's vulnerability index ranks Malawi 156 out of 178 countries, with 18% of vulnerability attributed to ecosystem services, 21% to food, 18% to human habitats, 27% to health and 16% to water.

Extreme weather events that occur in Malawi include dry spells, seasonal droughts, poorly distributed, intense rainfall, riverine floods and flash floods. These are the main causes of socio-economic disruption in the country, with floods, hailstones and winds representing 93% of the 251 disasters occurring between 1940 and 2005¹. Economic impacts of these disasters are significant and constrain Malawi's development prospects and achievements to date. On average, droughts and floods reduce total GDP by 1.7%: whilst a severe, 1 in 25 year, drought can lead to a 10.4% decrease in GDP; a 1 in 20 year flood can lead to a 3.2% decrease in GDP².

The Government of Malawi (GOM) has made notable progress to address the adverse impacts of climate change. The current medium-term development plan, the MGDSII (2011-16), lists climate change among 9 priorities, and the Country signaled its commitment by designating a Ministry of Environment and Climate Change Management. GOM has developed a National Climate Change Policy and, with the support of a range of development partners, initiated several other activities aimed at climate resilience. These include: (i) the approval and submission to UNFCCC of the Malawi Intended Nationally Determined Contribution (INDC) document; (ii) approval of a national REDD+ Strategy; (iii) a Climate Action Intelligence Plan; (iv) a National Adaptation Action Plan (NAPA); (v) Nationally Appropriate Mitigation Action (NAMA); (vi) the First and Second National Communications to the United Nations Framework Convention on Climate Change; and (vii) the Sustainable Development Goals. GOM has also prepared a Climate Investment Plan, and has undertaken a range of policy initiatives and projects aimed at enhancing resilience in the country.

The National Climate Change Investment Plan identifies broad priorities for investment. Those for adaptation/resilience comprise: (i) **integrated watershed management**; (ii) **climate resilient agriculture and infrastructure**; and (iii) **enhancing disaster risk management**. These priorities are complemented by **research and institutional capacity building**. Similar priorities emerged during discussions throughout the initial scoping mission, although a range of other priorities and ideas were also expressed. This investment plan will provide a useful departure point for the development of the SPCR, with further prioritization and specificity to follow. Proper formulation and implementation of actions under these priority SPCR themes are expected to greatly contribute to building climate resilience at all levels, reduce poverty and improve inclusive socio-economic growth.

¹ Ministry of Natural Resources, Energy and Environment, 2011. The Second National Communication of the Republic of Malawi to the Conference of the Parties of the United Nations Framework Convention on Climate Change, Government of Malawi, Lilongwe.

² GFDRR, n.d. Economic Vulnerability and Disaster Risk Assessment in Malawi and Mozambique. Measuring Economic Risks of Droughts and Floods. World Bank, Washington DC, 16p.

Progress to date: An initial joint scoping mission was held in Lilongwe from 29 February – 04 March 2016 to initiate support to the GOM in their preparation of the SPCR and guide the identification of key thematic areas. Priorities for utilization of the preparatory grant were discussed with MoFEPD and MoNREM, and it was agreed that these might include:

- (i) A study and complementary seminar / national dialogue on transformational ideas for building climate resilience which would look at key themes where progress can be made to address major problems such as: managing the use of biomass fuels; developing sustainable catchment systems; the introduction and use of modern Hydromet technologies, and understanding how policy incentives and disincentives impact the uptake of climate resilient development patterns. Findings of these and other studies could also inform the next National Development Planning Strategy that will be prepared in 2016/17 financial year and implementation run from 2017/18 to 2022/23 financial years;
- (ii) A study that consolidates lessons learned and best practices that have emerged from the many recent and on-going initiatives in Malawi focused on building climate resilience, such as those supporting watershed development; climate smart agriculture; and climate resilient livelihoods at the local level. On the basis of this study, concepts for investment pilots to be included in the SPCR program would be elaborated.
- (iii) Support for Green Climate Fund accreditation, as well as, support for other policy and legal framework initiatives being undertaken;
- (iv) Support to strengthen coordination, across government and with other stakeholders, for preparing and implementing the SPCR – including the establishment of appropriate monitoring and reporting arrangements, and subsequent climate change resilience initiatives. This support function would be hosted by MoFEPD and/or MoNREM; and
- (v) Possibly a regional study on the impact of changes in rainfall on Lake Malawi and Shire River, irrigation systems for climate smart agriculture and conservation agriculture, and management of fisheries in Lake Malawi.

The GOM has put together a core team of four experts drawn from the Ministries of Finance, Economic Planning and Development, Agriculture Irrigation and Water Development and the Environmental Affairs Department to champion the preparation of the Strategic Program for Climate Resilience (SPCR). A National Climate Change Consultant has been sought to support the GOM in: (i) stocktaking and gap analysis of climate resilience issues in the agreed thematic areas; (ii) preparation of TOR for specific analytical/technical studies to address key gaps to inform the SPCR; (iii) facilitating stakeholder consultations for the SPCR preparation; and (iv) facilitating joint technical missions. The current progress status of the assignment is that the consultant has identified priority activities for the agreed SPCR themes, as well as possible gaps to be filled through analytical studies, on the basis of stakeholder consultations and review of various key sectoral plans and documentation,. TORs for consultancies to undertake these

analytical studies have since been prepared. Once the preparation grant has been processed and the grant agreement signed, an International Consultant will be engaged to support further elaboration of the SPCR (i) elaborating priority transformative investments for the SPCR; (ii) synthesizing vulnerability assessment knowledge and identifying gaps; (iii) drafting the SPCR, including the Results Framework; and (iv) building the capacity of stakeholders during the SPCR preparation process.

First Joint Mission: These Terms of Reference are intended to guide the First Joint Mission that will be led by the Government of Malawi in collaboration with the Multilateral Development Banks (the African Development Bank and the World Bank) to review progress and advance the elaboration of the SPCR Investment Plan. This joint mission will involve multi-stakeholder and cross-sectoral consultations. The mission activities will be led and coordinated by the Ministry of Finance, Planning and Economic Development (MoFEPD) and the PPCR National Focal Point anchored in the Ministry of Natural Resources Management, Energy and Mining (MoNRMEM).

3. Mission Objectives

The Joint Mission will assist the Government of Malawi in consultation and prioritization of key activities to be incorporated in the SPCR. The objective of this mission is to: (i) finalize and firm up the SPCR's priority activities and key analytical studies to inform the SPCR; (ii) review and refine the first draft of the SPCR; and (iii) identify expert reviewers for the SPCR. The mission will also plan for the Second Joint Mission, tentatively scheduled for February 2017.

The main activities of this mission will include:

- (i) Review and finalize terms of reference for preparatory studies and technical assistance/consultancy support needs, based on agreements reached during the Joint Scoping Mission.
- (ii) Initiate the procurement process for activities agreed during the scoping mission to be supported by the PPCR preparation grant.
- (iii) Discuss and agree next steps for the preparation process and timetable and also discuss these with civil society and development assistance partners.
- (iv) Initiate and undertake technical assessments that will help inform the SPCR preparation process, including (a) an assessment of the current status and development needs for hydro-meteorological service, (b) assessment of opportunities and capabilities for making optimal use of geospatial technologies, (c) assessment of options for addressing the challenge of unsustainable use of forest resources for biomass supply (t.b.c).
- (v) Initiate drafting of the background sections of the SPCR – based on information already available.
 - (i) Update the roadmap for SPCR preparation.

4. Mission Outcomes

Mission outcomes include the following:

- (i) An Aide-Memoire highlighting the key findings and agreed actions

- (ii) A revised SPCR preparation roadmap.
- (iii) Technical annexes with short reports/presentations on the key technical assessments.

5. Mission Team

Government:

- (i) Ms. Yawa Ntupanyana, Chief Director (MoNREM)
- (ii) Ms. Shamiso Nandi Najira, Chief Environmental Officer and Technical Focal Point for PPCR (MoNREM)
- (iii) Mr. Nations Msowoya, National Focal Point for PPCR (MoFEPD)

World Bank (WB):

- (i) Ross Hughes (Team Lead), Senior Natural Resources Management Specialist, Environment and Natural Resources (GENDR)
- (ii) Kanta Kumari Rigaud (World Bank PPCR Focal Point), Lead Environment Specialist, Climate Policy Team (GCCPT)
- (iii) Alexandra Stefanescu, Consultant, Operations Officer, Environment and Natural Resources (GENDR)
- (iv) Louise Croneborg-Jones, Consultant, Water Resources Management Specialist, Environment and Natural Resources (GENDR)
- (v) Simon Hughes (Hatfield Consultants representing European Space Agency)
- (vi) Biomass specialist consultant (to be agreed)

African Development Bank (AfDB):

- (i) Mr. Léandre Gbéli, Principal Agricultural Economist
- (ii) Mr. Gareth Phillips, Chief Climate and Green Growth Officer and PPCR/FIP Coordinator
- (iii) Mr. Vinda Kisyombe, Agricultural Officer
- (iv) Ms. Olusola Uchenna Ikuforiji, Environmental Consultant

6. Mission Schedule

The proposed mission program is appended below.

Annex I: Program for Pilot Program for Climate Resilience (PPCR) First Joint Mission – Malawi

30 November – 6 December 2016

Note: Team will comprise of representatives from PPCR Teams of both MDBs

Date	Time	Activity description	Desired Outcomes	Venue	MDB Team Members	GOM Members
Wednesday 30 th Nov	09:00 – 10:00	AfDB and WB brief own staff/teams at own offices	Team coordination	MDB Country Offices		-
	11:00 – 13:00	Courtesy Call to the <i>Minister of Natural Resources Management, Energy and Mining (TBC)</i>				
	13:00 – 14:00	Lunch				
	14:00 – 17:00	Update with the PPCR teams on progress and briefing on the programme for the Joint Mission				
Thursday 1 st Dec	morning	Tentative: Presentation on state-of-the-art Earth Observation systems, with examples of how these might be applied in relation to the ongoing PPCR work on resilience				
	12:30 – 14:00	Lunch				
	afternoon	Tentative: Assessment of hydromet investment needs and Earth Observation/Geospatial capabilities and options for use during PPCR preparation				
Friday 2 nd Dec – Sunday 4 th Dec		Tentative: Field work (Detailed itinerary in Annex II to follow)				
Monday 5 th Dec	morning	Meeting for PPCR with <i>CSOs, private sector, academia</i> to present progress, secure input/consensus on priority issues, identify gaps for further assessment and follow-up				
	12:30 – 14:00	Lunch				
	14:00 – 17:00	One-to-one technical meetings with <i>Donors and Development Partners</i> to secure input/consensus				

Date	Time	Activity description	Desired Outcomes	Venue	MDB Team Members	GOM Members
		on priority issues, identify gaps for further assessment and follow-up				
Tuesday 6 th Dec	morning	Meeting with <i>MoFEPD</i>	Signals on integration of PPCR into budget frameworks			
		Lunch				
	afternoon	Debrief with <i>MDB Country Representatives</i>				
Wednesday 7 th Dec	morning	Wrap up meeting with PPCR teams				
	12:30 – 14:00	Lunch				
	afternoon	Debrief with <i>MoNRMEM</i>				

Legend:

Joint Session (WB and AfDB)



Parallel Session

