

Terms of Reference

Second Joint Mission to Support Malawi in Developing the Strategic Program for Climate Resilience (SPCR) for the Pilot Program for Climate Resilience (PPCR) August 21 - 25, 2017

1. Summary

A Second Joint Mission of the Government of Malawi (GoM), the Multilateral Development Banks and other partners is planned in Malawi from August 21st to the 25th, 2017. The overall objective of this mission is to support the GoM to elaborate its Strategic Program for Climate Resilience (SPCR) under the Pilot Program for Climate Resilience (PPCR), through: (i) finalizing the SPCR in collaboration with all stakeholders; (ii) detailing the agreed analytical studies to be included in the program, and (iii) advancing the implementation roadmap agreed during the technical mission of June 12-16, 2017, with a view to assist the GoM in preparing its SPCR submission for the next PPCR Sub-Committee Meeting in December 2017.

The mission will be led by the GoM's Ministry of Finance, Economic Planning and Development (MoFEPD) and the Ministry of Natural Resources Management, Energy and Mining (MoNRMEM), and supported by the Multilateral Development Banks (The World Bank – Lead MDB for PPCR, in collaboration with the African Development Bank). At the end of the Joint Mission, a final draft of the SPCR will be ready to be validated during the SPCR Validation Workshop and by the Technical Steering Committee and Expert Panel Review. This Mission will build on the Technical Mission of June 12-16, 2017 which consulted with various stakeholders and guided the fine-tuning of priority activities and key analytical studies to inform the SPCR.

2. Background and Country Context

Malawi's expression of interest (EOI) 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 a result, Malawi has been granted access to US\$ 1.5 million to prepare the SPCR. During the Scoping Mission held from February 29 to March 04 2016, the GoM 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 is supporting Malawi in transforming 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 one in 20-year flood can lead to a 3.2% decrease in GDP².

The GoM has made progress to address the adverse impacts of climate change. The current medium-term development plan, the MGDSII (2011-16)—to be succeeded by the upcoming MGDSIII (2017-22)—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.

Progress to date: A first joint mission was held in Lilongwe from November 30 to December 6, 2016 to: (i) define and finalize priority activities and key analytical studies to inform the SPCR;

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.

and (ii) review and refine 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 main conclusions and next steps agreed during the first joint mission were:

- a) **Harmonization of SPCR preparation through GoM institutional structures.** It was agreed that the SPCR will be prepared and implemented under the supervision of the National Climate Change Steering Committee, chaired by the Secretary to the Treasury of the MoFEPD and supported by a Technical Committee and Secretariat (the latter housed in MoNREM). This will promote harmonization with government policies and processes and help promote coordination at the national level. The TA to be supported by the PPCR preparation grant will be hosted by this Secretariat (Project Implementation Unit) and provide support for its operations for the duration of the 18-month preparation grant period.
- b) **SPCR preparation.** The TA to support SPCR preparation was agreed to be covered by the MDB grant, cost-shared among the World Bank and African Development Bank, with a view to help the GoM accelerate preparation and submission of the SPCR. The SPCR drafting process began as scheduled in January 2017 and is now on track and advancing well.
- c) **Grant access** is expected to be released in July 2017.
- d) **Roadmap.** The Mission revised the Roadmap for SPCR preparation as outlined in Annex II of the Aide Memoire. The GoM has reviewed and agreed to the contents and revised timeline of the roadmap.

A technical mission was then held in Lilongwe from June 12-16, 2017 to provide support and guidance to GoM on: (i) Developing the SPCR document, including discussions on proposed analytical studies and investment projects; (ii) Agreeing on dates for the Second Joint Mission; (iii) Planning formal consultations with key stakeholders; (iv) Agreeing on a Procurement Plan for the SPCR Preparation Grant; and (iv) Updating the SPCR roadmap, which outlines the deadlines for various steps required to ensure submission of the SPCR document to the PPCR Sub-Committee in December 2017. The Mission met with counterparts from AfDB (Vinda Kisyombe, Agricultural Officer) and technical partner FAO (George Phiri, Technical Coordinator) and with the WB team developing the Multi-Sector Investment Plan for Climate Change & Disaster Risk Management, to ensure that the most up-to-date understanding of climate change impacts on Malawi is reflected in the SPCR. The mission also met with stakeholders in Academia and Civil Society to inform and update them on the PPCR/SPCR process and elicit feedback on both the proposed investments and analytical studies. The main conclusions and next steps agreed during the technical mission were:

1. Key line ministries agreed to meet in mid-July to draft the ToRs for the investment projects and provide comments on the draft Concept Notes;
2. The mission agreed that GoM will take responsibility for organizing the stakeholder consultations including logistics (e.g. invitations, venue), under the guidance of the MoFEPD and EAD focal point persons;
3. The SPCR Procurement Plan was discussed and reviewed with both the MoFEPD/EAD focal points and the WB Procurement team. There are two important consultancy inputs requires for

the SPCR: (1) analytical studies; and (2) training provision. It was agreed that they will be 'bundled' into two consultancy contracts, allowing one firm to provide all of the consultancy support for analytical studies and a second firm to provide the bulk of training support. Terms of Reference will need to be drafted for each of the analytical and training work streams.

4. The mission agreed that the preparation grant will cover two individual posts for Finance and Procurement Officers, to ensure adequate internal controls and segregation of duties. Furthermore, it was agreed that GoM will contract the Procurement Officer on a part-time 'on-call' basis, to provide support as and when required;
5. The SPCR roadmap was revised to capture the various critical steps required through to submission of the SPCR document to the CIF Board. The submission date has been moved to December 1, 2017.

3. Mission Objectives

The Second Joint Mission will assist the GoM in the consultation and fine-tuning of key activities to be incorporated in the SPCR. The objective of this mission is to: (i) finalize the draft SPCR in collaboration with all stakeholders; (ii) detail the agreed analytical studies to be included in the program; (iii) present and discuss the transformational elements of the SPCR, the Theory of Change and the M&E framework, detailing how the proposed investments contribute to impacts at a higher level; and (iv) advance the implementation roadmap agreed during the technical mission of June 12-16, 2017. The mission will also plan for the Third Joint Mission.

The meetings and discussions of the Second Joint Mission will key in on the transformational aspects of the SPCR, respectively:

- the **outcomes leading to improved climate change adaption practices adopted in Malawi's rural areas**, for example, improved climate change adaption plans, policies, institutional structures, technologies and programmes that build the resilience of communities reliant on natural resources for their livelihood security, as well as decision-making of farmers, fishermen, government officials and other stakeholders informed and enhanced by reliable and relevant climate and weather information.
- the **impacts that the PPCR contributes to**, for example, climate adaptation mainstreamed in policies, planning and practice together with widespread understanding of the likely impacts of, and ways to respond to, climate change impacts, leading to improved resilience of Malawi's rural communities.

4. Mission Tasks

The main activities of this mission will include:

- (i) Finalize the drafting of the SPCR, including but not limited to: (a) technical aspects; (b) financial aspects; (c) institutional aspects; (d) cross-cutting issues; (e) strategic aspects, and discuss it with stakeholders;
- (ii) Review the ToRs prepared by the key line ministries for the investment projects;
- (iii) Finalize the TORs for the preparatory studies and technical assistance work (i.e. analytical and training work streams) to be put out to tender.

5. Mission Outcomes

Mission outcomes include the following:

- (i) Synopsis of the studies agreed to be included in the program;
- (ii) Final draft of SPCR.

6. Mission Team

Government:

- (i) Dr Yanira Ntupanyana, Chief Director (MoNREM)
- (ii) Ms. Shamiso Nandi Najira, Deputy Director and Technical Focal Point for PPCR (MoNREM)
- (iii) Mr. Nations Msowoya, National Focal Point for PPCR (MoFEPPD)

World Bank (WB):

- (i) Mr. Francis Samson Nkoka (PPCR Co-Team Lead), Sr. Disaster Risk Management Specialist (GSURR)
- (ii) Mr. Ross Hughes (Co-task team leader), Sr. Natural Resources Management Specialist (GEN01)
- (iii) World Bank PPCR Focal Point Representative (TBD)
- (iv) Mr. Simon Croxton (Consultant), Sr. Environmental Specialist (GEN01)
- (v) Ms. Louise Croneborg (Consultant), Water Resources Management Specialist (GEN01)
- (vi) World Bank Gender Specialist (TBC)

African Development Bank (AfDB):

- (i) Mr. Léandre Gbéli, Principal Agricultural Economist/PPCR&FIP Tasks Team Leader, AHAI.O Department Front Office
- (ii) Mr. Leandro AZEVEDO, Sr. Climate Change Officer, PECG1
- (iii) Mr. Vinda Kisyombe, Agricultural Officer
- (iv) An Environmental Consultant (TBD)

FAO (Technical Partner)

- i. Ms. Rimma Dankova
- ii. Dr. George Phiri

7. Stakeholders (non-exhaustive list):

- **Development Partners:** GIZ, DFID, European Union, USAID, Royal Norwegian Embassy
- **CSOs:** CISON ECC, CEPA, Global Hope Mobilization, GLOHOMO, Network for Youth Development, Evangelical Association of Malawi, Community Energy Malawi, CADECOM, Save the Children, CARE Malawi, Association of Environment Journalists, CISANET

- **Academia:** Geography Department, Chancellor College, UNIMA, Chancellor College, MUST, Mzuni, UNIMA, Polytechnic

8. Mission Schedule

The proposed mission program is appended below.

Agenda (as at July 31, 2017): Program for Pilot Program for Climate Resilience (PPCR) Second Joint Mission – Malawi

August 21-25, 2017

Date	Time	Activity Description	Desired Outcomes	Venue	Participants
Sunday, August 20 th	Evening	Working dinner: AfDB and WB brief own teams	Discuss mission agenda and objectives among the two MDBs	TBC	
Monday, August 21 st	TBC	Courtesy Call to Principal Secretaries of Ministry of Finance (MoFEPD) and Environmental Affairs Department (EAD)		Respective Offices	<ul style="list-style-type: none"> PPCR Mission Team (WB, AfDB, FAO)
	TBC	Briefing with World Bank Country Manager and AfDB Resident Representative on the status of the PPCR		Respective Offices	<ul style="list-style-type: none"> PPCR Mission Team MoFEPD, EAD
	TBC	Bilateral Meetings with development partners	Update on SPCR process, present mission objectives and discuss areas of integration around proposed investments	TBC	<ul style="list-style-type: none"> PPCR Mission Team Development Partners to be invited & confirmed: GIZ, DFID, European Union
Tuesday August 22 nd	08:30 – 10:00	High Level Opening Ceremony and launch of the Stakeholder Workshop		TBC	<ul style="list-style-type: none"> PPCR Mission Team MoFEPD, EAD & other relevant ministries/departments (TBC) Development Partners: GIZ, DFID, European Union, USAID, Royal Norwegian Embassy CSOs: CISONECC, CEPA, Global Hope Mobilization, GLOHOMO, Network for Youth Development, Evangelical Association of Malawi, Community Energy Malawi, CADECOM, Save the Children, CARE Malawi,
	10:30 – 12:00	SPCR Stakeholder Validation Workshop – Working Session 1 on PROMOTING CLIMATE RESILIENT APPROACHES TO WATERSHED MANAGEMENT		TBC	
	13:30 – 15:00	SPCR Stakeholder Validation Workshop – Working Session 2 on BUILDING CLIMATE RESILIENCE IN AGRICULTURAL VALUE CHAINS OF MALAWI		TBC	
	15:30 – 17:00	SPCR Stakeholder Validation Workshop – Working Session 3 on CLIMATE-RESILIENT FISHERIES VALUE CHAIN IN THE MANAGEMENT OF THE FISHERIES AND LAKES OF MALAWI		TBC	
Wednesday, August 23 rd	09:00 – 10:30	SPCR Stakeholder Validation Workshop – Working Session 4 on SUPPORTING CLIMATE SMART AGRICULTURE		TBC	

Date	Time	Activity Description	Desired Outcomes	Venue	Participants
	11:00 – 12:30	SPCR Stakeholder Validation Workshop – Working Session 5 on CLIMATE SERVICES		TBC	Association of Environment Journalists, CISANET Academia: Geography Department, Chancellor College, UNIMA, Chancellor College, MUST, Mzuni, UNIMA, Polytechnic
	14:00 – 15:00	Presentation on SPCR Theory of Change and M&E Framework		TBC	
	15:30 – 17:00	Open consultation and discussion on SPCR outcome, impacts and how to measure them	This session will assess whether the draft SPCR proposed Theory of Change and M&E Framework is adequately looking at the right outcomes and leading to the kind of transformational impacts that the PPCR is trying to promote.	TBC	
Thursday, August 24 th	TBC	Bilateral Meetings with development partners	Update on SPCR process, present mission objectives and discuss areas of integration around proposed investments	TBC	<ul style="list-style-type: none"> • PPCR Mission Team Development Partners to be invited & confirmed: USAID, Royal Norwegian Embassy
	TBC	Updating of the SPCR		World Bank Office	<ul style="list-style-type: none"> • PPCR Mission Team
	TBC	Drafting of the Aide Memoire			
Friday, August 25 th	TBC	PPCR wrap-up meeting, closing the Second Joint Mission	Review draft Aide Memoire and PPCR roadmap	MoFEPD & EAD	<ul style="list-style-type: none"> • PPCR Mission Team • MoFEPD, EAD