



1. Project Data

Project ID P161392	Project Name Malawi Resilience and DRM Project		
Country Malawi	Practice Area(Lead) Urban, Resilience and Land		
L/C/TF Number(s) IDA-65680,IDA-D1440,IDA-D5780	Closing Date (Original) 31-Jan-2021	Total Project Cost (USD) 180,283,865.43	
Bank Approval Date 08-Nov-2016	Closing Date (Actual) 31-Jan-2025		
	IBRD/IDA (USD)	Grants (USD)	
Original Commitment	184,000,000.00	0.00	
Revised Commitment	180,313,678.00	0.00	
Actual	180,283,865.43	0.00	
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2. Project Objectives and Components

a. Objectives

According to the Project Appraisal Document (PAD) (p. 1) and the Financing Agreement of December 14, 2016, (p. 4) the objective of the project was “to support the Recipient to meet immediate food security and livelihood restoration needs of the communities affected by drought and promote recovery and resilience in key different sectors”.



The PAD also stated: “In the event of a future eligible crisis or emergency, the Project may also be able to provide immediate recovery support to GoM through a proposed Contingent Emergency Response Component”.

The original objective will be parsed as follows:

- I. support the Recipient to meet immediate food security needs of the communities affected by drought;
- II. support the Recipient to meet immediate livelihood restoration needs of the communities affected by drought;
- III. promote recovery and resilience in key affected sectors.

When the project received Additional Financing (AF) in 2020, the objective of the project was revised to: “support the recovery of livelihoods and infrastructure in flood and drought affected areas and strengthen capacity for flood and drought risk management”. Therefore, the revised objective will be parsed as follows:

- I. support the recovery of livelihoods in flood and drought affected areas;
- II. support the recovery of infrastructure in flood and drought affected areas;
- III. strengthen capacity for flood and drought risk management.

b. Were the project objectives/key associated outcome targets revised during implementation?

Yes

Did the Board approve the revised objectives/key associated outcome targets?

Yes

Date of Board Approval

27-Feb-2020

c. Will a split evaluation be undertaken?

Yes

d. Components

The project included four components:

Component 1: Improving Food Security and Sustainable Livelihoods (appraisal estimate US\$80 million, AF in the amount of US\$14.0 million, actual US\$88.9 million):

Sub-component 1.1: Meeting Urgent Food Security Needs: This sub-component was to finance the procurement and distribution of maize.

Sub-component 1.2: Improving Livelihoods and Building Resilience through Input Distribution: This sub-component was to finance livelihood support to vulnerable households that had been affected by drought through a scaling up of the ongoing Inputs for Assets (IFA) program under the Malawi Flood Emergency Recovery Project.



Sub-component 1.3: Increasing Agriculture Productivity and Resilience: This sub-component was to promote drought resistant crops, and livestock production through i) producing and distributing drought tolerant crops (sorghum and millet) to selected communities; and ii) restoring and enhancing livestock production of selected communities through provision of small stock and vaccination of animals against major diseases.

Sub-component 1.4: Climate Smart Irrigation: This sub-component was to finance the restoration, enhancement and improvement of critical irrigation schemes in order to boost agriculture production and efficient use of water including i) restoring 1000 ha irrigable land in 12 selected districts and increasing efficiency of water diversion, conveyance and application; ii) installing small scale solar powered irrigation drip kits and accessories in 75 ha in 10 districts; iii) installing medium scale solar pumps and accessories in 600 ha in seven districts; iv) procuring and distributing 2250 treadle pumps in nine districts; v) providing technical assistance for feasibility studies, engineering designs and construction supervision, as well as capacity building to farmers for sustainable utilization and management of irrigation schemes and infrastructure in all 24 drought affected districts; and vi) providing technical support in the implementation of the catchment management activities for the catchments of the rivers feeding the targeted irrigation schemes, following National Catchment Guidelines.

When the project received AF financing in February 2020, this sub-component was scaled up to strategically complete rehabilitation and construction of selected irrigation schemes for drought-prone areas in line with the National Irrigation Master Plan and Investment Framework (2015) and the National Irrigation Policy (2016).

Component 2: Enhancing Drought-Resilience and Preparedness (appraisal estimate US\$19 million, AF in the amount of US\$63.0 million, actual US\$74.1 million): This component included three sub-components:

Sub-component 2.1: Rehabilitating and Augmenting Critical Water Supply Infrastructure: This sub-component was to finance: i) constructing around 60 improved surface water intake structures for existing rural piped water supply schemes; ii) constructing approximately 30km new transmission pipelines to affected areas; iii) rehabilitating approximately 1,500 existing boreholes to augment water supply in rural areas; iv) constructing around 35 emergency high-yielding boreholes to augment water supply to urban areas; and v) providing technical assistance for feasibility studies, engineering design and construction supervision of the above investments; vi) planning drought contingency for all five water boards; and vii) supporting the strengthening of community management structures for rural water supply.

Sub-Component 2.2: Strengthening Water Resource and Catchment Management: This sub-component was to finance: i) rehabilitating around 20 small earth dams; ii) constructing around 28 water harvesting structures; iii) rehabilitating and protecting water resource catchment for selected hotspot areas; and iv) providing technical assistance for feasibility studies, engineering design and construction supervision.

Sub-Component 2.3: Strengthening Drought Resilience (Technical Assistance): This sub-component was to finance: i) strengthened ability to operationalize existing early warning tools; ii) strengthened institutional and policy framework and early action by connecting agriculture risk management, food security strategies, and disaster response; iii) a feasibility study on early financing through establishment of contingency fund; and iv) the scaling up of civil protection communities in eight drought-affected districts and establishing and building capacity of district and community disaster risk management structures.



When the project received AF financing in February 2020, sub-components 2.2 and 2.3 were revised and received AF to integrate flood and drought risk management and infrastructure.

Component 3: Contingent Emergency Response Component (CERC) (US\$0 million): This contingent emergency response component was included under the project in accordance with OP/BP 10.00 (Operational Policy and Bank Procedure on Investment Project Financing) for situations of urgent need of assistance.

Component 4: Project Management (appraisal estimate US\$5 million, AF in the amount of US\$3.5 million, actual US\$8.5 million): This component was to finance: i) incremental operating costs of the Project Implementation Unit (PIU) and the relevant line departments responsible for the implementation of various project components and subcomponents; ii) technical designs for the reconstruction and rehabilitation of infrastructure; iii) supervision quality control and contract management of reconstruction and rehabilitation sub-projects; and iv) audit, studies and assessments.

e. Comments on Project Cost, Financing, Borrower Contribution, and Dates

Project cost: The project was estimated to cost US\$104.0 million at appraisal. Actual cost was US\$180.2 million. In 2020, the project received Additional Financing (AF) in the amount of US\$80.0 million.

Financing: The project was financed through an IDA grant in the amount of US\$104.0 million (of which US\$102.7 million was disbursed). Furthermore, the project received AF through an IDA grant in the amount of US\$20.0 million (of which US\$19.7 million was disbursed), and an IDA credit in the amount of US\$60.0 million (of which US\$57.8 million was disbursed).

Borrower contribution: It was not planned for the Borrower to make any contribution.

Dates: The project was restructured three times:

- On November 9, 2018, the project was restructured to: i) reallocate funds from project subcomponent 1.2 (improving livelihoods and building resilience) to subcomponents 1.4 (climate smart irrigation), subcomponent 2.1 (rehabilitation and augmenting critical water supply infrastructure) and 2.2 (strengthening water resources and catchment management to enhance drought resilience and preparedness); ii) reallocate unutilized funds of US\$9.25 million from disbursement Category 4 to category 5 since only three out of seven planned cycles of Inputs for Assets (IFA) rounds were implemented, indicating that there was no longer a need for emergency relief; iii) revise the Results Framework to reflect the reduced scope of the IFA program, the increased scope of the infrastructure investment and realistic targets in subcomponents of restoration and enhancement of livestock production and rehabilitation of boreholes due to increased prevailing operating cost; and iv) revise the Results Framework to adjust the end target values for ten indicators to reflect the changes in the scope of certain activities due to the reallocation as well as introduce one new indicator at the intermediate level to track outputs related to construction/rehabilitation of irrigation schemes.
- On April 26, 2019, following Tropical Cyclone Idai, the Contingent Emergency Response Component (CERC) was triggered following a Presidential declaration of National Disaster. A total of US\$10 million was reallocated from Components 1, 2, and 4 to finance emergency activities.



- On February 27, 2020, the project received AF in the amount of US\$80 million to support flood-specific recovery following the tropical cyclone Idai. When the project received AF, the following changes were applied: i) the PDO was revised to “support the recovery of livelihoods and infrastructure in flood and drought affected areas and strengthen capacity for flood and drought risk management” to reflect the broadened scope; ii) delete the original PDO indicators since they had been achieved and introduce new PDO and intermediate outcome indicators to better reflect the revised scope of the project; iii) revise the project name to accommodate the broader scope; iv) revise existing components in line with the revised PDO; v) extend the closing date; and vi) adjust implementation arrangements,
- On September 29, 2023, the project was restructured to: i) extend the project closing date by 12 months from January 31, 2024 to January 31, 2025 to allow for the completion of activities; ii) relocate funds across and within components to respond to Tropical Cyclone Freddy; iii) revise the Results Framework to define targets that were undefined during AF, adjust the targets based on changes in activities and include a new PDO indicator (“increased quality and reliability of forecasts and warnings produced by the hydro-met system”).

Following Tropical Cyclone Idai, the CERC was triggered in March 2019 following a Presidential declaration of National Disaster. A total of US\$10 million was reallocated from Components 1, 2, and 4 to finance emergency activities.

The ICRR will conduct a split rating for the two different phases of the project. The first phase will include the original objective, and the second phase will include the revised objective.

3. Relevance of Objectives

Rationale

Country/region and sector context. According to the PAD (para. 1), at the time of project appraisal, Malawi was ranked the 16th least developed country in the world. Over two thirds of its total population lived in poverty. While poverty was more widespread in rural than urban areas, income inequality was significantly more pronounced in urban areas. Furthermore, Malawi was highly vulnerable to natural hazards, such as floods and droughts with devastating floods in the 2014/15 season and continuing dry spells leading to an agricultural drought in the 2015/16 season, severely affecting food production and food security in the country. From the 2014/2015 season, overall food production declined by 12.4 percent, which was already down by about 30 percent compared to the 2013/14 season.

According to the PAD (para. 5), in May 2016 the Malawi Vulnerability Assessment Committee (MVAC), conducted the annual food security assessment which estimated that a minimum of 6.5 million people (or 39 percent of the country’s projected population of 16.8 million) was not to be able to meet their annual food requirements during the 2016/2017 consumption period.

As a result, the President of Malawi declared a “State of National Disaster” with effect from April 13, 2016. The declaration covered 24 of Malawi’s 28 districts, including all districts in the Southern and Central Regions and two districts in the Northern Region. The World Bank responded with several projects, among which was the Malawi Resilience and Disaster Risk Management Project, which was prepared under the



emergency provisions of OP 10.00 Paragraph 12 (Projects in Projects in Situations of Urgent Need of Assistance or Capacity Constraints) of the Bank’s Operational Manual and Guidelines.

Alignment with the Government strategy. The original and revised objectives of the project was well aligned with the government’s “Malawi 2063” strategy. Specifically, it supported pillar 1 “Agricultural productivity and commercialization” and pillar 2 “urbanization”. Also, the project was aligned with all pillars of the National Resilience Strategy (2018-2030) including “resilient agricultural growth”, “risk reduction, flood control, and early warning and response systems”, “human capacity, livelihoods, and social protection” as well as “catchment protection and management”.

Alignment with the World Bank strategy. The original and revised objectives of the project was in line with the World Bank’s most recent Country Partnership Framework for Malawi (FY21-FY25). Especially, the objective of the project supported the CPF’s Focus Area 2 “Promoting private sector-led jobs and livelihoods” under which climate change adaptation was a major concern and which was aligned with the targets of the Africa Region Climate Business Plan, scaling up investments in sustainable landscapes and watersheds, promoting preparedness, and laying the foundations for sustainable and resilient urbanization. Furthermore, the project was well in line with the three areas identified by the World Bank Country Climate and Development Report (2022), to: i) build infrastructure to withstand climate shocks and stressors; ii) halt and reverse widespread land degradation; and iii) address climate impacts on labor productivity and household livelihoods.

The original and revised objectives addressed a critical development problem and were pitched at the outcome level. Overall, relevance of the objectives was High.

Rating

High

4. Achievement of Objectives (Efficacy)

OBJECTIVE 1

Objective

To meet immediate food security needs of the communities affected by drought

Rationale

Theory of Change: The project’s theory of change stated that project inputs/activities such as purchasing maize, sorghum and millet were to result in the output of those foods being distributed among beneficiaries. This output was to result in the outcome of immediate food security needs of communities affected by drought being met.

The theory of change was sound and did not have any logical gaps.



Outputs:

- 92,343 metric tons of maize were purchased, exceeding the target of 91,000 metric tons. According to the ICR (footnote 11), the project was able to purchase more maize than planned due to procurement efficiencies.
- 92,343 metric tons of maize were distributed, exceeding the target of 91,000 metric tons.
- 194.7 metric tons of sorghum were distributed, not achieving the target of 270 tons.
- 38.7 metric tons of millet were distributed, not achieving the target of 90 metric tons. According to the World Bank team (November 24, 2025), the targets for sorghum and millet were not achieved due to poor germination of pass-on seeds, unreliable markets, and loss of variety stability in sorghum due to over recycling.

Outcomes:

- 7.2 million of people had improved access to food, exceeding the target of 1.6 million. According to the ICR (para. 35), the target was substantially exceeded due to a change in the distribution strategy. While the original strategy was to provide 1.6 million people multiple times throughout the lean season with maize, the scale of the drought required to distribute maize to more people at smaller relief portions. Of those people, 3.6 million were female, exceeding the target of 800,000 being female.

While the project was able to exceed the number of people it provided with food, relief portions were smaller as a result and people were only provided with food once, and not multiple times as originally planned. Therefore, it is not clear to what extent the target of addressing immediate food security needs was achieved. Overall, achievement was Modest.

Rating

Modest

OBJECTIVE 1 REVISION 1

Revised Objective

To support the recovery of livelihoods in flood and drought affected areas

Revised Rationale

Theory of Change: The project's theory of change stated that project inputs/activities such as conserving or restoring catchment areas, producing crops, and training farmers were to result in several outputs such as catchments being conserved and restored, crops being produced and farmers being trained. These outputs were to result in the outcome of recovered livelihoods in flood and drought affected areas.

The theory of change was sound and did not have any logical gaps.

Outputs:

- 1,891 hectares of catchments were conserved and restored, almost achieving the target of 2,000 hectares. According to the World Bank team (November 24, 2025), during implementation the cost of



undertaking the activities was much higher than originally planned. In addition, the complementarity of the proposed catchment areas and the investments in flood management under the project could not be established.

- 3,094 metric tons crop were produced on land using irrigation schemes, exceeding the target of 2,670 metric tons.
- 4,870 farmers were trained in sustainable land and irrigation water management, close to achieving the target of 4,900 farmers. Of those farmers, 2,222 were female, exceeding the target of 2,000 farmers being female.

Outcomes:

- 7,647 farming households benefitted from restored and enhanced irrigation schemes, exceeding the target of 7,400 households. Of those farming households, 4,148 households had female heads, exceeding the target of 3,200 female household heads. According to the ICR (para. 43), nine irrigation schemes were implemented and a total of 1,124 hectares were irrigated. However, only 874 hectares of land could be utilized since 260 hectares of land from the Nkawinda irrigation scheme was unusable as the water levels in the area were higher than usually causing the planned intake of the scheme to be flooded. As a result, in 2024, it was decided to relocate the intake inland with an inlet channel constructed from the Shire river. However, at project closing, the channel and intake works had not been completed. The government committed to finishing the works.

The project was able to enhance irrigation schemes for farming households and produce crops on land that was irrigated by the project. Overall, achievement of this objective was Substantial.

Revised Rating
Substantial

OBJECTIVE 2

Objective

To meet immediate livelihood restoration needs of the communities affected by drought

Rationale

Theory of Change: The project's theory of change stated that project inputs/activities such as providing seed and fertilizer inputs to households, vaccinate cattle, and distribute small stock to households, and installing irrigation systems were to result in several outputs. These outputs were to include households being provided seed and fertilizer inputs as well cattle being vaccinated. These outputs were to result in the outcome of immediate livelihood restoration needs being met.

The theory of change was sound and did not have any logical gaps.

Outputs:



- 87,750 households received support to restore their livelihoods (provision of seeds and fertilizers) not achieving the target of 200,000 households. According to the World Bank team (November 24, 2025), during the Mid-Term Review it was found that another World Bank project that was implemented at the same time was providing similar support and thus under this project the support was stopped.
- 39,624 small stocks were purchased and distributed, not achieving the target of 80,000 small stocks. According to the World Bank team (November 24, 2025), the target was not achieved since the produce market collapsed in Malawi.
- 30,000 cattle were vaccinated, achieving the target of 30,000 cattle.
- 900,000 chicken were vaccinated, not achieving the target of 6 million. According to the ICR (footnote 14) the reason for the low achievement was the supplier not being able to produce the required quantity of vaccines needed.
- 39,624 goats were distributed to 7,925 households, not achieving the target of 8,000 households.
- 3,832 metric tons of fertilizer were distributed, not achieving the target of 10,000 metric tons.
- 100 percent of certified community schemes were completed through Inputs for Assets (IFA). According to the World Bank team (November 24, 2025) following flooding in January 2015, 13 irrigation schemes were identified that had been damaged and needed repair. The Irrigation Master Plan classified small-scale irrigation schemes as community irrigation schemes. Community members undertook rehabilitation works for which they were in turn compensated in-kind through IFA.
- 75 percent of beneficiaries believed that the IFA program effectively contributed to restore their livelihoods, achieving the target of 75 percent.

Outcome:

- 107,566 households benefitted from agriculture inputs and/or livestock restocking, not achieving the target of 160,000 households.

The project's achievement under this objective was Modest since it was not able to provide as many households as planned with agriculture inputs and/or livestock restocking.

Rating
Modest

OBJECTIVE 2 REVISION 1

Revised Objective

To support the recovery of infrastructure in flood and drought affected areas

Revised Rationale

Theory of Change: The project's theory of change stated that project inputs/activities such as rehabilitating or building irrigation facilities, installing small-scale solar power drips and medium-scale pumps as well as rehabilitating/upgrading water supply schemes and earth dams were to result in several outputs. These outputs were to include critical water supply infrastructure being rehabilitated/improved. These outputs were to result in the outcome of infrastructure in flood and drought affected areas being recovered.



The theory of change was sound and did not have any logical gaps.

Outputs:

- 2,292 hectares of area was provided with new/rehabilitated irrigation facilities, exceeding the target of 2,100 hectares.
- 693 hectares were covered by installing small-scale solar power drips and medium-scale solar pumps, close to achieving the target of 700 hectares.
- Seven water supply schemes were rehabilitated and upgrading, exceeding the target of eight schemes.
- 18 small earth dams were rehabilitated, almost achieving the target of 23 dams.
- 7.15 kilometers of drainage system for flood control was improved, exceeding the target of six kilometers.

Outcomes:

- The access to water supply improved for 869,333 people, exceeding the target of 850,000 people.
- 442,870 people were in areas with reduced flood risk, exceeding the target of 400,000 people.
- The quality and reliability of forecasts and warnings produced by the hydro-met system increased. According to the World Bank team (November 24, 2025), two independent consultants assessed the performance of the Early Warning Systems and found that the forecasting and warnings issued had improved.

According to the ICR (para. 45), while the project targeted the rehabilitation and restoration of 5,890 hectares of catchment within the affected areas, it was only able to rehabilitate six percent of the targeted area due to insufficient funding. Also, the ICR (para. 46) stated that while 17 harvesting structures were identified for rehabilitation, only 11 were designed. Of these, five structures had been rehabilitated by the time the project closed and one was dropped. However, the project was able to improve water supply and reduce flood risk. Therefore, overall, achievement of this objective was Substantial.

Revised Rating

Substantial

OBJECTIVE 3

Objective

To promote recovery and resilience in key affected sectors

Rationale

Theory of Change: The project's theory of change stated that project inputs/activities such as distributing treadle pumps, installing solar power drop and pumps, rehabilitating boreholes and dams, and developing communication system and a coordinated contingency plan were to result in several outputs. The outputs were to include climate smart irrigation being implemented and critical water supply infrastructure



rehabilitated and augmented. These outputs were to result in the outcome recovery and resilience in key affected sectors being promoted.

The theory of change was sound and did not have any logical gaps.

Outputs:

- 2,250 treadle pumps were distributed, achieving the target of 2,250 pumps.
- 693 hectares of area were covered by installed small-scale solar power drip and medium-scale solar pumps, exceeding the target of 675 hectares.
- 843 of existing boreholes were rehabilitated, not achieving the target of 1,500 boreholes.
- 23 small earth dams were rehabilitated, not achieving the target of 27 dams.
- A system to communicate early warning information was developed and operationalized, achieving the target.
- A coordinated contingency plan defining early actions was developed, achieving the target.
- A feasibility study on establishment of a contingency fund that could be used for early financing was concluded, achieving the target.
- Drought contingency plans for five water boards were prepared, achieving the target of five water boards.
- 2,292 hectares were provided with new/improved irrigation services, exceeding the target of 2,100 hectares.

Outcomes:

- 21,671 people benefitted from improved irrigation schemes, almost achieving the target of 22,620 people.
- 869,333 people benefitted from rehabilitated water supply schemes, exceeding the target of 700,000 people.

The project was able to make several infrastructure investments as well as improving irrigation schemes and rehabilitating water supply schemes resulting in promoting recovery and resilience in key areas.

Rating

Substantial

OBJECTIVE 3 REVISION 1

Revised Objective

To strengthen capacity for flood and drought risk management.

Revised Rationale

Theory of Change:

The project's theory of change stated that project inputs/activities such as establishing catchment management committees, establishing or strengthening local DRM authorities, adopting flood risk



management plans, as well as developing a national risk assessment and risk atlas were to result in several outputs. These outputs were to include institutional policies and procedures guiding DRM being developed and DRM capacity with local authorities being built. These outputs were to result in the outcome of capacity for flood and DRM being strengthened.

The theory of change was sound and did not have any logical gaps.

Outputs:

- 59 hotspot micro catchments had catchment management committees and plans, not achieving the target of 75 hotspot micro catchments.
- 17 functional local DRM authorities in project affected areas were established or strengthened, achieving the target of 17 DRM authorities.
- Flood risk management plans for Blantyre and Shire River Basin were adopted, achieving the target of management plans being adopted.
- The operational decision support system was updated, achieving the target of updating the system.
- A national comprehensive risk assessment and risk atlas was developed, achieving the target of being developed.
- Four DRM plans in affected districts were developed and informed by available knowledge and data products, not achieving the target of 17 plans.

Outcomes:

- 40 percent of people in decision making positions in WUAW committees were female, achieving the target of 40 percent being female.
- 20 government departments utilized project generated data and knowledge products for Disaster Risk Management (DRM) decision making, exceeding the target of seven departments.

The project was able to strengthen local capacity for flood and drought risk management by adopting flood risk management plans, establishing functional local DRM authorities as well as developing a national risk assessment and risk atlas. Overall, achievement of this objective was Substantial.

Revised Rating

Substantial

OVERALL EFFICACY

Rationale

Original objective: Achievement of objective 1 and 2 was Modest while achievement of objective 3 was Substantial.



Overall Efficacy Rating

Modest

Primary Reason

Low achievement

OVERALL EFFICACY REVISION 1

Overall Efficacy Revision 1 Rationale

Revised objective: Achievement of all three objectives was Substantial. Overall revised Efficacy is thus Substantial.

Overall Efficacy Revision 1 Rating

Substantial

5. Efficiency

Economic Efficiency:

The PAD (para. 80) conducted a cost-benefit analysis for sub-component 1.2 (inputs for assets) and sub-component 1.4 (climate smart irrigation). The financing for these subcomponents was approximately 26 percent of the parent project’s total financing. The cost-benefit analysis applied a discount rate of five percent, which resulted in an Economic Rate of Return of 27 percent for subcomponent 1.2 and 26 percent for subcomponent 1.4.

In 2020, when the project received AF, another economic analysis was conducted for sub-component 1.4 which accounted for approximately 18 percent of the AF’s financing costs. The analysis applied a discount rate of five, which resulted in an ERR of 24.4 percent, and a benefit-cost ratio of 3.1.

The ICR (para. 55) applied the same methodology at appraisal and when the project received AF. The analysis focused on investments (73 percent of total project costs) under subcomponent 1.1 (meeting urgent food security needs); subcomponent 1.4 (climate smart irrigation), subcomponent 2.1 (critical water supply infrastructure) and subcomponent 2.4 (and flood and drought risk reduction infrastructure) and applied a discount rate of five percent. The ICR calculated an ERR of 26.3, and a Net Present Value of US\$308.9 million.

All these analyses indicate that the project was a worthwhile investment.

Operational Efficiency:

According to the ICR (para. 58) the parent project disbursed 99 percent of the original financing and did not require any extension to its closing date. Of the project’s AF, 96.7 percent was disbursed. The AF required an extension of 12 months due to the COVID-19 pandemic and tropical cyclone Freddy in 2023. Furthermore, the project experienced some procurement delays and safeguard related issues. At completion, project



management costs were 4.7 percent of total costs, which was lower than the planned parent project management costs of 6.2 percent.

Overall, the project's efficiency is rated Substantial.

Efficiency Rating

Substantial

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal		0	0 <input type="checkbox"/> Not Applicable
ICR Estimate		0	0 <input type="checkbox"/> Not Applicable

* Refers to percent of total project cost for which ERR/FRR was calculated.

6. Outcome

Original objective: Relevance of the original objective was High given its alignment with the most recent World Bank Country Partnership Framework for Malawi (FY21-FY25). Efficacy was Modest and Efficiency was Substantial resulting in a Moderately Unsatisfactory outcome rating.

Revised objective: Relevance of the revised objective remained High. Efficacy and Efficiency were Substantial resulting in an overall Satisfactory outcome rating.

Given that the objective of the project was changed during implementation, a split rating is required.

	Original PDO	Revised PDO
Relevance of Objective	High	High
Efficacy	Modest	Substantial
Objective 1	Modest	Substantial
Objective 2	Modest	Substantial
Objective 3	Substantial	Substantial
Efficiency	Substantial	Substantial
Outcome rating	Moderately Unsatisfactory	Satisfactory
Numerical value of outcome rating	3	5
Disbursement % at time of restructuring	52%	48%



Weighted value of the outcome rating	$3 \times 0.52 = 1.56$	$5 \times 0.48 = 2.4$
Final outcome rating	$1.56 + 2.4 = 3.96$ Moderately Satisfactory	

a. Outcome Rating
Moderately Satisfactory

7. Risk to Development Outcome

The project’s risks to development outcomes can be classified into the following categories:

Government commitment: The current government remains committed to the project’s development outcomes as demonstrated through the approval of the Disaster Risk Management act in 2023 and the National Disaster Risk Management policy in 2025. However, according to the ICR (para. 104), at project closure, there was a risk that scheduled polls could affect the implementation of these two instruments.

Macroeconomic/Financing: Malawi continues to remain vulnerable to macroeconomic shocks. Financing will be needed to ensure the sustainability of project outcomes. According to the ICR (para.103) the World Bank, through the Development Policy Operation (P175072) aims to mitigate this risk through a Catastrophe Drawdown Option.

Environment: Malawi remains vulnerable to climate change related disasters. Significant investments will be needed to address this vulnerability. The World Bank supports Malawi through the Regional Climate Resilience Project 2 (P181308), which aims to improve resilience to water-related climate shocks in Malawi and in the Eastern and Southern Africa region, and in case of an eligible crisis or emergency, to respond promptly and effectively to it.

8. Assessment of Bank Performance

a. Quality-at-Entry

According to the PAD (para.46), the project built on lessons learned from the World Bank’s experience in responding to natural disasters. Those lessons learned included: i) cross-sector and multi-sectoral disaster recovery have demonstrated sustainability and require intense coordination with respective line ministries, strong guidance from a multi-sectoral Project Steering Committee (PSC) and a well-resourced Project Implementation Unit (PIU); ii) early programming of IFA/ Public Works Programs (PWP) is



essential for aligning the inputs with the agricultural seasons in Malawi; iii) to strengthen vertical coordination between district and national level technical staff and horizontal coordination of multi-sector technical staff at districts and national level is critical; and iv) recurrence of disasters in Malawi calls for government systems to gradually invest greater resources in better preparing for disasters.

According to the PAD (para. 69), the World Bank team identified relevant risks to project implementation and rated the fiduciary risk High due to the type of activities proposed and the requirement for expedited implementation and delivery given the need for urgently responding to the emergency created by the drought. Several risks were rated as Substantial including: i) political and governance risks; ii) macroeconomic risks; and iii) institutional capacity for implementation and sustainability risks. Mitigation measures included a designated PIU with sufficient capacity to ensure adequate oversight of project implementation. However, mitigation measures were not sufficient. The Results Framework was adequate (see section 9a for more details). According to the ICR (para. 80), due to the lack of safeguard capacity within the PIU, the project experienced non-compliance with approved safeguard instruments resulting in implementation delays. Also, due to the PIU's heavy workload, as a result of also implementing another World Bank project simultaneously, there were implementation issues. For these reasons, Quality at Entry is rated Moderately Satisfactory.

Quality-at-Entry Rating Moderately Satisfactory

b. Quality of supervision

During eight years of project implementation, the World Bank team conducted 15 supervision missions. The ICR (para. 79) stated that the World Bank team provided support in Financial Management and procurement. However, the project had four different Task Team Leaders, which resulted in implementation delays. Also, the project experienced delays in contract management for civil works and consultancy contracts which resulted in the need to extend all works and consultancy contracts.

The ICR (para. 77) stated that when the World Bank team conducted a mid-term review, it became clear that some targets were only to be achieved through AF. The World Bank team restructured the project three times to address changes on the ground. Also, according to the World Bank team (November 24, 2025), during the Mid-Term Review it was found that another World Bank project was providing similar support for restoring livelihoods and thus under this project the support was stopped. Overall, the quality of supervision is rated Satisfactory.

Quality of Supervision Rating Satisfactory

Overall Bank Performance Rating Moderately Satisfactory



9. M&E Design, Implementation, & Utilization

a. M&E Design

The original and revised objectives were clearly stated and the project's theory of change and how activities and outputs were to result in the intended outcomes was sound and well reflected in the Results Framework.

The indicators included in the Results Framework encompassed all outcomes of the PDO statement. Also, the intermediate outcome indicators were appropriate to measure the contribution of the project's outputs towards the objective. Most indicators were sufficiently specific, measurable, achievable, relevant and time-bound (SMART). It is not clear how the "strengthened" aspect of PDO indicator 6 ("number of functional local DRM authorities in project affected areas established or strengthened") was measured.

According to the PAD (para. 57), the PIU was to be responsible for the project's M&E activities.

b. M&E Implementation

According to the ICR (para. 86) data on the selected indicators were collected, updated and reported in quarterly reports.

The project's Results Framework was adapted three times during implementation. When the project received AF in 2020, all of the original PDO indicators were deleted and new PDO indicators were introduced since the targets of the original indicators had been achieved, and the new indicators were to better reflect the revised scope of the project. Also, the original intermediate outcome indicators were deleted, and intermediate outcome indicators were introduced. The PIU prepared a mid-term report, a baseline report for the AF, and an impact assessment of the original project to track progress of the project activities.

During the 2023 restructuring, some indicator targets that were undefined during AF were defined, and targets based on changes in activities were adjusted. Also, a new PDO indicator ("increased quality and reliability of forecasts and warnings produced by the hydro-met system") was included.

According to the World Bank team (November 24, 2025), M&E data provided by the project were reliable and of good quality. The specialist M&E consultant worked with government staff to establish and implement M&E activities. The government staff continues to use the processes developed.

c. M&E Utilization

According to the ICR (para. 87) M&E data were used to identify implementation bottlenecks and inform decision making. The project's 2020 baseline report was used to revise indicator targets during the 2023 restructuring.



M&E Quality Rating

Substantial

10. Other Issues

a. Safeguards

The project was classified as category B and triggered the World Bank's safeguard policies Environmental Assessment (OP/BP 4.01), Natural Habitats (OP/BP 4.04), Pest Management (OP 4.09), Physical Cultural Resources (OP/BP 4.11), Involuntary Resettlement (OP/BP 4.12), and Safety of Dams (OP/BP 4.37). According to the World Bank team (November 24, 2025), the project prepared an Environmental and Social Management Framework, Resettlement Policy and a Pest Management Plan.

According to the ICR (para. 91), the project experienced several safeguard related issues such as limited capacity within the PIU, varying quality of environmental instruments as well as lack of consistent implementation across project locations. Furthermore, there was limited coordination between infrastructure engineers and environmental specialists, occasionally resulting in delays and lack of application of environmental measures. In addition, the project experienced fatalities. The project addressed these in accordance with World Bank standards. An Environmental and Social Audit, which was conducted when the project closed, identified several outstanding activities including those related to the rehabilitation of borrow pits and catchment management interventions including tree planting and sustainable land management activities.

When the project closed, the project's compliance with Natural Habitats (OP/BP 4.04), Pest Management (OP 4.09), Physical Cultural Resources (OP/BP 4.11), Involuntary Resettlement (OP/BP 4.12), and Safety of Dams (OP/BP 4.37) was rated Moderately Satisfactory and compliance with Environmental Assessment (OP/BP 4.01) was rated Moderately Unsatisfactory. According to the ICR (para. 92), the project established a Grievance Redress Mechanism which recorded a total of 296 grievances. Of those grievances 283 had been resolved and the government has committed to resolving the remaining ones and to provide evidence of closure to the World Bank.

b. Fiduciary Compliance

Procurement:

According to the ICR (para. 89) the project faced procurement related delays due to insufficient capacity at the PIU as they had to manage two projects simultaneously. Furthermore, the project experienced issues related to the devaluation of the Malawi Kwacha impacting contracts under execution such as civil work contracts that did not provide price adjustment. In addition, procurement sequencing and a large number of small value procurement packages presented challenges. The project addressed these issues by hiring more procurement staff in the PIU and by the World Bank and government providing training and supervision support. When the project closed, procurement was rated Moderately Satisfactory due to persistent delays as a result of weak capacity at the PIU.



Financial Management:

According to the ICR (para. 90) the project benefitted from qualified and experienced Financial Management staff who ensured smooth Financial Management. The annual audited financial statements were submitted on a timely basis, and the audit opinions were unmodified. Furthermore, the project did not experience any Financial Management related delays. According to the World Bank team (November 24, 2025), all of the external auditor’s opinions were unqualified. When the project closed, Financial Management was rated Satisfactory.

c. Unintended impacts (Positive or Negative)

NA

d. Other

11. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Moderately Satisfactory	Moderately Satisfactory	
Bank Performance	Moderately Satisfactory	Moderately Satisfactory	
Quality of M&E	Substantial	Substantial	
Quality of ICR	---	Substantial	

12. Lessons

The ICR (para. 106-110) included several lessons learned, which were adapted by IEG:

- **Restructuring a project while maintaining its original storyline can have a positive impact on ensuring coherence throughout implementation.** In this project, the initial focus was drought recovery. After the AF, the focus shifted to flood recovery and disaster management. The decision during the AF to delete all previously achieved indicators made the AF appear as an entirely new project, resulting in the lack of the overall focus and coherence of the project being preserved.
- **If a project strikes a balance between client demands and available resources, it can achieve more transformational outcomes.** In a country like Malawi, where funding needs are substantial, a more selective and focused project design can enhance impact. However, the project’s resources may have been spread too thin by incorporating numerous activities and sectors, which also impacted the PIU’s capacity to coordinate effectively across entities.



- **Strong community engagement can contribute to sustained investments and sound DRM.** In this project, the active involvement of Water Users Associations (WUAs) through training and capacity building, along with the establishment of local DRM committees, fostered local ownership and commitment to sustaining project investments. Supporting these community organizations to develop operation and maintenance (O&M) plans and adopt efficiency-enhancing measures for managing infrastructure in post-disaster contexts further contributes to long-term disaster risk reduction.

13. Assessment Recommended?

No

14. Comments on Quality of ICR

The ICR provided an adequate overview of project preparation and implementation and included an adequate Economic analysis. Also, the ICR was relatively concise and sufficiently outcome driven. The lessons learned can be useful for similar projects in this area in the future. The ICR could have benefited from providing more detailed information on why certain output and outcome targets were not achieved and what safeguard instruments were implemented. Overall, the quality of the ICR was Substantial.

- a. **Quality of ICR Rating**
Substantial