



MALAWI-Disaster Risk Management Development Policy Financing with Cat DDO (P165056)

AFRICA EAST | Malawi | Urban, Resilience and Land Global Practice |
IBRD/IDA | Development Policy Lending | FY 2019 | Seq No: 3 | ARCHIVED on 27-Jul-2021 | ISR47748 |

Implementing Agencies: Ministry of Finance, Economic Planning, and Development, Ministry of Finance, Economic Planning, and Development

Key Dates**Key Project Dates**

Bank Approval Date: 06-Jun-2019

Effectiveness Date: 27-Jun-2019

Original Closing Date: 31-Jul-2022

Revised Closing Date: 21-Jun-2022

Project Development Objectives

Program Development Objective (from Program Document)

The overall objective is to strengthen the institutional and financial capacity of the Government of Malawi for multi-sectoral disaster and climate risk management.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	<input type="checkbox"/> Satisfactory	<input type="checkbox"/> Satisfactory
Overall Implementation Progress (IP)	<input type="checkbox"/> Satisfactory	<input type="checkbox"/> Satisfactory
Overall Risk Rating	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate

Implementation Status and Key Decisions

The Disaster Risk Management Development Policy Financing with a Cat DDO (DRM DPF with Cat DDO) was designed to support policy reforms to address vulnerability to natural disasters and climate change, and to secure prompt financial support to alleviate the economic and humanitarian costs associated with the impact of Tropical Cyclone Idai that affected Malawi in March, 2019. The operation was designed to offer budget support to the Government for development policy reforms after project effectiveness, which was timely for immediate support needed for Cyclone Idai, and some resources from the project were held contingent for future events. A total of eight policy actions were supported by this operation. The government has made progress during this reporting period against its institutional framework for the implementation of the national disaster and climate agenda, increasing climate and disaster resilience in physical developments/infrastructure and strengthening social and financial protection mechanisms against disasters.

Specific highlights during this period include: (i) operationalizing two Technical Sub-Committees in line with the DRM Bill (currently pending Cabinet and Parliamentary approval); (ii) progress made on the second Annual Report of the results indicators of the National Resilience Strategy and the Malawi Growth and Development Strategy III; (iii) sectoral weather and climate forecast reports delivered to four sectors - Agriculture, Water, disaster early warning and Districts - and translated in Chichewa and Tumbuka; (iv) activation of the Emergency Operations Committee to respond to COVID-19, with close collaboration between MoH and DoDMA; (v) advances on flood risk mapping activities in Blantyre and Lilongwe; (vi) progress on advancing on the Building Regulations, and Policy; (vii) implementation and use of the Safer Schools Construction Guidelines in ongoing construction; (viii) use of UBR data for enabling shock-response through the social protection system for both COVID-19 emergency and 2020/21 lean season food insecurity responses; and (ix) advances on design features for a disaster risk finance fund, which can be established once the DRM Bill is approved.



Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	High	Substantial	Substantial
Macroeconomic	High	Substantial	Substantial
Sector Strategies and Policies	Moderate	Moderate	Moderate
Technical Design of Project or Program	Moderate	Low	Low
Institutional Capacity for Implementation and Sustainability	High	Moderate	Moderate
Fiduciary	High	Substantial	Substantial
Environment and Social	Moderate	Moderate	Moderate
Stakeholders	Low	Low	Low
Other	--	--	--
Overall	High	Moderate	Moderate

Results

Results Indicators

Pillar A – Strengthening the institutional framework and coordination mechanisms				
IN01023979				
► Results Indicator 1: Number of Technical Sub-committees operationalizing a more comprehensive DRM approach as established in the Malawi Disaster Risk Management Bill (Amount(USD), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	2.00	2.00	3.00
Date	06-Jun-2019	17-Jun-2020	22-Jul-2021	21-Jun-2022
Comments:	<p>Results Indicator 1. The Government has made progress on the selection of the Technical Sub-committees. Two Technical Sub-Committees, one on Early Warning and one on Assessment, have been established and Terms of Reference have been prepared. The two active Technical Sub-Committees held meetings in December 2019 and a second meeting of the Early Warning Technical Sub-Committee was held on June 4, 2020. Additionally, during last mission held in November 2020, the MoF informed an Economic Empowerment Committee has been established as an ad hoc cluster to assess COVID-19's fiscal risks.</p>			
IN01023982				
► Results Indicator 2: Annual reports on NRS and/or MGDS III monitoring progress on results, budget allocations, and expenditures on disaster risk management and social protection (Amount(USD), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	1.00	2.00	3.00



Date	06-Jun-2019	17-Jun-2020	22-Jul-2021	21-Jun-2022
Comments:	<p>Results Indicator 2. DoDMA produced the first annual report documenting progress on results, budget indications, and expenditures on disaster risk management and social protection. For the first report, DoDMA and the Poverty Reduction and Social Protection Division (PRSPD) collected information needed to monitor and generate the first annual report for the period of 2018/2019 on DRM and Social Protection (SP) indicators as outlined in the National Resilience Strategy (NRS), Malawi National Social Support Programme II (MNSSP II) and the Malawian Growth and Development Strategy III (MGDS III). On November 2020, DoDMA and MoEPD-PSR informed the team their plan to improve data collection in partnership with NGOs, private sector and the academia. For the second edition of the report, the GoM has committed to disseminate the report to the wider community with help from the media to strengthen the end product.</p>			
IN01023985				
► Results Indicator 3: Number of user sectors receiving tailor-made forecasts and early warning bulletins with the appropriate content, frequency, communication channels and in local languages (Amount(USD), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	2.00	2.00
Date	06-Jun-2019	17-Jun-2020	22-Jul-2021	21-Jun-2022
Comments:	<p>Results Indicator 3. Satisfactory progress has been made in relation to the implementation of tailor-made forecasts and early warning bulletins. DCCMS reported that the Agriculture and Water sectors, have started to receive tailor-made weather products. The agriculture sector has already received feedback from farmers and agricultural extensionists. Also, the National Seasonal Forecast downscaled to District Council level for dissemination during last 2020 rainy season. Dissemination was done for all districts except for Likoma district. Forecasts were translated to Yao with support from Malawi Red Cross for Mangochi, Zomba, Balaka, Machinga and Chiradzulu; Chichewa with support from M-CLIMES Project and FAO for all Malawi districts; and Tumbuka, which could not be disseminated prior to the initiation of the season because it was finalized late.</p>			
IN01023987				
► Results Indicator 4: National Public Health Emergencies Committee established and operating in accordance with the MoU that clarifies all ministry roles and responsibilities relevant to International (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	06-Jun-2019	17-Jun-2020	17-Jun-2020	21-Jun-2022
Comments:	<p>Results Indicator 4. The Ministry of Health (MoH) activated its Emergency Operations Center (EOC), which includes key stakeholders for coordination on COVID-19 response. Before the pandemic, MoH had set up the EOC in accordance with the International Health Regulations. DoDMA chairs the EOC meetings, which in close collaboration with MoH, has coordinated the development of the National COVID-19 Preparedness and Response Plan for the country. The MoH informed a National Public Health Emergencies Committee will be formally established once the COVID-19 pandemic is over and the Presidential Taskforce on COVID-19 is deactivated. A lessons learned exercise is to be undertaken that aims to strengthen coordination for health emergencies and also establish coordination between DoDMA and MoH.</p>			

Pillar B – Increasing climate and disaster resilience in physical developments and infrastructure

IN01023980

► Results Indicator 5: Number of cities with appropriate hazard maps that inform the location of public infrastructure and physical development (Amount(USD), Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
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Value	0.00	0.00	0.00	2.00
Date	06-Jun-2019	17-Jun-2020	22-Jul-2021	21-Jun-2022
Comments:	<p>Results Indicator 5. The Government has made progress in relation to the implementation of city scale hazard maps. A flood risk modelling and assessment is expected to be delivered for Lilongwe by the end of July 2021. It includes flood hazard maps and a preliminary flood risk assessment for Lilongwe city. A similar assessment is in preparation stage for the city of Blantyre. During the November 2020 mission, the Department of Urban Development informed that UNHABITAT is supporting a urban resilience project for the city of Zomba that may include hazard mapping.</p>			
IN01023983				
<p>► Results Indicator 6: Number of cities and districts where stakeholders have been trained on existing standards and building policy/regulations that incorporate multi-hazard resilience (Amount(USD), Custom)</p>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	15.00
Date	06-Jun-2019	17-Jun-2020	17-Jun-2020	21-Jun-2022
Comments:	<p>Results Indicator 6. The Government has made progress on the formulation of the Malawi National Building Regulations, and the National Buildings Policy. GoM has hired a consultancy that will review the Malawi National Buildings Regulations (MNBR) so that the document sufficiently integrates design standards for climate and disaster risks. To enforce the MNBR, a legal framework needs to be established. To this end, the MoTPW has advanced on drafting the National Buildings Policy and the Buildings Bill. The MoTPW has shared a roadmap and draft for the Policy, which is being reviewed to benchmark against international good practice. The MoTPW plans to deliver two type of trainings upon final review of the MNBR: (i) short-term training for local authorities and institutions to start dissemination of best practices; and (ii) long-term training for diploma or construction degree programs. Furthermore, the MoTPW is working with the National Construction Industry Council (NCIC) to deliver training for local authorities on the Safer House Guidelines and integrating multi-hazard resilience.</p>			
IN01023986				
<p>► Results Indicator 7: Number of new national transport projects implemented by the Roads Authority that apply the new harmonized multi-hazard resilience standards (Amount(USD), Custom)</p>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	3.00
Date	21-Jun-2019	17-Jun-2020	22-Jul-2021	21-Jun-2022
Comments:	<p>Results Indicator 7. MoTPW conducted an assessment of road design standards, guidelines and institutional capacity for climate resilient infrastructure and training on resilience for road construction. The Ministry and Roads Authority (RA) strengthened their processes to plan and implement higher standards for resilience after the Climate Adaptation Project in 2015 (ReCAP). Additionally, under the Climate Investment Fund (CIF) and through the Pilot Program for Climate Resilience (PPCR), the Government of Malawi delivered a report, analytical studies, and associated trainings on Transport Sector in March 2020. The GoM adopted the “Guidelines for the Road Sector to Increase its Resilience to the Effects of Climate Change” and confirmed that these are being included in all ToRs for new and rehabilitated roads. The KIA-Mzimba turn off and Kacheche – Chiweta road projects, financed by EIB/EU, were reviewed with respect to climate resilience as part of the appraisal of the project. The rehabilitation of the Liwonde – Nsipe, with funding from African Development Bank, is also under procurement for design review following the improved design guidelines. The MoTPW is also convening the RA, academia and engineering bodies to review national road and bridge standards; such review includes strengthening climate resilience.</p>			
IN01023988				
<p>► Results Indicator 8: Percentage of new educational facilities constructed or rehabilitated in compliance with the technical hazard-resilient criteria adopted by MoEST (Percentage, Custom)</p>				
	Baseline	Actual (Previous)	Actual (Current)	End Target



Value	0.00	100.00	100.00	100.00
Date	06-Jun-2019	17-Jun-2020	22-Jul-2021	21-Jun-2022
Comments:	<p>Results Indicator 8. The Safer Schools Construction Guidelines are already in use for building new educational infrastructure in the country. After cyclones Idai and Kenneth, multi-use educational infrastructure has been built in rural areas of Malawi using the Safer School Construction Guidelines (SSCGs). The GoM plans to develop a communication strategy to disseminate these guidelines, particularly through less technical products. 83 schools have been constructed by Government and donor partners using the SSCGs.</p>			

Pillar C – Strengthening the Gov’s social and financial protection mechanisms to respond to disaster

IN01023981

► Results Indicator 9: UBR data sharing protocols implemented, as evidenced by percentage of shock-affected households identified through the UBR that are targeted for post-disaster support (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	70.00	87.40	90.00
Date	06-Jun-2019	17-Jun-2020	22-Jul-2021	21-Jun-2022
Comments:	<p>Results Indicator 9. The Unified Beneficiary Register (UBR) data sharing protocols are already being used to target beneficiaries for post-disaster support. The UBR has been instrumental in providing data to various institutions including Ministry of Gender, Community Development and Social Welfare, WFP and DoDMA who jointly implemented a lean season response in Balaka between December and March 2020, targeting 23,990 individuals across 4 districts and an additional 7,670 for the 2020/2021 lean season response in two districts, both based on the UBR data sharing protocols. More recently, UBR data has also been used for identification and targeting of over 199,413 households in urban centers of Blantyre, Lilongwe, Zomba and Mzuzu for an ongoing COVID-19 Urban cash response in these urban cities since February 2021. UBR has also been used to facilitate a COVID 19 vertical expansion of the Social Cash Transfer Program (SCTP) to existing 290,025 rural households between September and December 2020. Together, this represents about 87.4% of the total number of households benefiting from both COVID-19 Urban response and SCTP vertical expansion. The UBR data sharing protocols were approved on June 12, 2020 by the National UBR Coordination Committee. Coordination discussions have taken place between DoDMA and PSRP division on protocols for shock-responsive social protection, leading to improved coordination in the design and implementation of disaster response measures of the lean season as well as COVID-19 response.</p>			

IN01023984

► Results Indicator 10: Number of new ex-ante risk financing instruments* established in alignment with the National Disaster Risk Financing Strategy (Amount(USD), Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	1.00	2.00
Date	06-Jun-2019	17-Jun-2020	22-Jul-2021	21-Jun-2022
Comments:	<p>Results Indicator 10. The Government is currently exploring three potential risk financing instruments to pre-arrange disaster funds in advance of need. The team is developing a Scalability Handbook to outline the triggers, benefit packages, and associated technical guidelines for an effective shock-response financial mechanism, which is now operational. The GoM has also developed a Note comparing features of international DRF funds to inform the design of a potential DRF fund in Malawi once the DRM Bill is approved. The GoM is analyzing an Agriculture Insurance Feasibility Study to identify key opportunities and constraints for expanding credit access for smallholder farmers, agribusiness, small and medium enterprises (SMEs). Finally, the government is also engaging with other partners to identify financial solutions that can be prearranged for disasters. The team will continue to monitor the progress on these conversations over the next year</p>			

**Data on Financial Performance****Disbursements (by loan)**

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P165056	IDA-D4880	Closed	USD	40.00	40.00	0.00	40.18	0.00	100%
P165056	IDA-D4890	Effective	USD	30.00	30.00	0.00	29.57	0.00	100%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P165056	IDA-D4880	Closed	06-Jun-2019	21-Jun-2019	27-Jun-2019	31-Jul-2020	21-Jun-2020
P165056	IDA-D4890	Effective	06-Jun-2019	21-Jun-2019	27-Jun-2019	31-Jul-2022	21-Jun-2022

Tranches**Restructuring History**

There has been no restructuring to date.

Related Project(s)

There are no related projects.