



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

AFRICA | Malawi | Urban, Resilience and Land Global Practice |
IBRD/IDA | Development Policy Lending | FY 2019 | Seq No: 1 | ARCHIVED on 25-Sep-2019 | ISR38554 |

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	--	● Satisfactory
Overall Implementation Progress (IP)	--	● Satisfactory
Overall Risk Rating	--	● High

Implementation Status and Key Decisions

The Disaster Risk Management Development Policy Financing (DRM DPF) and the Disaster Risk Management 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 is innovative in providing both upfront and disaster-contingent financing for future events through a single program. A total of eight policy actions were supported by this operation.

The government has made strong 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) selection of the Technical Sub-committees according to the DRM Bill; (ii) preliminary consultations regarding the implementation of user-driven forecasts and early warning bulletins for the agriculture sector; (iii) multi-stakeholder consultations to inform city scale flood mapping in Blantyre; (iv) advanced draft of the Malawian building regulations developed; (v) development of an institutionalization strategy for the safer school construction guidelines; (vi) advancements in the formulation of the Universal Beneficiary Register data protocols that would allow stakeholders in the humanitarian assistance sub-sector to identify their beneficiaries; and (vii) early stage conceptualization of two disaster risk financing instruments, namely, Agricultural Insurance and Scalable Social Cash Transfer Funds.



Risks

Systematic Operations Risk-rating Tool

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

Results

Results Indicators

Pillar A – Strengthening the institutional framework and coordination mechanisms				
▶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	--	0.00	3.00
Date	06-Jun-2019	--	13-Sep-2019	21-Jun-2022
Comments:	Results Indicator 1. The Government has made progress on the selection of the Technical Sub-committees. The Bank and the Government agreed on working with the Early Warning System, Spatial Planning-Shelter and Camp Management, and the Assessment Sub Committees. The Government has committed to start formulating terms of references that will include a method to assess the baseline situation, the actions required for the operationalization, and a monitoring strategy.			
▶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	--	0.00	3.00
Date	06-Jun-2019	--	13-Sep-2019	21-Jun-2022
Comments:	Results Indicator 2. The Government has made progress on the annual reports on NRS and/or MDGS III that will monitor progress on results, budget allocations, and expenditures on disaster risk management and social protection. The structure of the Annual report has been agreed with the			



	Bank. DoDMA in collaboration with MOFED has started to hold meeting with all the government agencies engaged in resiliency building activities and collecting the information on progress indicators and budget allocations.			
►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
Date	06-Jun-2019	--	13-Sep-2019	21-Jun-2022
Comments:	Results Indicator 3. Satisfactory progress has been made in relation to the implementation of tailor-made forecasts and early warning bulletins. The DCCMS is formulating the National Framework for Climate Services of Malawi in order to guide the transformation towards a user driven provision of meteorological products and services. The main user sectors have been identified and the agricultural sector has been prioritized. The DCCMS started consultations with the agricultural sector and a detailed workplan is been formulated to receive feedback from all the user groups within the sector (government, farmers, media, NGOs, etc), user needs and feedback will be used to modify the provision of climate services.			
►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	Yes
Date	06-Jun-2019	--	13-Sep-2019	21-Jun-2022
Comments:	Results Indicator 4. Satisfactory progress has been made in relation to the implementation of the National Public Health Emergencies. With the support of the World Health Organization (WHO) the Joint External Evaluation (JEE) of the International Health Regulation (IHR) capacities was finalized. This exercise helped to identify MoH's existing capacity and gaps to manage public health emergencies and contain the spread of diseases. The WHO and MoH are planning a training exercise for the Ministry's staff to use the JEE of the IHR capacities in the development of a National Action Public Health Security Plan which will serve as a baseline for the definition of task and discussion with other stakeholder on roles, responsibilities and coordination mechanisms.			

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

►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
Value	0.00	--	0.00	2.00
Date	06-Jun-2019	--	13-Sep-2019	21-Jun-2022
Comments:	Results Indicator 5. The Government has made progress in relation to the implementation of city scale hazard maps. Flood mapping within the city of Blantyre has been selected as the priority for the first pilot. A Flood Risk and Hazard Mapping workshop took place in Lilongwe on September 12 with participation of national stakeholders, university representatives and Blantyre city officials. The workshop included a technical discussion around Blantyre's advances on flood hazard assessment, which facilitated understanding the strengths and gaps in data collection and analysis. The group proposed collaboration opportunities between national and the local authorities to facilitate data sharing, as well as, engaging universities and their interns in data collection and research. Based on the conclusions of the event, the Bank's team will submit for government consideration a technical note about possible next steps to develop a flood hazard map for Blantyre.			



►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)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	15.00
Date	06-Jun-2019	--	13-Sep-2019	21-Jun-2022
Comments:	Results Indicator 6. The Government has made progress on the formulation of building regulations. The MoTPW with the support of a consultant has developed a very advanced draft of the Malawian Building Regulations. The Bank Building Regulations for Resilience team has provided technical feedback. The final version will be reviewed to verify that it aligns with other regulations. The document is expected to be finalized within two months to start the process of final validation and approval.			
►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)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	3.00
Date	21-Jun-2019	--	13-Sep-2019	21-Jun-2022
Comments:	Results Indicator 7. The Government has made progress on the national multi-hazard resilience road standards. The Road Authority has started an assessment of road design standards, guidelines and institutional capacity for a climate resilient infrastructure. This assessment is being conducted with the support of the Climate Investment Fund (CIF) and through the Pilot Program for Climate Resilience (PPCR).			
►Results Indicator 8: Percentage of new educational facilities constructed or rehabilitated in compliance with the technical hazard-resilient criteria adopted by MoEST (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	100.00
Date	06-Jun-2019	--	13-Sep-2019	21-Jun-2022
Comments:	Results Indicator 8. Satisfactory progress has been made on the implementation of the Safer School Construction Guidelines. MoEST has developed an institutionalization strategy of the Safer School Construction Guidelines. The strategy includes the stakeholder mapping and their roles, the means and process for disseminating and enforcing the guidelines. MoEST has also started to share the guidelines with all the stakeholders involved in the development of new infrastructure and the rehabilitation of schools after tropical cyclone Idai. A training of trainees will be planned before the end of the calendar year.			

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

►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	--	0.00	90.00
Date	06-Jun-2019	--	13-Sep-2019	21-Jun-2022
Comments:	Results Indicator 9. Satisfactory progress has been made on the Universal Beneficiary Register (UBR) data sharing protocols to target beneficiaries for post-disaster support. The government has advanced in the formulation of the UBR data protocols that would allow stakeholders in the humanitarian			



assistance sub-sector identify their beneficiaries in the event of a disaster. The Poverty Reduction and Social Protection (PRSP) division held a UBR technical working session on September 10, 2019 as part of the formulation and validation process. Although the Government has not officially approved the data protocols, some stakeholders like UNDP have started using the UBR to identify and target benefiting households in Phalombe. In other districts, the management information system for the Social Cash Transfer Program has been used to increase amount of money received by households through what is called vertical expansion.

► 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	2.00
Date	06-Jun-2019	--	13-Sep-2019	21-Jun-2022

Results Indicator 10. Satisfactory progress has been made on the assessment of new ex-ante risk financing instruments in alignment with the National Disaster Risk Financing Strategy. MoFEPD with the support of the World Bank and other development partners has been working on the development of two disaster risk financing instruments, namely, Agricultural Insurance and Scalable Social Cash Transfer Fund. Under Agricultural Insurance, the Ministry submitted a request to the World Bank for a project in July 2019. A diagnostic study was conducted to review the landscape, map stakeholders involved in drought risk insurance and propose options for rolling out agricultural insurance to small holder and commercial farmers. As per recommendations of the study, MoFEPD plans to implement the instrument through a number of channels including: (i) Farm Input Subsidy Program; (ii) Contract Farming; and (iii) Agricultural Credit. Currently, the Ministry is discussing mechanisms which would triggers pay out to farming households once a disaster affects their agricultural production. In terms of the Scalable Social Cash Transfer Program. The program will benefit households that are affected by disaster through horizontal and vertical expansion. Horizontal expansion entails including new beneficiaries to benefit from the scheme while vertical expansion includes increasing the amount of pay out to already existing beneficiaries who have been affected by the disaster event. The Poverty Reduction and Social Protection Division has submitted a proposal to the Trust Fund at the World Bank. Meanwhile, PRSP Division is still discussing on a set of mechanisms that would trigger a pay out once the disaster happens. The instrument is expected to start implementation in June 2020.

Data on Financial Performance

Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P165056	IDA-D4880	Effective	USD	40.00	40.00	0.00	40.18	0.00	100%
P165056	IDA-D4890	Effective	USD	30.00	30.00	0.00	0.00	29.78	0%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P165056	IDA-D4880	Effective	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.
