

Cover Page for Project/Program Approval Request

1. Country/Region:	Mozambique	2. CIF Project ID#:	XPCRMZ017A
3. Source of Funding:	<input type="checkbox"/> FIP	<input checked="" type="checkbox"/> PPCR	<input type="checkbox"/> SREP
4. Project Title:	Roads and Bridges Management and Maintenance Program-APL2		
5. Type of CIF Investment:	<input checked="" type="checkbox"/> Public	<input type="checkbox"/> Private	<input type="checkbox"/> Mixed
6. Funding Request in million USD equivalent:	<i>Grant: USD 9.25 Million-Grant</i>	<i>Non-Grant: USD 6.5 Million-Concessional Loan</i>	
7. Implementing MDB(s):	The World Bank (IBRD)		
8. National Implementing Agency:	<i>Fundo de Estradas (Road Fund)</i>		
9. MDB Focal Point and Project/Program Task Team Leader (TTL):	<i>Headquarters PPCR Focal Point Kanta K. Rigaud Lead Environment Specialist and PPCR Program Coordinator</i>	<i>TTL: Kulwinder Singh Rao, Senior Highway Engineer</i>	
10. Project/Program Description (including objectives and expected outcomes):			

The Roads component of the Mozambique PPCR will be implemented under the ongoing IDA-financed Roads and Bridges Management and Maintenance Project; APL2 (RBMMP-2) which the primary objective is to stimulate growth and contribute to poverty reduction through improved road infrastructure, better sector policies, and enhanced roads sector management. It will be implemented in order to contribute to the Government's strategy of inclusive growth and rural development.

The proposed PPCR activities will focus on two separate aspects to make overall road network more resilient to climate change. The first activity will be focused on review of existing design standards and construction and maintenance approaches and development of improved design and construction standards for the paved and unpaved classified road network in Mozambique. This activity will most likely develop computer models/simulations to study the effect of extreme events in a more nuanced way to link climate change with their likelihood and magnitude and further use the results to establish new design standards for a more climate resilient network. The second activity shall support piloting of improved designs for rural unclassified roads and associated hydraulic structures as well as improved methodologies for their maintenance and monitoring - providing for more responsive repairs by local contractors and communities. The latter activity might include a development of capacity-building programs for local contractors and other service providers. It is expected that the outcome of the pilot will inform subsequent scale up through Government and other Development Partner financing.

The outcome of the PPCR activities shall be measured through two indicators; (i) Establishment of Design and Construction Standards for the classified paved and unpaved road network in the Mozambique and (ii) reduction (30%) in weather related disruption on selected rural roads in Gaza province

The PPCR Roads project was originally envisioned to be blended with the 3rd Phase of a IDA-financed programmatic operation supporting the roads network. Given the floods in the Limpopo, the 2nd Phase of the project is being restructured to better respond to the damage caused, thus considerably delaying the preparation of the 3rd Phase, which will not begin until 2015. In light of this situation and the risk of such a delay for the cohesion of the PPCR program, the GoM decided to add the PPCR funds to the restructured 2nd Phase of the programmatic operation, which is expected to be approved by the WB Board by the end of 2013. The activities to be piloted and the scope of the operation remain the same as outlined in the program document for the Strategic Program for Climate Resilience (SPCR). Mobilizing PPCR funds in the Limpopo sooner will help leverage change across the additional IDA funded reconstruction response, generating lessons that could then be scaled to national level through (i) the introduction and uptake of improved design standards and maintenance approaches, (ii) support from the Roads Fund - including in the Zambezi valley and (iii) through the 3rd phase of the Roads and Bridges Management and Maintenance Project (RBMMP APL3)

11. Consistency with Investment Criteria¹:

¹ Please provide the information in the cover page or indicate page numbers in the accompanying project/program document where such information can be found.

The USD 15.75 PPCR financing will be integrated into an additional financing package for RBMMP APL 2, including an additional \$112.5 million from IDA country portfolio reallocations and Crisis Response Window (CRW) financing. Co-financing of \$15 million from the UK Department for International Development (DFID) through Global Fund for Disaster Recovery and Reduction (GFDRR) is also expected as part of this package. The project is likely to be presented to IDA Board by mid-December 2013. Further details for the PPCR component are included in the attached RBMMP2 Restructuring paper (paragraph 23, page 5-6, and annex 3b).

The climate-resilience building aspects of this Additional Financing operation are directly supportive of the policy objectives set-out in the National Climate Change Strategy (approved by the Council of Ministers in November 2013) which identifies the need to build resilience into roads infrastructure as a priority policy objective. Research published by World Bank in 2010 on the Economics of Adaptation to Climate Change also identified the roads sector as a priority for climate adaptation support in terms of economic return on investment. To this end, Additional Financing support, including trust fund support from the Pilot Program on Climate Resilience seeks to ensure that reconstruction activities in the Gaza province are informed by climate change risks, and that experience gained from these efforts is integrated into the development of improved national design standards and maintenance approaches – the roll-out of which could then be assessed objectively as part of sector monitoring. If successful, this could have a transformative impact on the roads sector as a whole.

Specifically, mobilizing PPCR funds in the Limpopo sooner than would be possible in Zambezi Valley will help increase leverage for change across the additional IDA funded reconstruction response, generating lessons that could then be scaled to national level through (i) the introduction and uptake of improved design standards and maintenance approaches, (ii) support from the Roads Fund - including in the Zambezi valley and (iii) through the 3rd phase of the Roads and Bridges Management and Maintenance Project (RBMMP APL3)

12. Stakeholder engagement²:

² Ibid.

Overall, the project will be implemented by Road Fund as Project Implementing Entity, and National Road Administration (ANE) a Project Executing Entity. Both entities are under the Ministry of Public Works and Housing, Government of Mozambique and are responsible for management and maintenance of the road network in Mozambique. Provincial delegates and authorities will also closely support the implementation of the project activities. PPCR activities will trigger structured stakeholder consultation including other government departments and development partners, local communities, contactors, consultants etc.

The inclusion and design of activities that seek to build climate resilience have emerged from consultations at various levels. Building climate resilience into the planning, construction and renovation of road networks emerged as a priority during national, provincial and local consultations during the development of the National Climate Change Strategy. Subsequently, consultations at national, provincial and district level following the January 2013 floods also confirmed the need to build longer-term resilience into rural roads networks and this agenda has strong government and local stakeholder support.

UK DFID have also decided to support restoration of the rural roads network in the Limpopo following the January 2013 floods and are mobilizing around US\$20 million for this purpose. This includes support for the restoration of roads to climate resilient standards and more broadly, improved flood modeling for the lower Limpopo basin that will help future infrastructure planning (as well as improve early warning systems for extreme flood events).

The Nordic Development Fund (NDF) are also planning to mobilize support to improve climate resilience of roads in the Nacala-Niassa growth corridor. World Bank, NDF and Ministry of Public Works and Housing have also agreed to coordinate closely on the development of climate resilient roads standards at national level.

13. Gender considerations³:

No separate gender aspects was carried out for the planned PPCR activities. However, overall impact of the project will have a significant impact to the rural population as the improvement of roads will contribute on the improvement to the agriculture fields and access to the markets. The project area is mostly rural where agriculture is the main activity and the women are the main engaged group on this activity. Previous analysis in the lower Limpopo valley undertaken with support of FAO has identified important gender-related dimensions of climate change – for example out migration of males into South Africa from the area in response to both floods and droughts – as a strategy for diversifying incomes through remittances. In the interim, this can also leave female-headed households more vulnerable to climatic shocks and more reliant on very basic social protection systems and relief. In parallel, PPCR Phase 1 funds are currently supporting analysis of livelihoods and resilience in the Limpopo basin and this also includes a strong focus on gender dimensions. The results of this study are expected to be available prior to the start-up of medium –term restoration works and so will help ensure that livelihood aspects in general, and gender issues in particular, are addressed as implementation moves forwards.

14. Indicators and Targets (consistent with results framework):⁴

Core Indicator	Target
(a).The percentage of classified roads in good and fair condition.	73%

³ Ibid.

⁴ For more details on indicators , please refer to Annex 1 of the Additional Financing Paper.

(b) The percentage of the rural population within 2 kilometers of an all-season road	42.5%	
(c) Project Beneficiaries (Rural only)	6.1 million	
<i>Development Indicator(s):</i> Number of kilometers of flood damaged roads rehabilitated in Limpopo	293 km	
Establishment/Revision of National Design Specification and standards for paved and unpaved road network	Approval of the Design Standards	
Reduction in weather induced disruptions on selected rural roads in Gaza province.	30%	
15. Co-Financing⁵:		
	<i>Amount (in USD million):</i>	<i>Type of contribution:</i>
• Government	USD 40 million	Counterpart funds
• MDB	USD 113.0 million	IDA Grant
• Private Sector (please specify)	Nil	
• UK Department for International Development – DFID- through Global Fund for Disaster Recovery and Reduction Trust Fund	USD 15 million	Grant
• Others		
Co-Financing Total:	USD 167.5 million	
16. Expected Board/MDB Management⁶ approval date:		
March 6, 2013		

FINAL Version
February 26, 2013

⁵ The financing plan shown here is related to the whole project. The PPCR related component (US\$ 15.75 million) is solely funded by CIF funds.

⁶ In some cases activities will not require MDB Board approval.