

### Summary of Project/Program

PILOT PROGRAM FOR CLIMATE RESILIENCE			
Summary - Project Approval Request			
1. <b>Country/Region:</b>	Zambia	2. <b>CIF Project ID#:</b>	(Trustee will assign ID)
3. <b>Project/Program Title:</b>	Strengthening Climate Resilience in the Kafue sub-basin		
4. <b>Type of PPCR Investment</b>	Public		
5. <b>Funding Request (in USD million total) for Project:</b>	Grant: US\$ 20.5million	Loan: US\$ 17.5 million	
6. <b>Approved Preparation Grant</b>	Amount (USD): USD <sup>1</sup> 1 million	Date: June 29 <sup>th</sup> , 2011	
7. <b>Implementing MDB:</b>	African Development Bank (AfDB)		
8. <b>Other MDB Involvement</b>	MDB: IBRD, IFC	Type of Involvement: Parallel and Complementary Projects	
9. <b>National/[Regional] Project Focal Point:</b>	Mr. David Chama Kaluba   PPCR National Coordinator  Ministry of Finance  <a href="mailto:dckaluba@juno.com">dckaluba@juno.com</a>		
10. <b>National/[Regional] Executing Agency<sup>2</sup> for project/program:</b>	National Climate Change Secretariat Plot 90 Makishi-Broad Road, P.O. Box 30547 Economic Management Department Ministry of Finance, Zambia		
11. <b>MDB PPCR Focal Point and Project/Program Task Team Leader (TTL):</b>	Headquarters-CIF Focal Point:  Mafalda DUARTE Chief Climate Change Specialist, African Development Bank <a href="mailto:m.duarte@afdb.org">m.duarte@afdb.org</a>	TTL:  Kisa Mfalila <a href="mailto:k.mfalila@afdb.org">k.mfalila@afdb.org</a>	
12. <b>Project/Program Description:</b>			
The Project has three components:			
<b>No.</b>	<b>Component</b>	<b>Cost (UA million)</b>	<b>Description</b>
1.	Community-	11.52	1.1. Integrated Community-Based Adaptation: will support three (3)

<sup>1</sup> This is a joint PPG (AfDB and IBRD) implemented through IBRD and executed by the Recipient

<sup>2</sup> Can be Government agency or private sector firm

	Driven Participatory Adaptation	(45%)	<p>areas of intervention:</p> <ul style="list-style-type: none"> <li>• <i>Community-level infrastructure</i> projects, such as, small-scale, community level flood control and diversion structures, small-scale irrigation schemes, water reservoirs and small dams, de-silting &amp; restocking ponds, improved wells &amp; boreholes, community forest plantations, and wildlife estate and community game ranches;</li> <li>• <i>Farm-level support systems</i> such as training farmers on conservation agriculture, management of soil moisture and fertility, providing inputs such as seeds for drought and flood resistant crop varieties for crop diversification, seedlings for fruit orchards, livestock and fisheries for diversification of farming systems, erosion control and improved grazing and pastures as well as value addition investments;</li> <li>• <i>Matching Grant for Climate Change Adaptation Investments</i> support medium to large-scale investments in activities that are considered to add value to primary products supplied by local producers;</li> </ul> <p>1.2. <u>Support to Integrated Community Based Adaptation</u>: to provide support to local communities in: (i) mobilizing, training and facilitating integration of climate risk management in local planning, and (ii) risk and vulnerability assessment;</p>	
2.	Construction and Rehabilitation of Climate Resilient Roads	11.68 (45%)	To strengthen the climate resilience of rural roads that link farmers to markets as well as to the Kafue National Park for a total of 127.52 km to be able to withstand floods: (i) Kalomo to Dundumwezi (75.25km) and (ii) Itezhi-Tezhi to Namwala (52km).	
3.	Project Management and Coordination	2.64 (10%)	<p>3.1 <u>Capacity strengthening</u>: (i) Rehabilitation of existing offices and construction of new facilities; (ii) Procurement required equipment to implement and coordinate project physical activities; (iii) procurement of project administrative, financial and accounting software for project financial resources management; (iv) training staff in project cycle management; (v) recruitment of additional staff in critical areas, such as, financial management &amp; monitoring &amp; evaluation; and (iv) provision of technical assistance to ensure project implementation in accordance with good tasks management practices;</p> <p>3.2 <u>Prepare and submit the required reports</u>: (i) undertake annual external audit; (ii) submit quarterly progress and ESMP reports; (iii) undertake project supervisions every (09) months and a mid-term review; and (iv) prepare a project completion reports;</p>	
	<b>Total</b>	<b>25.83 (100%)</b>		

### 13. Objective

The objective of the project is to foster sustained economic growth, reduce poverty and enhance food security through strengthening the adaptive capacity of 800,000 rural communities to better respond to current climate variability and long-term consequences of climate change in the Kafue sub-basin.

### 14. Expected Outcomes:

The project will enhance food security, sustain growth and reduce poverty by strengthening the adaptive capacity of 800,000 rural communities in the Kafue basin who depend on rainfed agriculture and natural resources for subsistence and livelihood, to better respond to current climate variability and long-term consequences of climate change. By strengthening the capacity to cope with floods and droughts, the project will contribute toward making the communities and the economy in the Kafue sub-basin more resilient to climate change.

**15. Key Results and Indicators for Success (consistent with PPCR Core indicators):**

Result	Indicator
(a) Increased adaptive capacity of communities to climate change in priority districts of the Kafue Basin	Percent of the Integrated Development Plans in pilot districts of that have been mainstreamed with climate resilience considerations
(b) Improved climate resilience infrastructure	% increase of climate resilient infrastructure and production systems established in project area
(c) Adaptive community-based investments are promoted	Number of micro-projects supported to upgrade community- and farm-level infrastructure

**16. Budget:**

Expenditures <sup>3</sup>	Amount (USD) - estimates	
Component 1: Community-driven Participatory Adaptation	US\$ 17.26 million (grant)	
Component 2: Construction and Rehabilitation of Climate Resilient Roads	US\$ 17.5 million (loan)	
Component 3: Project Management	US\$ 3.24 million (grant)	
Contingencies (max. 10%)		
<b>Total Cost</b>	<b>US\$ 38 million</b>	
Co-Financing <sup>4</sup> :	<i>Amount (USD million):</i>	<i>Type of contribution:</i>
• Government	US\$ 0.72 million	In-kind (staff) Cash: Operation and maintenance of canals, early warning, climate-smart programs mainstreamed
• Nordic Development Fund	5.2	Grant (Climate Resilient Infrastructure Standards and Codes)
• IBRD/PPCR	36.0	Grant and Credit (Strengthening Climate Resilience in the Barotse sub-basin)
• IFC	15.0	Grant and Credit (PPCR Support to the Private Sector)

<sup>3</sup>Expenditure categories should be provided by the MDBs based on own procedures.

<sup>4</sup>Please note that these projects are implemented in parallel and in complementarity to the current project. See Annex 8 of the PAD for further details

• World Bank (IDA)	16.0	Credit (Reinforcement of Hydro-Meteorological Network and Flood Forecasting)
• UN	16.0	Grant (Joint UN Programme on Climate Change and Disaster Risk Reduction)
• UNDP (GEF)	8.0	Grant (Strengthened Climate Information and Early Warning and Adaptation to Drought)
• German Development Cooperation (KfW/GIZ)	10.7	Grant (Water and Climate Monitoring: Establishment of an Integrated Water Resources Management Information System)
<b>Co-Financing Total</b>		<b>US\$ 97.62 million</b>
<b>17. Project/Program Timeframe</b>  Expected Board/MDB Management <sup>5</sup> approval date: September 18 <sup>th</sup> , 2013 Expected Mid-Term review date: August 15, 2016 Expected Project/Program closure <sup>6</sup> date: December 31 <sup>st</sup> , 2019		
<b>18. Role of other Partners involved in project/program<sup>7</sup>:</b>  The Pilot Program for Climate Resilience (PPCR) is implemented through a partnership of the African Development Bank, the World Bank, IFC and the Nordic Trust Fund. The Zambia PPCR Program has also established a strong partnership with UNDP, DfID, WWF, and GIZ		

<sup>5</sup> In some cases activities will not require MDB Board approval

<sup>6</sup> Financial closure date

<sup>7</sup> Other local, national and international partners to be involved in implementation of the project/program.

**19. Implementation Arrangements** (incl. procurement of goods and services):

The executing agency is the Ministry of Finance (MoF). A climate change secretariat has been established within the MoF for the purpose of coordinating and leading all climate change initiatives in Zambia including PPCR projects. The Secretariat has been operational for a year and is staffed with a national coordinator, participatory adaptation expert, financial management expert, procurement expert and an M&E expert. The project will recruit a Project Manager in the Secretariat to manage its implementation.

The project will be implemented over a period of five years (60 months). The approach of the project is to involve existing groups of farmers and the local communities in climate risk planning, implementation and evaluation of Project interventions so as to strengthen the capacity, enhance adoption of new technologies and practices that reduce climate vulnerability, and increase the sustainability of Project outcomes. Farm and community level activities will be technically guided and backstopped primarily by two sources: (i) line departments of the government at the District level, and (ii) local NGOs who will be contracted by the Project to support facilitation, social mobilization, community preparedness and capacity building.

At the national level, the National Climate Change Secretariat under the Ministry of Finance (MoF) will have the overall lead responsibility for project execution (including fiduciary responsibilities), while working closely with all the line Ministries and Cooperating Partners currently supporting climate change activities in Zambia. The project will support the establishment of a project team to be housed within the Secretariat charged with the responsibility of implementing the AfDB administered project. At the district level, the implementation of the project will build on existing government structures and will specifically use the planning sub-committee of the District Development Coordination Committee (DDCC) as the focal point. At the community level, the Ward/Area Development Committee (ADC) comprising field staff from the Government and community leaders will work closely with the non-governmental organizations in mobilizing the communities, sensitizing and facilitating participatory climate risk planning. Participatory planning process will be used to identify and pilot concrete adaptation measures focusing on water, crops, fisheries, forestry, wildlife and livestock management to promote climate resilience. Restoration of degraded agro-ecosystems will be enhanced through adoption of sustainable land management practices.

**Roads Implementation:** The Road Development Agency (RDA) will be the implementing agency for the road works and consulting services for works supervision. The entity is currently implementing two Bank funded transport sector projects and therefore has the requisite expertise to implement the project. The RDA will assign a roads coordinator (RC) for close follow up and timely response to correspondence forwarded from the consultant and contractor. The RC for the works and services will be a civil engineer with a minimum of 4 to 7 years' experience in road project management.

**Procurement Arrangements:** All procurement of goods, works and acquisition of consulting services financed by the Bank will be procured in accordance with the Bank's Rules and Procedures using the relevant Bank Standard Bidding Documents, and the provisions stipulated in the Financing Agreements. The Bank undertook an assessment of the country's National Public Procurement Procedures and a report was released and shared with the Government of Zambia in June 2011. The assessment revealed a few deviations which were inconsistent with the Bank's procurement principles. For this reason the country's NCB procedures cannot be used until the issues identified in the report are addressed to meet the Bank's fiduciary requirements. Procurement of Goods, Works and Consultancy Services will be carried out by the National Climate Change Secretariat under the Ministry of Finance in collaboration with the Procurement and Supplies Unit in the Ministry of Finance while the Road Development Agency will provide procurement support for the civil works involving roads rehabilitation.. The activities under the Community Demand Driven Participatory Adaptation component which will finance community led infrastructure projects will be procured at the community level using modalities for procurement under community demand-driven development procedures. The details for procurement processes under this component will be articulated in the Participatory Adaptation Implementation Manual based on the Bank's Guidelines for Procurement Under Community-Based Investment Projects.

Procurement procedures for the demand driven component will be incorporated in a Participatory Adaptation Implementation Manual. This manual will also define the roles and responsibilities, internal and external controls, approval and accountability systems. The procurement details and modalities at central and community levels are detailed in the Procurement Technical Annex

**20. Other Information:**

Refer to the Project Appraisal Document and Project Information Document for further details.