

Annual Performance Report 2019

***FP041: Simiyu Climate Resilience Project
KfW***

***Annual Reporting Period Covered in this Report:
From 01.01.2019 to 31.12.2019***

Sections in this report:

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Submitted to opm@gcfund.org

SUBMITTED BY	
<i>KfW</i>	<i>2/20/2020</i>
<i>Please indicate if this report has been shared with the relevant NDA(s) for this Funded Activity (Yes/No)</i>	---

SECTION 1: GENERAL INFORMATION

This section provides general information on the funded activity.

1. Funded Activity Title:	<i>Simiyu Climate Resilience Project</i>
2. Funding Proposal Number:	<i>FP041</i>
3. Date of Board approval - Board Meeting Number:	<i>4/8/2017 B.16</i>
4. Accredited Entity:	<i>KfW</i>
5. Focal Point of the Accredited Entity for this Project:	<i>info@kfw.de</i>
6. Executing Entity(ies):	<i>Ministry of Water, Tanzania</i>
7. Implementation Period:	<i>From: 8/9/2019 To: 8/8/2025</i>
8. Current year of Implementation:	<i>Year 1</i>
9. Date of Submission of the Report:	<i>2/20/2020</i>
10. Annual Reporting period covered in this report:	<i>From: 1/1/2019 To: 12/31/2019</i>
11. Total Project Budget:	<i>EUR 171.0 million</i>
12. Total amount of GCF Proceeds Approved:	<i>Grant: EUR 102.7 million</i>
13. Total amount of GCF Proceeds disbursed (cumulative) to the Accredited Entity:	

SECTION 2: IMPLEMENTATION PROGRESS

2.1 OVERALL (SUMMARY) PROJECT PROGRESS

- The Financing Agreements and Separate Agreement with the Government of the United Republic of Tanzania were signed on May 3, 2019.
- The fulfilment of the conditions precedent to first disbursement is currently under preparation.
- Terms of Reference for consultancy services (Implementation Consultant, Management Consultant) developed and currently under final review. Tender to be launched within first quarter of 2020.
- Resettlement Action Plan (RAP) for bulk water under development.
- Implementation of measures will start once the contracts for consultancy services have been signed (mid-2020).

2.2 Performance against the GCF Investment Criteria (summary)

Note: Implementation of activities has not started yet.

2.2.1 Impact Potential

Implementation of activities has not started yet. The impact potential as outlined in the Funding Proposal is still valid.

2.2.2 Paradigm shift potential

The Project supports the Government of Tanzania in introducing a paradigm shift in its climate adaptation policies. The Tanzanian Government intends to design an inter-sectoral approach in the Simiyu Region, one of its regions most affected by climate change. The holistic approach contributes to the two main drivers for the population's resilience: Sustainable provision of water and farming conditions. Simiyu is supposed to serve as a role model – with lessons learnt from the Project being adapted to the national level at a later stage.

2.2.3 Sustainable development potential

Implementation of activities has not started yet. The sustainable development potential as outlined in the Funding Proposal is still valid (contribution to SDGs 1, 2, 3, 4, 5, 6, 8, 9, 11, 13, 15 and 16).

2.2.4 Needs of the recipient

Climate change impacts in Tanzania include reduced availability of water and increased temperature stresses to people, livestock and crops, ecological disruption as well as changes in disease vectors and ranges. These impacts require a number of adaptive measures with regards to farming practices, water supply, sanitation, public health services provision, and ecosystem conservation. Continued reliance on rain-fed agriculture and hydropower are seen as economic structure risks that perpetuate the economy's vulnerability to climate and weather events. Tanzania is a Least Developed Country (LDC) and a post HIPC (Heavily Indebted Poor Country). Grant financing for this project responds to these framework conditions.

In the Simiyu Region, people's adaptive capacity is particularly limited. The income per capita is low and seasonality has been a continuous stress factor and an important reason for the low overall productivity, high poverty rates and poor standard of living in the region. Climate change brings along additional threats. Government services in the Simiyu Region are still very weak since the Region was only established in 2012.

2.2.5 Country Ownership

Additional to what was outlined in the Funding Proposal, country ownership is reflected in the following examples:

- High co-financing commitment from the side of the Government of Tanzania;
- Separate Project Coordination Office within Ministry of Water established and functional;
- Regular allocation of sufficient funding for preparatory project measures (FY 2018/19 and 2019/20).

2.2.6 Efficiency and Effectiveness

Implementation of activities has not started yet. The efficiency and effectiveness of the project in terms of cost-effectiveness and efficiency as well as financial viability as outlined in the Funding Proposal is still valid. The project is supposed to serve as a best practice for other projects in the region and the sector; the Steering Committee which will be set up at the beginning of the project implementation will facilitate this.

2.3 PROJECT OUTPUTS IMPLEMENTATION STATUS			
Note: Implementation of activities has not started yet.			
Project Output	Project Activity	Status	Implementation progress (%)
Output 1 <i>Enabling environment established through institutional coherence and capacities</i>	Project Activity 1.1.1 <i>Establish Steering Committee to review lessons learned and propose cross-sectoral climate adaptation rules and regulations</i>	Activity Not Yet Due	0%
	---	<i>Preparations for formation of Steering Committee, formation of Steering Committee, first Steering Committee meeting</i>	
	Project Activity 1.1.2 <i>Strengthen inter-governmental cooperation and decision making through knowledge sharing on adaptation project best-practices</i>	Activity Not Yet Due	0%
	---	<i>Preparations for formation of Steering Committee, formation of Steering Committee, first Steering Committee meeting</i>	
	Project Activity 1.2.1 <i>Enhance capacities of community based user associations for local level adaptation planning</i>	Activity Not Yet Due	0%
	---	<i>Development of operational manuals for rural water and agriculture</i>	
	Project Activity 1.2.2 <i>Facilitate development of community adaptation plan</i>	Activity Not Yet Due	0%
	---	<i>Development of methodology and implementation schedule for sensitization campaigns, development of standard community adaptation plan</i>	
	Project Activity 1.2.3 <i>Increase agricultural climate awareness and capacities through implementation of Farmer Field Schools</i>	Activity Not Yet Due	0%
---	<i>Development of curricula for farmer field schools</i>		
Output 2 <i>Climate resilient water supply for sustained access to water</i>	Project Activity 2.1.2 <i>Construction of climate resilient bulk water system (water intake and treatment plant, associated pipeline installation)</i>	Activity Not Yet Due	0%
	---	<i>Technical layout, implementation schedules, contract packing proposal, procurement concept and plan, review of detailed design and tender documents, completion of ESIA and RAP, preparation of tender for construction works, start tender</i>	
	Project Activity 2.1.2 <i>Introduction of a climate-responsive and equitable water tariff system</i>	Activity Not Yet Due	0%
	---	<i>Development of organization concept for water and sanitation services</i>	
	Project Activity 2.2.1 <i>Rehabilitation and extension of urban water distribution systems (including public water tabs)</i>	Activity Not Yet Due	0%
---	<i>Technical layout, implementation schedules, contract packing proposal, procurement concept and plan, review of detailed design and tender documents, baseline study, start ESIA and RAP</i>		

	Project Activity 2.2.2 <i>Financing of household connections to facilitate sufficient consumption to assure operational sustainability</i>	Activity Not Yet Due	0%
	---	<i>Start development of household connection concept</i>	
	Project Activity 2.3.1 <i>Construction of rural water distribution systems (including public water tabs)</i>	Activity Not Yet Due	0%
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	Project Activity 2.3.2 <i>Secondary reservoirs and tanker filling stations in place to ensure access to water for remote populations and during dry spells</i>	Activity Not Yet Due	0%
Output 3 <i>Improved community resilience through application of climate adapted agriculture practices</i>	Project Activity 3.1.1 <i>Construction of rainwater harvesting and storage structures (charco, valley and/or hillside dams)</i>	Activity Not Yet Due	0%
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	Project Activity 3.1.2 <i>Upgrading of arable land through small-scale irrigation (SSI) practices</i>	Activity Not Yet Due	0%
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	Project Activity 3.2.1 <i>Introduction of climate-resilient seeds for horticulture, maize and SRI production models and relevant conservation agricultural technologies</i>	Activity Not Yet Due	0%
Output 4 <i>Reduced vulnerability through climate adapted and integrated sanitation and hygiene practices</i>	Project Activity 3.2.2 <i>Restoration and sustainable management of fuelwood and fodder supply</i>	Activity Not Yet Due	0%
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	Project Activity 4.1.1 <i>Put in place effective fecal sludge transportation systems</i>	Activity Not Yet Due	0%
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	Project Activity 4.1.2 <i>Put in place effective fecal sludge management systems</i>	Activity Not Yet Due	0%
Output 4 <i>Reduced vulnerability through climate adapted and integrated sanitation and hygiene practices</i>	---	---	
	Project Activity 4.2.1 <i>Construction of public gender sensitive sanitation solutions (including public toilets at markets, bus stations, schools etc.)</i>	Activity Not Yet Due	0%
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	Project Activity 4.2.2 <i>Facilitate access to materials for improved / water-saving household latrines</i>	Activity Not Yet Due	0%
Output 4 <i>Reduced vulnerability through climate adapted and integrated sanitation and hygiene practices</i>	---	---	
	Project Activity 4.3.1 <i>Conduct targeted knowledge and awareness campaigns to promote behavioural change and integration of improved health and hygiene practices</i>	Activity Not Yet Due	0%
---	<i>Base-line study</i>		

2.4 PROGRESS UPDATE ON THE LOGIC FRAMEWORK INDICATORS

Note: Implementation of activities has not started yet.

2.4.1 PROGRESS UPDATE ON FUND-LEVEL IMPACT INDICATORS OF THE LOGIC FRAMEWORK

Fund-level impact indicators (Adaptation)	Baseline	Current value	Target (mid-term)	Target (final)	Remarks (including changes, if any)
Adaptation Core Indicator Direct Beneficiaries	0 (% of female)	Total direct beneficiaries: 0 (50% female)	Total direct beneficiaries: 49,500 (50% female)	Total direct beneficiaries: 495,000 (52% female)	
Number of total beneficiaries relative to total population	Total beneficiaries: 0 Number of Total Population: 55.4 million Year: 2019	Total beneficiaries: 0 Number of Total Population: 55.4 million Year: 2019	Total beneficiaries: 49,500 Number of Total Population: 55.4 million Year: 2022	Total beneficiaries: 495,000 Number of Total Population: Year: 2025	
Adaptation Core Indicator Indirect Beneficiaries	0 (% of female)	0 (% of female)	0 (% of female)	2.5 million (50 of female)	
Expected Result Increased resilience and enhanced livelihoods of the most vulnerable people, communities and regions					
Adaptation Impact Indicator 1 A1.2 Number of males and females benefiting from the adoption of diversified, climate resilient livelihood options (including fisheries, agriculture, tourism, etc.)	0	0	49,500	238,000 men 257,000 women 495,000 total	
Expected Result A2.0 Increased resilience of health and well-being, and food and water security					
Adaptation Impact Indicator 2.1 Number of males and females benefitting from introduced health measures to respond to climate-sensitive diseases	0	0	18,000 women 12,000 men 30,000 total	180,000 women 120,000 men 300,000 total	
Adaptation Impact Indicator 2.2 Number of food secure households (in areas/ periods at risk of climate change impacts)	0	0	2,890 households	28,900 households	
Adaptation Impact Indicator 2.3 Number of males and females with year-round access to reliable and safe water supply despite climate shocks and stresses	0	0	3,500 women 3,500 men 7,000 total	237,000 women 158,000 men 395,000 total	
Expected Result Increased resilience of infrastructure and the built environment to climate change threats					
Adaptation Impact Indicator 2.3 Number and value of physical assets made more resilient to climate variability and change	0	0	1 water supply system (asset), 20% constructed 15 charco dams plus	1 water supply system (asset), 100% constructed 15 charco dams plus	

	0	0	a) 2 new valley dams or b) 1 new dam and rehabilitation of 4 existing dams 10% under construction	a) 2 new valley dams or b) 1 new dam and rehabilitation of 4 existing dams	
Expected Result Improved resilience of ecosystems and ecosystem services					
Adaptation Impact Indicator 4 Coverage/Scale of additional ecosystems protected and strengthened in response to climate variability and change	0	0 0	4,320 ha identified 432 ha protected/strengthened	7.200 ha	

2.4.2 PROGRESS UPDATE ON PROJECT LEVEL INDICATORS OF THE LOGIC FRAMEWORK

Note: Implementation of activities has not started yet.

Project indicators (Adaptation)	Baseline	Current value	Target (mid-term)	Target (final)	Remarks (including changes, if any)
Indicator 1 (Outcome level) (Adaptation) A7.1 Use by vulnerable households, communities, businesses and public-sector services of Fund-supported tools, instruments, strategies and activities to respond to climate change variability	Revenues collected: 0	Revenues collected: 0	Revenues collected: 0	Revenues collected: TSH 450m/month total ¹	
Indicator 1 (Output level) Climate resilient water supply for sustained access to water					
Indicator 1.1 Volume of water production in proportion to demand of the target group	0 m ³ /d	0	0 m ³ /d	100% (18,000 m ³ /d)	
Indicator 1.2 % of water quality corresponding to national standards	0%	0%	0%	100%	
Indicator 1.3, etc. Hours of supply	0	0	0	System: 24h/d, 7 d/w Point of use: Rural = 8h/d Urban = 16h/d	
Indicator 2 (Output level) Reduced vulnerability through climate adapted and integrated sanitation and hygiene practices					
Indicator 2.1 Volume of faecal sludge disposed at sludge digester	0 m ³ /a	0	0 m ³ /a	20,000 m ³ /a	
Indicator 2.2 % of change in beneficiary knowledge, awareness and perceptions of sanitation and hygiene issues	10% ²	0	Baseline + 5%	Baseline + 20%	
Indicator 2.3 % of beneficiaries applying targeted hygiene practices (e.g. handwashing, use of improved latrines).	10%	0	Baseline + 5%	Baseline + 20%	

Acc. to FP	TSH/m ³	pop target	l/c/d	l consumption/d	l consumption/m	total m ³ /m	revenues/m (TSH)	NRW of 35% revenues/m (TSH)
rural	1,550.00	300,000	20	6,000,000	180,000,000	180,000	279,000,000	181,350,000
urban	2,000.00	95,000	75	7,125,000	213,750,000	213,750	427,500,000	277,875,000
							706,500,000	459,225,000

On the financial analysis, refer to Funding Proposal, Section F.1.

² Estimated baselines for both indicators TBC based on baseline survey for the KAP survey prior to conduct of the awareness campaigns.

Indicator 2 (Outcome level) (Adaptation) A8.1 Number of males and females made aware of climate threats and related appropriate responses ³	0	0	200 women 200 men 400 total	2,000 women 2,000 men 4,000 total	
Indicator 1 (Output level) Enabling environment established through institutional coherence and capacities					
Indicator 1.1 Extent of institutional coherence for climate-adaptation mainstreaming in other projects ⁴					
Indicator 2 (Output level) Improved community resilience through application of climate-smart agriculture practices					
Indicator 1.1 Number of ha applying CSA practices (total)	0 ha total	0	At least 1,440 ha total	14,400 ha total	
- Use of improved seeds	0 ha	0	150 ha	1,500 ha	
- Application of irrigation technology	0 ha	0	170 ha	1,700 ha	
- Land/forests under improved management (Ngitili & fuelwood)	0 ha	0	1,120 ha	11,200 ha	

2.5 REPORT ON CHANGES DURING IMPLEMENTATION (including actual and expected changes)

Not applicable since implementation has not started yet. No changes expected.

2.6 IMPLEMENTATION CHALLENGES AND LESSONS LEARNED

Not applicable since implementation has not started yet.

Challenge encountered	Type	Measures adopted	Impact on project implementation	Lessons learned and Other Remarks
---	Choose an item.		Choose an item.	

³ Indicator focuses on Farmer Field Schools.

⁴ Extent 1 = no institutional coherence (no cross-sectoral discussions between line ministries, no platform or forum to do so); Extent 2 = project-involved line ministries regularly discuss project lessons learned on climate change; Extent 3= discussions on lessons learned are being aggregated, translated into policy recommendations and mainstreamed into other projects.

SECTION 4: REPORT PROJECT SPECIFIC ON ENVIRONMENTAL AND SOCIAL SAFEGUARDS & GENDER

4.1 IMPLEMENTATION OF ENVIRONMENTAL AND SOCIAL SAFEGUARDS AND GENDER ELEMENTS

1. Key risks

- No changes in the key environmental and social risks and impacts.
- No change in the project's environmental and social risk category.

2. Status of compliance with applicable laws and regulations and the conditions and covenants under FAA

- Compliance with all conditions and covenants under the FAA.

3. Progress in the implementation of environmental and social management plans and programs including monitoring activities undertaken during the implementation of the funded activity

Note: Implementation of activities has not started yet, therefore no progress in implementing environmental and social management plans (ESMPs) and frameworks (ESMFs).

Development of parts of the Resettlement Action Plan (RAP) started end of 2019. Focus is on areas where water supply infrastructure will be implemented (bulk water). The RAP for bulk water is expected to be completed by end of 2020. Areas for other infrastructure, especially agriculture and rural water, have not been defined yet. Respective environmental and social safeguard plans for these areas will therefore only be established once infrastructures and sites have been chosen.

Activities implemented during the reporting period, including monitoring	Outputs during the reporting period	Key environmental, social and gender issues, risks and impacts addressed during implementation	Any pending key environmental, social and gender issues needing AE's actions and GCF attention
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4. Implementation of the stakeholder engagement plan

Note: Implementation of activities has not started yet, therefore no progress in implementing the stakeholder engagement plan.

Activities implemented during the reporting period	Dates and venues of engagement activities	Information shared with stakeholders	Outputs including issues addressed during the reporting period
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5. Implementation of the grievance redress mechanism

Note: Implementation of activities has not started yet, therefore no progress in implementing the grievance redress mechanism. Provisions are also included in a Memorandum of Understanding under consultation and to be signed between KfW, Ministry of Water and ESIA consultant: Documentation, tracking progress and reporting by MoW on the grievance redress process both during and after the asset inventory. The table of content of the RAP foresees a chapter on the grievance redress mechanism.

Description of issues/complaints received during the reporting period	Status of addressing issues/complaints
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4.2 GENDER ACTION PLAN

Gender Action Plan approved. Implementation of activities has not started yet, so no implementation related to gender elements during the period under reporting.

4.2.1 PROGRESS ON IMPLEMENTING THE PROJECT-LEVEL GENDER ACTION PLAN SUBMITTED WITH THE FUNDING PROPOSAL

Activities/actions	Indicators	Baseline	Targets, including sex-disaggregated targets	Budget	Report on annual progress
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4.3 PLANNED ACTIVITIES ON ENVIRONMENTAL AND SOCIAL SAFEGUARDS

- Finalization of RAP for bulk water supply
- Start of RAP for urban water supply
- Start of environmental and social safeguard plans for other infrastructure according to then selected measures and sites.

Monitoring schedule concerning ESS and gender activities not available yet.

4.4 PLANNED ACTIVITIES ON GENDER ELEMENTS

- A special focus on the needs of women will be considered in all measures under this project.
- Women will be involved in the selection of the location, the planning and the construction of measures in order to make sure that their needs are being taken into account.
- Development of Project Operational Manuals which will define selection criteria and a process to make sure that women equally participate during consultation, selection and planning.
- Implementation of all measures to be accompanied and monitored by an international Implementation Consultant.

SECTION 5: Annexes

Annex 1. Updated implementation timetable for the Funded Activity.

- *Not for disclosure.*

Annex 2. Accredited Entity compliance reports (self-assessment reports, report on actions pursuant to Clause 18.02, if applicable).

- *Not applicable.*

SECTION 6: ATTACHMENTS

Attachment 1. Unaudited financial statement.

- *Not for disclosure.*

Attachment 2. Interim/Final evaluation report.

- *Not applicable.*

Other Attachments.

- *Not applicable.*