



**GREEN  
CLIMATE  
FUND**

**Meeting of the Board**  
12 – 14 November 2019  
Songdo, Incheon, Republic of Korea  
Provisional agenda item 14

**GCF/B.24/02/Add.15**

22 October 2019

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# Consideration of funding proposals - Addendum XV

## Funding proposal package for SAP011

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### **Summary**

This addendum contains the following seven parts:

- a) A funding proposal titled “Climate-resilient food security for women and men smallholders in Mozambique through integrated system-based risk management”;
- b) No-objection letter issued by the national designated authority(ies) or focal point(s);
- c) Environmental and social report(s) disclosure;
- d) Secretariat’s assessment;
- e) Independent Technical Advisory Panel’s assessment;
- f) Response from the accredited entity to the independent Technical Advisory Panel's assessment; and
- g) Gender documentation.

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# Simplified Approval Process Funding Proposal

Project/Programme title:	Climate resilient food security for women and men smallholders in Mozambique through integrated risk management
Country(ies):	Mozambique
National Designated Authority(ies):	Ministry of Economy and Finance (MEF)
Accredited Entity:	World Food Programme
Date of first submission:	2019/06/17
Date of current submission/ version number	V.04 2019/09/23
If available, indicate GCF code:	



## Contents

### Section A **PROJECT / PROGRAMME SUMMARY**

This section highlights some of the project's or programme's information for ease of access and concise explanation of the funding proposal.

### Section B **PROJECT / PROGRAMME DETAILS**

This section focuses on describing the context of the project/programme, providing details of the project/programme including components, outputs and activities, and implementation arrangements.

### Section C **FINANCING INFORMATION**

This section explains the financial instrument(s) and amount of funding requested from the GCF as well as co-financing leveraged for the project/programme. It also includes justification for requesting GCF funding and exit strategy.

### Section D **LOGIC FRAMEWORK, AND MONITORING, REPORTING AND EVALUATION**

This section includes the logic framework for the project/programme in accordance with the GCF Results Management Framework and Performance Measurement Framework, and gives an overview of the monitoring, reporting and evaluation arrangements for the proposed project/programme.

### Section E **EXPECTED PERFORMANCE AGAINST INVESTMENT CRITERIA**

This section provides an overview of the expected alignment of the projects/programme with the GCF investment criteria: impact potential, paradigm shift, sustainable development, needs of recipients, country ownership, and efficiency and effectiveness.

### Section F **ANNEXES**

This section provides a list of mandatory documents that should be submitted with the funding proposal as well as optional documents and references as deemed necessary to supplement the information provided in the funding proposal.

**Note to accredited entities on the use of the SAP funding proposal template**

- The Simplified Approval Process Pilot Scheme (SAP) supports projects and programmes with a GCF contribution of up to USD 10 million with minimal to no environmental and social risks. Projects and programmes are eligible for SAP if they are ready for scaling up and have the potential for transformation, promoting a paradigm shift to low-emission and climate-resilient development.
- This template is for the SAP funding proposals and is different from the funding proposal template under the standard project and programme cycle. Distinctive features of the SAP funding proposal template are:
  - *Simpler documents*: key documents have been simplified, and presented in a single, up-front list;
  - *Fewer pages*: A shorter form with significantly fewer pages. The total length of funding proposals should **not exceed 20 pages**;
  - *Easier form-filling*: fewer questions and clearer guidance allows more concise and succinct responses for each sub-section, avoiding duplication of information.
- Accredited entities can either directly incorporate information into this proposal, or provide summary information in the proposal with cross-reference to other funding proposal documents such as project appraisal document, pre-feasibility studies, term sheet, legal due diligence report, etc.
- Submitted SAP Pilot Scheme funding proposals will be disclosed simultaneously with submission to the Board, subject to the redaction of any information which may not be disclosed pursuant to the [GCF Information Disclosure Policy](#).

**Please submit the completed form to:**

[fundingproposal@gcfund.org](mailto:fundingproposal@gcfund.org)

**Please use the following name convention for the file name:**

“SAP-FP-[Accredited Entity Short Name]-[yyymmdd]”

A. PROJECT/PROGRAMME SUMMARY			
<b>A.1. Has this FP been submitted as a SAP CN before?</b>		Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
<b>A.2. Is the Environmental and Social Safeguards Category C or I-3?</b>		Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
<b>A.3. Project or programme</b>	<input checked="" type="checkbox"/> Project <input type="checkbox"/> Programme	<b>A.4. Public or private sector</b>	<input checked="" type="checkbox"/> Public sector <input type="checkbox"/> Private sector
<b>A.5. Result area(s)</b>	<p><u>Mitigation</u>: Reduced emissions from:</p> <input type="checkbox"/> Energy access and power generation <input type="checkbox"/> Low emission transport <input type="checkbox"/> Buildings, cities and industries and appliances <input type="checkbox"/> Forestry and land use <p><u>Adaptation</u>: Increased resilience of:</p> <input checked="" type="checkbox"/> Most vulnerable people and communities, including women and girls <input checked="" type="checkbox"/> Health and well-being, and food and water security <input type="checkbox"/> Infrastructure and built environment <input type="checkbox"/> Ecosystem and ecosystem services		
<b>A.6. Total investment (GCF + co-finance)</b>	<u>10</u> (million USD)	<b>A.7. Total GCF funding requested</b>	<u>9.25</u> (million USD)
<b>A.8. Type of financial instrument requested for the GCF funding</b>	<input checked="" type="checkbox"/> Grant <input type="checkbox"/> Loan <sup>1</sup> <input type="checkbox"/> Equity <input type="checkbox"/> Guarantees <input type="checkbox"/> Others:		
<b>A.9. Division of GCF funding by thematic funding window (if applicable)</b>	_____ USD or _____ % Mitigation <u>9.25 million USD</u> or <u>100%</u> Adaptation		
<b>A.10. Implementation period</b>	March 2020 – February 2025		
<b>A.11. Total project/ programme lifespan</b>	10 years	<b>A.12. Expected date of internal approval</b>	<u>11/15/2019</u>
<b>A.13. Executing Entity information</b>	The Government of Mozambique acting through the Ministry of Agriculture and Food Security (MASA) and the Ministry of Land, Environment and Rural Development (MITADER) and the World Food Programme (WFP)		
<b>A.14. Scalability and potential for transformation (Eligibility for SAP, max. 50 words)</b>			
The project will promote integrated climate risk management, leveraging the experience from R4 <sup>2</sup> in six African countries. The project will also promote activities successfully tested in Mozambique, including watershed rehabilitation, climate-resilient agriculture, and micro-insurance. This intends to eliminate the barriers to climate adaptation among food insecure smallholders.			
<b>A.15. Project/Programme rationale, objectives and approach (max. 250 words)</b>			

<sup>1</sup> Senior loans and subordinated loans.

<sup>2</sup> R4 Rural Resilience Initiative (R4), information available at: <https://www1.wfp.org/r4-rural-resilience-initiative>

Mozambique is highly vulnerable to the impacts of climate change. The cyclones that hit the country in March and April 2019 are the most visible evidence of an increase in frequency and intensity of extreme weather events. There are other impacts of climate change that are not in the headlines yet, but are equally disruptive to rural communities' livelihoods and to food systems. Climate change is leading to higher temperatures and changes in rainfall patterns, including increased incidence of prolonged dry spells. This results in reductions in water availability, variable and shorter growing seasons, and reductions in production potential<sup>3</sup>. In Changara, Marara, and Cahora Bassa districts of Tete province, the impacts are hardest felt, with the highest levels of rainfall inter-annual variability, as well as some of the lowest seasonal rainfall in the country, coupled with increasing temperatures<sup>4</sup>. Consequently, rain-fed reliant livelihoods are undermined, and with limited coping alternatives, government capacities are stretched to help meet recurring food needs. Climate projections show that these trends will continue and become more variable in nature<sup>5</sup>. To address these challenges, the project seeks GCF support to:

- 1 Reduce vulnerability to climate risks through promotion of climate-resilient agriculture, as well as watershed restoration and enhancement, for food insecure smallholder women and men.
- 2 Enhance and sustain adaptive capacity of smallholder women and men through a combination of context-specific, integrated risk management tools and market-based opportunities.
- 3 Inform adaptation planning and decision-making across smallholders, communities and national/local authorities through the generation and use of climate information.

Together these components will strengthen individual, community, and government capacities to address climate risks and vulnerabilities according to national commitments.

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<sup>3</sup> WFP-IFAD, 2018, Mozambique: A climate analysis. See Annex 15.

<sup>4</sup> IBID

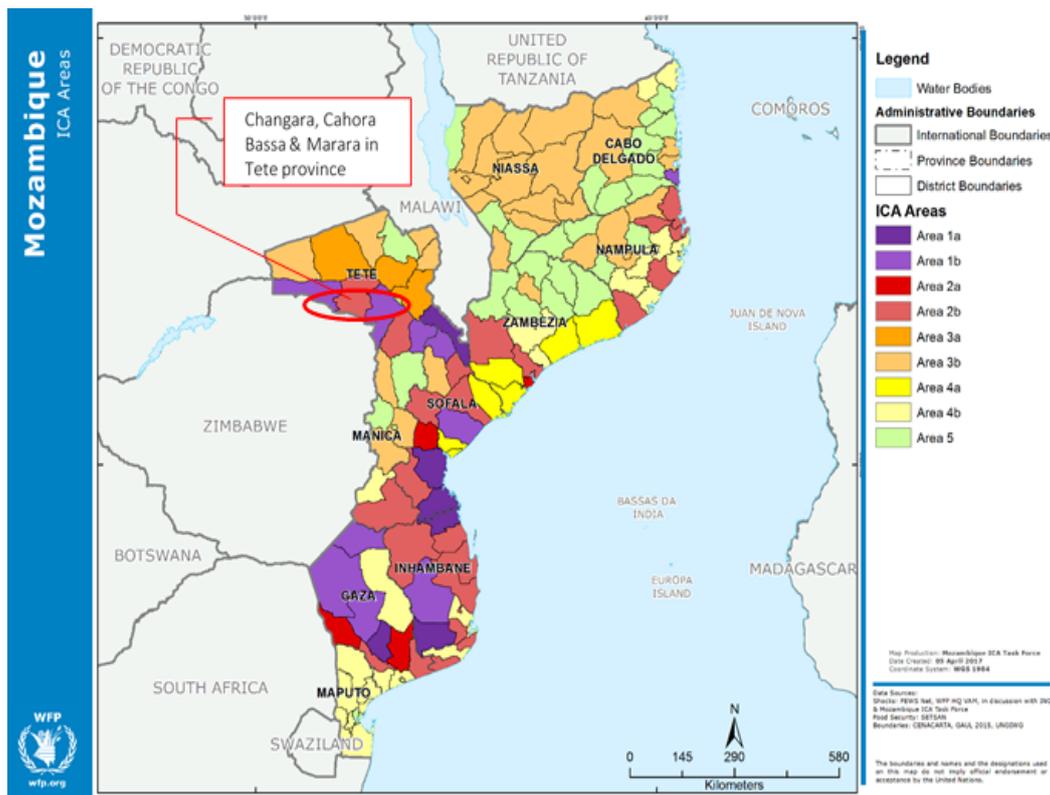
<sup>5</sup> WFP, UKMO, 2018. Food security and livelihoods under a changing climate in Mozambique: preparing for the future. Pending publication. See summary in Annex 17.

## B. PROJECT/PROGRAMME DETAILS

### B.1. Context and baseline (max. 500 words)

WFP, working with partners, developed the Integrated Context Analysis (ICA) for Mozambique to explore the historical trends of food insecurity across the country (WFP, 2017), looking at interactions with exacerbating factors like natural hazards and land degradation. The ICA output (shown below) indicated that the most food insecure provinces in the country include Tete, Sofala, Manica, Inhambane, and Gaza. Notably, when considering also natural hazards, the ICA indicates that these highly food insecure locations also experience high exposure to natural hazards, including drought, floods, cyclones, and tropical storms.

Looking ahead, climate model projections by WFP-UK Met Office 2018 predict an increase in daily maximum temperatures of 1.5-3°C by 2050 and more variable rainfall, with the climate zone of Tete province as one of the most affected. Through national and sub-national consultations, given the lack of district level climate and weather data, the semi-arid districts of Cahora Bassa, Changara, and Marara in Tete have been identified as the most vulnerable to climate change and variability, principally due to the reliance on climate-sensitive livelihoods for subsistence. In these locations, it is estimated that drought-sensitive crops could be reduced as much as 45% in the next 40 years and that over 50 years the main river, the Zambezi, flow will reduce by 15%. Accordingly, the project focus is on the three districts of Tete province. Annex 2 provides more details on the selection process.



#### Climate risks and impacts on livelihoods:

- Increase in mean temperatures during the growing season start, resulting in higher water evaporation and poor planting conditions;
- Decrease rainfall amounts during the growing season, with increased variability, resulting in dry spells and shorter growing seasons;
- Increase in flash flood incidence, when rain events do occur, promoting rainwater run-off and decreased infiltration;
- Decrease in the production of food staples, including maize, with yield reduction of up to 30-45 percent; and
- Loss of biomass reducing grazing areas and livestock health.

#### Key vulnerabilities of targeted populations:

- Low yields due to poorly adapted farming practices and reliance on rain-fed systems with limited access to climate-resilient inputs.
- Restricted horticulture potential due to limited water, suitable land, and shading, being driven by climate change.

- Loss of livestock (quantity and quality) due to reduced availability of drinking water, forage, and shade, as it is a rain-fed system affected by the changing climate.
- Degraded watersheds from the overexploitation of agricultural land and water resources, as a result of a changing climate, driven also by deforestation, as forest resources are exploited for alternative sources of income, especially charcoal-making.
- Reduced financial capacities from the loss of income, undermining investment in livelihoods and their adaptation to the changing climate.
- Market outlets missing, aggravated by poor post-harvest handling practices/technologies, which limits livelihood diversification.

Adaptation challenges identified:

- (1) Increased exposure of natural resources, food security, and livelihoods to more frequent climate risks
  - ➔ Agricultural practices and extension support not adapted to climate sensitivities (present/future).
  - ➔ Watershed management guidelines non-existent, and thus, principles not promoted nor employed.
- (2) Limited climate adaptation opportunities to transition to resilient livelihoods and food security
  - ➔ Access to suited technologies limited, because they are not readily available in the market, especially within the financial capacities of vulnerable smallholders.
  - ➔ Limited financial services that are suited to the context, risks, and needs of vulnerable smallholders, including structured saving, loans, and insurance.
- (3) Limited awareness and information about the climate/weather for decision-making
  - ➔ Limited institutional capacity to generate, translate, and disseminate climate/weather information for decision-making.
  - ➔ Limited understanding of climate change, risks, and drivers of vulnerability, as well as no access to climate/weather information among smallholders, with women most affected.
  - ➔ Local Adaptation Plans (LAPs) do not include information on climate trends (present/future), related impacts on livelihoods, and key vulnerabilities to identify suitable adaptation measures.

The project fosters linkages with national adaptation and mitigation policies and programs, as well as disaster risk reduction, gender, and agricultural priorities, mapped out in Annex 2, while leveraging regional WFP experience.

Climate action supported by the GCF is crucial as Mozambique has yet to recover from the economic downturn from 2015 that nearly halved the past decade's economic growth. The situation has been exacerbated by cyclones Idai and Kenneth, resulting in close to US\$ 3 billion in recovery needs. The impacts of these recent events on food systems highlight the urgent and immediate adaptations needs in the country.

## B.2. Project/programme description (max. 1,000 words)

The project has three components that each address the climate adaptation challenges identified and together contribute to the project objective, as follows:

### **Component 1: Reduced exposure to climate risks of food insecure smallholder women and men through CRA as well as watershed restoration and enhancement**

Through an integrated approach, which includes both Disaster Risk Reduction and Climate Change Adaptation, the exposure and vulnerability to climate risks will be reduced. Exposure to climate risks will be mitigated by protecting and enhancing relevant environmental functions and improving agricultural practices (Disaster Risk Reduction). At the same time, vulnerability to these risks will be decreased by the adoption of climate change adaptation measures at the household, community, and watershed levels (Climate Change Adaptation). Firstly, climate-resilient agricultural (CRA) practices, like Minimum Soil Disturbance, Retention of Crop Residues, Crop Diversification, and Intercropping will be promoted among 16,000 farming households, through trainings, demonstrations, and provision of government-approved farming implements, which delimits the use of GMOs<sup>6</sup>. This will be done by establishing farmer clubs (activity 1.1.1), with 2 lead farmers and 30/40 follower farmers. Secondly, clubs engaging in CRA activities will be eligible for similar support in related sectors, including forestry, livestock, and horticulture, focused on the creation and rehabilitation of assets (activity 1.3.1). As a minimum, each club will be required to engage in CRA activities and at least one alternative sector. Purposely, CRA activities are done at the club and individual plot levels, while alternative sector activities are done at the community and watershed levels for greater disaster risk reduction (DRR) impact. Another intended distinction is that while CRA activities aim to protect and promote prevailing livelihood activities, through suited adaptation measures, alternative sector activities aim to encourage the transition to other viable livelihoods, considerate of prevailing market and climate conditions. For example, under forestry, assessments indicate the viability of green charcoal, baobab, amarula, honey, and moringa production coupled with reforestation and afforestation activities. On livestock, with technical support and advice from FAO to trainings and demonstrations, the project intends to help the establishment of fodder banks, the production of supplementary feed using by-products (baobab seeds), the creation of grazing lands, and set up of watering points. For horticulture, production of vegetables for sale to the national School Feeding menu will be promoted through practices that are adapted to water- and heat-stress conditions, using shading, multi-story gardening, and rainwater irrigation. This component will be guided by watershed physical assessments (activity 1.2.2) and community-based participatory planning (CBPP) exercises (activity 1.2.1) to further tailor the CRA and watershed activities to the local context. A breakdown and description of activities under 1.1.1 and 1.3.1 is provided below. For further details and a map of the watershed, please refer to Annex 2, section 2. Notably, no transfers, food, cash, or vouchers, will be offered as part of activities 1.1.1 or 1.3.1.

Sub-activities eligible under 1.1.1 and 1.3.1 are provided below. The community-level activities (mainly 1.3.1 activities) will be defined during the implementation of the project, through CBPPs. To make sure that these activities are of low environmental and social risk, two measures are in place:

- (1) WFP and co-EEs propose a menu of 'eligible' activities for implementation at community level (activities for which WFP has expertise and that are likely to be low risk), as well as 'excluded' activities. These 'eligible' and 'excluded' activities are listed in Annex 13: section 1.1; and
- (2) Once the communities have selected and defined the community-level activities, they will be screened before implementation, using the WFP screening tool, to identify environmental and social risks. Medium/high risk activities will either be excluded or redesigned.

For more information about the environmental and social risks, screening, and risks management, refer to Annex 13.

Eligible activities for Component 1, activities 1.1.1 and 1.3.1		
Activity category	Description	Intervention level
Project setup	Farmers' Clubs	Community
Project setup	Village Saving and Loan groups	Community
Agriculture	Conservation Agriculture techniques	Household/ Community
Agriculture	Preparation and application of compost	Household/ Community
Agriculture	Introduction of new cash crops or drought-resistant crops	Household/ Community

<sup>6</sup> See Annex 13 for more details on GMO policies by the project.

Agriculture	Creation of additional vegetable gardens at household level	Household
Agriculture	Creation of additional vegetable gardens at community level	Community
Agriculture	Construction of community post-harvest structures (surface<25m <sup>2</sup> )	Community
Agriculture	Training	Community
Forestry	Introduction of energy saving stoves	Household
Forestry	Introduction and cultivation of fruit trees	Household/ Community
Forestry	Reforestation with native vegetation	Community/watershed
Forestry	Production of green charcoal	Household
Forestry	Training	Community
Land reclamation	Stabilization of land with vetiver	Community/watershed
Land reclamation	Reclamation of gullies with Brush Check dam (height<2m)	Community/watershed
Land reclamation	Reclamation of gullies with sand bags, dry stone, or gabions	Community/watershed
Land reclamation	Protection of river bank with sand bags, dry stone, or gabions	Community/watershed
Land reclamation	Land demarcation	Community/watershed
Land reclamation	Training	Community
Water management	Community water ponds for irrigation/livestock use constructed (volume<1000m <sup>3</sup> )	Community
Water management	Water tanks for irrigation/livestock use (volume<20m <sup>3</sup> )	Community
Water management	Small-scale irrigation using river or stream diversion (withdrawal<100m <sup>3</sup> /day AND diversion<10% of water flow)	Community/watershed
Water management	Rock catchments or dams in gullies and small rivers (<2m in height)	Community/watershed
Water management	Hand-dug water wells for irrigation and/or livestock (depth<5m and withdrawal<100m <sup>3</sup> /day)	Community
Water management	Creation of <i>zai</i> and planting pits	Community/watershed
Water management	Training	Community
Livestock	Creation of forage and fodder production sites	Community
Livestock	Creation or rehabilitation of animal handling (cattle crush) facilities established	Community
Livestock	Creation of feed storage facilities (surface<20m <sup>2</sup> )	Community
Livestock	Training	Community

**Component 2: Enhanced and sustained adaptive capacity of targeted participants through a combination of context-specific, integrated risk management tools and market based opportunities**

The farmer clubs (including all its members) have to adhere to the CRA and asset creation calendar of activities in order to be eligible to have access to the activities under component 2. This will be tracked through monthly, project process and output monitoring by partners, including MASA and MITADER, for which WFP is ultimately responsible, including validation through regular field visits. Adherence to Component 1 practices will be promoted through integrated risk management tools that help address evolving climate risks and market-based opportunities that remunerate climate adaptation action. Firstly, farming households benefitting from Component 1 (16,000) will be supported to conduct savings through village saving and loans groups<sup>7</sup> (VSL), as a means to develop buffers to shocks (idiosyncratic and covariate). Building on these, and the improved/adapted livelihood practices, the groups will be supported to have access to formal loans from financial institutions for productive investments. The loans can be

<sup>7</sup> Where possible, existing groups will be supported under this component. Otherwise, new groups will be formed. However, given this practice, the VSL groups may not always closely align to the club structure.

“targeted” (tailored input package loan for CRA) for access to technologies needed for adopting Component 1 activities, or can be “open” (small-scale business loan) for other productive purposes. Micro-insurance against extreme weather events will protect these investments (12,000 farmers), especially in the context of covariate shocks that surpass the individual coping capacity. The premium will be paid by the project initially, as farmers develop the capacity to pay and are transitioned to cash-payment schemes<sup>8</sup>. Market outlets for the products generated under Component 1 will be identified and promoted to make climate-resilient livelihoods viable enterprises, supported by post-harvest loss management trainings and technologies, that help protect the productivity gains achieved. All activities under Component 2 will be conditional on adherence to Component 1 activities and will be made accessible through Rural Centers of Excellence (RCEs), which are set up in districts by the Government to operationalize the Strategic Plan for the Development of the Agrarian Sector. RCEs act as a one-stop shop for farmers to interact with service providers (public and private) and vice versa<sup>9</sup>. The project will support the strengthening of RCEs as a means to institutionalize and ensure long term sustainability of the intervention.

**Component 3: Informed adaptation planning and decision-making across smallholders, communities and national/local authorities through generation and use of climate information**

Recognizing that to effectively employ these adaptation and risk management strategies for resilient livelihoods and greater food security, there is a need to grow awareness and understanding of the changing climate and weather, as well as its impacts on livelihoods and food security, the project will support the generation and dissemination of tailored information and advisories for communities and authorities. As the point of departure, national meteorological capacities will be strengthened to effectively monitor and forecast drought events. Leveraging on this, as well as historical and future climate trend analysis, climate awareness campaigns will be designed and operationalized, reaching 80,000 beneficiaries. To enhance the use of climate information for decision-making, Component 3 will promote the integration of this into the development of Local Adaptation Plans for the target districts (3). In addition, through the co-production of climate services, downscaled seasonal forecasts and in-season updates will be shared with 16,000 households (same for Component 1 and 2) through extension services, and other suited channels, to help inform livelihood planning<sup>10</sup>. This will be done through the Participatory Integrated Climate Services for Agriculture (PICSA) approach that aims to facilitate farmers to make informed decisions based on accurate, location specific, climate and weather information and locally relevant crop, livestock, and livelihood options through the use of participatory planning tools. Finally, Component 3 will also support the Government to generate guidance intended to enhance capacities required for the upscaling of climate change adaption practices and the development of relevant policies and programs. Key to this Component is the strengthening of national capacities to produce, disseminate, and make use of these products.

The table below provides an overview of the project components, outputs, and activities, as well as target beneficiaries and responsible EEs. For more technical details, please see Annex 2, Section 2.

<sup>8</sup> Please see Annex 3 with more details on the cash-payment scheme.

<sup>9</sup> In the target districts, there is 1 (Changara) RCE and 2 more are needed, which the project will support. RCEs help institutionalize the activities promoted through the project, ensuring long-term access to risk management strategies and market based opportunities that make adherence to Component 1 activities possible.

<sup>10</sup> Co-production of climate services refers to the interactions between scientists and information users to ensure that the climate services are accessible, understandable, and able to be acted upon by the end-user.

Activity	Description of each activity	EEs	Beneficiary eligibility criteria	Legal agreement with EEs	Beneficiary	Co-financing
<p>1.1.1 Promote CRA through the establishment of 550 farmer clubs with access to dedicated trainings, demonstrations, and farming implements.</p>	<p>CRA promoted using international and regional guidance through the establishment of farmer clubs (with lead and follower farmers) that are provided with trainings, demonstrations, and farming implements through MASA extension officers supported by service providers hired by WFP</p>	<p>WFP and MASA</p> <p>MASA already promoting CRA but at a limited scale, WFP through R4 in Zambia has regional relevant experience</p>	<p><b>Criteria for the selection of activities:</b></p> <ul style="list-style-type: none"> <li>- be in the “eligible activities list” provided in Annex 13 (ESS)</li> <li>- be of low environmental and social risk (this will be confirmed and ensured by the activity-level E&amp;S screening to be done after CBPP, once the exact activities are identified)</li> <li>- be in line with MASA CRA principles and relevant international/regional standards</li> </ul> <p><b>Principal criteria for the selection of beneficiaries:</b></p> <ul style="list-style-type: none"> <li>- Chronically food insecure</li> <li>- Practices rainfed agriculture</li> <li>- Affected by climate hazards, mainly drought</li> <li>- Non-labor constrained</li> <li>- Over 18 years of age</li> </ul> <p><b>Additional criteria for consideration:</b></p> <ul style="list-style-type: none"> <li>- households with high (5 or more) family size</li> <li>- households who have members with disability or illness</li> <li>- households with pregnant women, adolescent girls, and children under two years of age</li> <li>- Women-headed households</li> </ul>	<p>Memorandum of Understanding (MOU)</p>	<p>16,000 farmers in the farmer clubs</p>	<p>Government of Flanders (FICA)</p>

<p>1.2.1. Conduct 6 community-based (2 per district) participatory planning exercises to guide watershed rehabilitation and management activities.</p>	<p>MITADER and WFP facilitate a community-based participatory planning (CBPP) exercise as per established <a href="#">WFP methods</a> to select the asset rehabilitation and creation activities to be done by the communities in each location based on their priorities and needs</p>	<p>WFP and MITADER  WFP as per its corporate Resilience Policy has to apply the CBPP and applies this worldwide, working with the Government, as has been in the case of MITADER in Mozambique.</p>	<p>None. All community members welcomed to participate in the CBPP</p>	<p>MOU</p>	<p>Community members</p>	<p>Not applicable (N/A)</p>	
<p>1.2.2. Conduct 1 watershed assessment covering the 3 targeted districts to inform the watershed enhancement and rehabilitation activities.</p>	<p>WFP to hire and orient with MITADER a consultant to conduct a watershed assessment for the 3 targeted districts to complement the CBPP in the selection of asset rehabilitation and creation activities, based on the physical and social dynamics of the watershed, considering future climate trends</p>	<p>WFP and MITADER  WFP in the context of R4 Malawi led efforts with national stakeholders to conduct watershed assessments to help the design and planning of asset creation and rehabilitation work. MITADER provides technical advice on water and land management in all government projects.</p>	<p>None. All community members welcomed to input into the assessment</p>	<p>MOU</p>	<p>Community</p>	<p>N/A</p>	
<p>1.3.1. Support watershed enhancement and rehabilitation</p>	<p>WFP to hire and orient with MITADER a service provider to provide trainings, demonstrations, and implements for the</p>	<p>WFP and MITADER  WFP in the context of R4 Malawi led efforts with national stakeholders to</p>	<p>1.1.1 farmer clubs  <b>Criteria for the selection of activities:</b> - be in the “eligible activities list” provided in Annex 13 (ESS)</p>	<p>MOU</p>	<p>16,000 farmers in the farmer clubs</p>	<p>FICA</p>	

<p>activities through asset creation across forestry, livestock, and horticulture sectors to complement CRA activities in 3 districts, reaching 16,000 farming households.</p>	<p>creation and/or rehabilitation of assets. FAO will provide technical support to the component of livestock and will do so as a service provider through a UN to UN agreement.</p>	<p>support watershed enhancement and rehabilitation through asset creation. This is further informed by WFP's work in Ethiopia specifically in the MERET project.</p>	<ul style="list-style-type: none"> <li>- be of low environmental and social risk (this will be confirmed and ensured by the activity-level E&amp;S screening to be done after CBPP, once the exact activities are identified)</li> <li>- be in line with the results and recommendations from the watershed assessment (activity 1.2.2)</li> <li>- be identified as priority by the community during the CBPP exercise (activity 1.2.1)</li> </ul>				
<p>2.1.1. Support the establishment and function of 3 RCEs to enable access to IRM tools and market-based opportunities.</p>	<p>Set up RCEs as a one-stop-shop for farmers to access the goods and services they need through market-based approaches with WFP supporting on climate risk management good and services and MASA as the technical and operational lead of RCEs</p>	<p>WFP and MASA  MASA has been supporting RCEs nation-wide</p>	<p>All farmers in the 3 districts will have access to the RCEs. Project subsidized goods and services, such as the insurance, will only be available to farmers who participate fully in activities 1.1.1 and 1.3.1.</p>	<p>MOU</p>	<p>All farmers in the 3 districts, especially the 16,000 targeted farmers from 1.1.1 and 1.3.1.</p>	<p>N/A</p>	
<p>2.1.2. Establish 550 village saving and loans (VSL) groups among the farmer clubs to act as shock buffers</p>	<p>WFP to map VSL groups in targeted areas and based on this either create or revamp groups that are supported by a service provider to save and make</p>	<p>WFP  WFP through R4 has been doing this work since 2011 in countries like Ethiopia, Senegal, Malawi, Zambia, Kenya and</p>	<p>Farmers who participate fully in activities 1.1.1 and 1.3.1.</p>	<p>N/A</p>	<p>VSL group members, especially the 16,000 targeted farmers from 1.1.1 and 1.3.1.</p>	<p>FICA</p>	

and promote financial literacy.	internal loans informed by financial literacy and management skills provided	Zimbabwe. WFP has also started this work in Mozambique through FICA support.				
2.1.3. Facilitate farmer access to formal loans in the 3 target districts for productive investments in CRA and diversified livelihoods.	WFP to map out and select service providers (micro-finance institutions, MFIs) and loan products that are suited to the targeted farmers	WFP  WFP through R4 has been doing this work since 2011 in countries like Ethiopia, Senegal, Malawi, Zambia, Kenya and Zimbabwe. WFP has also started this work in Mozambique through FICA support.	Farmers who participate fully in activities 1.1.1 and 1.3.1.	N/A	Loan recipient, especially the 16,000 targeted farmers from 1.1.1 and 1.3.1.	N/A
2.1.4. Facilitate farmer access to micro-insurance to protect productive investments against climatic shocks.	WFP and select service providers (Hollard Insurance and IRI) to design and provide farmers with access to weather-index micro-insurance	WFP  WFP through R4 has been doing this work since 2011 in countries like Ethiopia, Senegal, Malawi, Zambia, Kenya and Zimbabwe. WFP has also started this work in Mozambique through FICA support.	Farmers who participate fully in activities 1.1.1 and 1.3.1.	N/A	Insurance recipient, especially the 12,000 targeted farmers from 1.1.1 and 1.3.1.	FICA
2.1.5. Promote Post-Harvest Loss Management Techniques and Technologies for Greater	WFP will train and facilitate MASA extension officers to promote PHL management techniques and technologies among farmers	WFP and MASA  WFP has a Global Post Harvest Knowledge & Operations Centre (KNOC) that orients the work WFP does worldwide on PHL,	Farmers who participate fully in activities 1.1.1 and 1.3.1.	MOU	The 16,000 targeted farmers from 1.1.1 and 1.3.1.	Cartier Foundation

Marketability of Component 1 Products.		including the work in Mozambique, which already piloted this approach through funding from the Cartier Foundation.				
2.1.6. Identify and Promote Market Outlets Helping Make Investment in CRA and Diversified Livelihoods More Remunerative.	MASA will be technical and operational co-lead to create and disseminate market information using their established SIMA system. WFP to support technically and operationally to ensure that the information reaches farmers, as well as to broker linkages to output markets	WFP and MASA  WFP and MASA have been supporting this work through the project called “Accelerate progress towards MDG 1 c in Mozambique”. However, this work has so far focused on other parts of the country.	Farmers who participate fully in activities 1.1.1 and 1.3.1.	MOU	The 16,000 targeted farmers from 1.1.1 and 1.3.1.	N/A
3.1.1. Downscale National Climate Analysis to Government and Civil Society in 10 Workshops	WFP to generate downscaled climate analysis and MITADER to host workshops for dissemination, with WFP support as needed	WFP and MITADER  WFP generated the climate analysis for the country and is the only one in the position to downscale this to the province level.	None. Individuals across the province, especially from the 3 targeted districts.	MOU	80,000 individuals across the province, especially from the 3 targeted districts.	FICA
3.1.2. Disseminate Climate Awareness Campaign Reaching 80,000 People	WFP to co-disseminate with MITADER a climate awareness campaign informed by climate and weather information historical, present, and future	WFP and MITADER  WFP with the Government of Mozambique lead one of the largest awareness campaigns on malnutrition, this	None. Individuals across the province, especially from the 3 targeted districts.	MOU	80,000 individuals across the province, especially from the 3 targeted districts.	N/A

		experience is leveraged for this project and adapted to the project objectives.					
3.1.3. Facilitate the Development of 3 LAPs	MITADER will be responsible with support from WFP to host the LAP planning exercise consisting of primary and data collection regarding the adaptation priorities for each district based on broad stakeholder consultation	WFP and MITADER  MITADER for the last year has been working on the LAPs for the country and WFP has assisted in these efforts for other provinces.	None. Individuals across the 3 targeted districts	MOU	80,000 individuals across the province, especially from the 3 targeted districts.	N/A	
3.1.4. Develop and Disseminate 1 National Climate-Smart Standard for Watershed Rehabilitation	WFP to lead through the procurement of consultancy services and by supporting technically in the content creation and dissemination. MITADER to input technically into the content and operationally its dissemination. Standards to be based on a scan of successful practices in-country and abroad and the identification of set steps to follow and requirements to meet for climate-	WFP and MITADER  WFP in many country contexts has helped with watershed guidelines, much like this one, based on the own corporate guidance that WFP has, and in-country implementation experience acquired by working with the Government, like was the case of R4 Malawi	None.	MOU	National stakeholders	N/A	



	smart, watershed rehabilitation						
3.1.5. Produce and Disseminate Lessons Learned (6), Case Studies (6), Technical Reports (4), and Guidelines on Rural Financial Inclusion for Climate Innovations	WFP will hire a consultant dedicated to knowledge management that will generate this content, engaging MITADER and MASA technically	WFP, MASA, and MITADER  WFP through the R4 WFP through R4 has been doing this work since 2011 in countries like Ethiopia, Senegal, Malawi, Zambia, Kenya and Zimbabwe.	None	MOU	National stakeholders	N/A	
3.2.1. Support National Capacities to Generate Downscaled Seasonal Forecasts and In-Season Weather Updates with Tailored Advisories for Targeted Users in 3 Districts (Changara, Marara,	WFP will support technically national capacities (targeting the National Meteorological Institute, INAM) to generate downscaled forecasts through dedicated trainings, support to enhance the observational network, and streamlined systems for data management	WFP  WFP through the Global Framework for Climate Services of the World Meteorological Organization started implementation of PICSA in Tanzania and Malawi, based on the good results this has been scaled up in these countries, and others like Zimbabwe, through WFP support. This work included the generation of downscaled seasonal forecasts.	None	N/A	INAM and 80,000 individuals across the province, especially from the 3 targeted districts.	N/A	



Cahora-Bassa)							
3.2.2. Facilitate PICSA roll out reaching 16,000 farming households providing access to climate and weather information with advisories.	Service Provider (UoR) procured by WFP will support MASA with PICSA roll out, while WFP will also support help host trainings for MASA staff on PICSA. MASA will provide technical inputs into the climate services generation and facilitate role out through extension officers.	WFP and MASA  WFP through the Global Framework for Climate Services of the World Meteorological Organization started implementation of PICSA in Tanzania and Malawi, based on the good results this has been scaled up in these countries, and others like Zimbabwe, through WFP support.	Farmers who participate fully in activities 1.1.1 and 1.3.1.	MOU	The 16,000 targeted farmers from 1.1.1 and 1.3.1.	FICA	

### **B.3. Implementation / institutional arrangements (max. 750 words)**

WFP, through its Johannesburg Regional Bureau and Rome HQ units, will perform the AE functions including project supervision, financial oversight, reporting and evaluation.

WFP, through its Mozambique Country Office, will act as a co-Executing Entity (EE) with MASA and MITADER. Co-EEs will be responsible for the day-to-day project execution functions ensuring that the objectives and outcomes of the project are delivered effectively. Role of various co-EEs and service providers by activity are noted in the table above and further details in Annex 2, section 5. Both co-EEs have been assessed by WFP on their capacities to effectively fulfill their roles and responsibilities and were deemed capable to do so (Annex 19).

At national level, MASA will provide technical guidance to the project through its National Agrarian Research Institute (IIAM) and National Directions. At provincial level, the Agricultural Directorate will coordinate technical and operational input into project activities leveraging the extension officer network. At district level, the Directorate of Agrarian Extension Services will provide trainings, technical assistance, and practical advice to the implementation team and targeted communities.

At national level, MITADER will provide technical guidance to the project and the promotion of synergies to MITADER's projects on climate adaptation. At provincial level, the Directorate will support multi-stakeholder coordination through the facilitation of planning, including the LAPs. MITADER at provincial level also plays a critical role in guaranteeing that the environmental and social risks of the project are well managed and mitigated through technical oversight. At the district level, through the Services of Economic Activities, MITADER will lead on the production of natural resource management plans, including contributions to CBPPs and watershed assessments, including also the monitoring of the related activities.

Together, MASA, MITADER, and WFP, under the guidance of the National Designated Authority (NDA) the Ministry of Finance, will have a Project Coordination Committee (PCC) at the national level to provide technical and operational oversight to the project, develop operational plans and tools for effective implementation, and ensure collaboration and coordination all aimed at guaranteeing that the project is successful in meeting its objectives. This will meet bi-annually and will benefit from provincial level representation.

A project implementation committee (PIC) comprised of the same co-EEs and contractors/service providers, including FAO, will meet on a monthly basis to coordinate the implementation of operational plans. The Co-EEs will have equal decision-making power and will make joint decisions for the overall project implementation within the PIC. This means that MASA, MITADER, and WFP will jointly agree on annual workplans and budgets and input into reporting processes, including the Annual Performance Reports (APRs). WFP will, in its capacity as AE, review and provide a no-objection to the Annual Work Plan (AWP). In case of disputes, the PCC will be asked for advice, though as AE, WFP will have the final say. Subsidiary agreements between WFP and each of the co-EEs will be signed to formalize and establish these implementation arrangements.

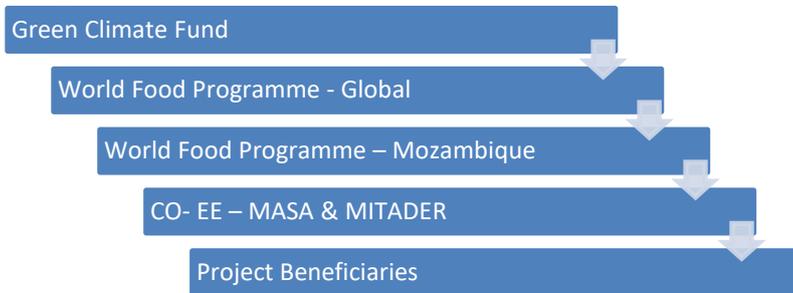
Building on ongoing collaboration nationally and internationally, and in order to take advantage of the experience and expertise of the Food and Agriculture Organization of the UN (FAO) on livestock, WFP will also enter into an adapted UN to UN agreement with FAO.

At the community level, leveraging on the Local Disaster Management Committees (CLGRC), the committees will be engaged to act as intermediaries between the communities and the Project Team. The committees will accordingly assist with tasks such as community mobilization, planning, targeting, and will also offer a structure for building community ownership of the project even beyond the implementation cycle. Whole implementation structure depicted below.

After the project, the PCC and PIC will be dissolved, as the project activities will be integrated into the operations of the co-EEs. Interactions across co-EEs will be maintained under the guidance of the NDA and through post-project Memorandums of Understanding (MoU).

STRUCTURE	PARTICIPANTS	PURPOSE	LEVEL & FREQUENCY
<p>Project Coordination Committee (PCC)</p> <p>↓</p> <p>Project Implementation Committee (PIC)</p> <p>↓</p> <p>Local Disaster Management Committees (CLGRC)</p>	<p>Chair: NDA, MEF Committee: MASA, MITADER, WFP Others: Representatives of other Line Ministries or Institutions</p> <p>Chair: WFP Committee: MASA, MITADER, Province Gov. Others: Representatives of other Line Ministries or Institutions</p> <p>Chair: CLGRC chair Others: CLGRC members, community leaders, implementation teams from CO-EEs &amp; service providers, as needed</p>	<p>Project Oversight</p> <p>Project Operationalization</p> <p>Community engagement only – No project-specific responsibilities</p>	<p>Head of technical teams, with Heads of Agency, as needed</p> <p>Bi-annual</p> <p>Implementation teams</p> <p>Monthly</p> <p>Community representatives</p> <p>Monthly/ as needed</p>

Related to financial flows, WFP assumes responsibility for effective management of project funds, including financial disbursement, oversight, and reporting (annual, mid-term, and final evaluations/audits). WFP will be the only EE to procure goods and services and will use its procurement procedures, which were approved by the GCF during WFP’s accreditation. Funds channeled from GCF to WFP will be disbursed to co-EEs and service providers/contractors based on successful capacity assessments and workplans within established agreements, which will be closely monitored to ensure compliance and fulfilment of responsibilities. Flow of funds detailed below. For more details on implementation and institutional arrangements, please see Annex 2, section 5.



C. FINANCING INFORMATION					
C.1. Total financing					
<b>(a) Requested GCF funding (i + ii + iii + iv + v + vi)</b>		9.25		million USD (\$)	
GCF Financial Instrument		Amount	Currency	Tenor	Pricing
(i)	Senior loans	Enter amount	Options	Enter years	Enter %
(ii)	Subordinated loans	Enter amount	Options	Enter years	Enter %
(iii)	Equity	Enter amount	Options		Enter % equity return
(iv)	Guarantees	Enter amount	Options	Enter years	Enter %
(v)	Reimbursable grants	Enter amount	Options		
(vi)	Grants	9.25	million USD (\$)	5 years	
<b>(b) Co-financing information</b>		<b>Total amount</b>		<b>Currency</b>	
		0.75		million USD (\$)	

Name of institution	Financial instrument	Amount	Currency	Tenor	Pricing	Seniority
Cartier Foundation	Grant	0.15	million USD (\$)	1 year	Enter%	Options
Government of Flanders	<u>Grant</u>	0.60	million USD (\$)	1 year	Enter%	Options
Click here to enter text.	Options	Enter amount	Options	Enter years	Enter%	Options
Click here to enter text.	Options	Enter amount	Options	Enter years	Enter%	Options
<b>(c) Total investment (c) = (a)+(b)</b>	<b>Amount</b>		<b>Currency</b>			
	10		million USD (\$)			
<b>(d) Co-financing ratio (d) = (b)/(a)</b>	0.75/9.25 = 0.076 = 7.6 %					
<b>(e) Other financing arrangements for the project/programme (max ½ page)</b>	Not applicable					

### C.2. Financing by component

Component	Output	Indicative cost (USD)	GCF financing		Co-financing		
			Amount (USD)	Financial Instrument	Amount (USD)	Financial Instrument	Name of Institutions
Component 1	Output 1	3,467,300	3,167,300	Grants	300,000	Grants	Government of Flanders
Component 2	Output 2 - Activities 2.1.1-2.1.4	3,051,194	2,882,194	Grants	169,000	Grants	Government of Flanders
Component 2	Output 2 - Activities 2.1.5-2.1.6	835,800	685,800	Grants	150,000	Grants	Cartier Foundation
Component 3	Output 3	2,099,630	2,006,130	Grants	93,500	Grants	Government of Flanders
Evaluation	Project Evaluation	110,000	110,000	Grants	0	Grants	
Component 4	PMC	440,476	402,976	Grants	37,500	Grants	Government of Flanders
<b>Indicative total cost (USD)</b>		\$ 10 million	\$ 9.25 million		\$ 0.75 million		

More detailed information on the costs of the activities is provided in annex 3 (budget).

### C.3. Justification for GCF funding request (max. 500 words)

Mozambique is a shock-prone country, affected by drought, floods, cyclones, and tropical storms, which are becoming more intense, frequent, and variable due to the changing climate. These hazards have historically driven food and income insecurity, as the majority of the population, especially the rural poor, mainly women, depends on rain-fed agriculture for their subsistence. This negative trend is due to persist, and even worsen, due to climate change and variability, if left unaddressed.

Given the vastness of the problem (80 percent of the population is reliant on agriculture) and complexity due to the multiple perils, the Government's capacity to help meet chronic and acute food needs of the most vulnerable has been surpassed with recent, multiple shocks. Prioritization of limited resources has also meant that investments have been made for immediate, live-saving actions, over long-term climate adaptation. This trend is also common at the household level, where negative coping strategies are prevalent, which are undermining long-term climate adaptation potential. This, coupled with macro-economic instability, has meant that there is a great need for global, climate finance, especially for long-term adaptation action, supporting livelihoods and food security of the most vulnerable.

Cyclone Idai made landfall on March 14, resulting in 600 deaths, 1600 people injured, and over 1.8 million affected people. Cyclone Kenneth made landfall on April 25, adding to the destruction, as the strongest cyclone to ever hit the African continent. The Post Disaster Needs Assessment (PDNA) estimate the recovery needs at over 2.9 billion USD.

This only covers the costs of rebuilding and rehabilitation as a result of the losses and damages. There is still a great need for financing to adapt to the changing climate.

Given the GCF's focus on the most vulnerable and adaptation to climate change, and Mozambique's active engagement in the UNFCCC as a Least Developed Country, the GCF was deemed the best fit donor for this initiative, with others contributing to parts of this Project, like the Government of Flanders and the Cartier Foundation. Accordingly, GCF funds will contribute to:

- Reaching the most vulnerable and building national capacities. With hotter and drier conditions, driven by more variable and concentrated rainfall patterns, the growing season has been shortened, making it harder for smallholder producers to realize a harvest that will allow them to meet their food needs for the year, yet alone to market a surplus for greater income. While the target locations have been recipients of relief assistance, there is a need to move toward climate-resilient development, so that the cycle of food insecurity can be broken. By embedding this to national plans/initiatives, and through the joint implementation across line ministries and WFP, the tools, systems, and capacities for long term change will be developed and rolled out.
- Promoting scalable innovations and paradigm shift. This project is unique as it targets the key drivers of food insecurity and the emerging climate risks through innovations not yet trailed in-country, such as watershed management, climate services, and weather-index insurance, as part of an integrated risk management package. This offers the opportunity to generate learnings and best practices that can be scaled up to enable paradigm shift.
- Ensuring cost effectiveness. The contribution by the GCF has unlocked other financing supporting the achievement of GCF objectives in Tete, but also the expansion of a similar approach to other locations affected by climate change and variability. This is seen as a positive trend that will continue to be leveraged to further grow the reach and impact of the project across targeted locations.

#### **C.4. Exit strategy and sustainability (max. 250 words)**

Sustainability is pursued at all stages of the project cycle. For planning, multi-stakeholder, participatory planning processes have been followed to ensure consensus-building and buy-in at national, provincial, and community levels. This was further informed by climate and weather information to ensure that the project is fitting with current and future climate trends. On implementation, joint implementation is sought with the government and local partners to ensure they have the tools, capacities, and systems to continue with the initiative beyond the project cycle. The PCC and PIC will be the key vehicles for this. On monitoring, the project will implement a rigorous system from which insights will be gained to inform the development of a strategy to scale up and handover. Finally, institutionalization will be pursued to ensure that the activities continue beyond the project cycle. The imperative will be to embed the project in national commitments and policies. This is done through ensuring project alignment to national priorities. To this end, the proposed project is aligned to: (i) Initial National Communication to UNFCCC, (ii) National Climate Change Adaptation and Mitigation Strategy, (iii) National Adaptation Programme of Action and (iv) Nationally Determined Contribution Plan. The production of LAPs will help institutionalization at the provincial and district levels. Sustainability is also embedded in the implementation approach. For example, through the establishment of farmer clubs will be done such that they will carry over beyond 5 years. Another example, is the strengthening of RCEs capacities, with from MASA to sustain their support and reach to farmer clubs through. Also will the setting up of VLS groups that sustain saving activities beyond the project lifecycle and allow for continued linkages to MFIs. Finally, dedicated trainings and handover strategies will be implemented to clarify and strengthen the roles of local stakeholders (public and private) by Component. Sustainability is detailed by project component in Annex 2, section 3.8.

#### **C.5. Financial management/procurement (max. 300 words)**

The project will utilize WFP financial management and procurement systems in-line with its accreditation. All financial management and procurement, including financial accounting, disbursement methods, and auditing will be specified under the Funded Activity Agreement (FAA) and will be aligned with the process and method agreed in the Accreditation Master Agreement (AMA).

The GCF will transfer funds annually to WFP on the basis of a disbursement schedule, as outlined in the project proposal and relevant agreements. WFP's Finance and Treasury Division at Headquarters level certifies annual financial statements of relevant expenditures. The financial reporting will be done in accordance with clause 17 of the AMA, WFP will be responsible for ensuring that project funds are spent according to the funding project proposal and the above mentioned agreements that will be entered with the GCF.

WFP shall be responsible for all project procurement of goods and/or services in accordance with WFP's rules, policies and procedures. WFP follows a competitive and transparent process when procuring goods and services from suppliers.

Internal reviews or audits will take place at the end of project implementation in accordance with established WFP guidelines. Audit arrangements will be as per Clause 16 of the AMA. WFP's financial accounting, disbursement methods and auditing are compliant with UN rules and regulation as well as with the requirements of all major donor agencies worldwide.

## D. LOGIC FRAMEWORK AND MONITORING, REPORTING AND EVALUATION

A project-level logical framework, with specific indicators, baselines and targets, means of verification and assumptions are provided as part of Annex 2.

### D.1. Paradigm shift objectives

Increased climate-resilient sustainable development	The project objective is to contribute to building climate-resilient food security and livelihoods for women and men smallholders in Mozambique through an integrated risk management approach. The approach is innovative and capable of a paradigm shift because it tackles in tandem the drivers of food insecurity and the emerging climate risks exacerbating the situation. This is done through three components that build on each other to achieve the common objective at individual, community, and government levels. Component 1 reduces exposure to climate risks and supports adaptation through CRA and watershed restoration and rehabilitation. Component 2 enhances and sustains adaptive capacity of participants through integrated risk management tools and market-based opportunities. Component 3 generates and disseminates climate/weather information to stimulate a demand for climate adaptation and also help inform related decisions for adaptation action at the individual, community, and institutional levels. Joint implementation across MASA, MITADER, and WFP will guarantee that the tools, systems, and capacities to implement and scale up this approach are generated and operationalized, contributing to benefits beyond the project cycle, especially through the embedding of this approach in national policies and programmes.
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### D.2. Impacts measured by GCF indicators

Expected Result	Indicator	Means of Verification (MoV)	Baseline <sup>11</sup>	Target <sup>12</sup>		Assumptions
				Mid-term (if applicable)	Final	

<sup>11</sup> The baseline for the project has not been conducted. This will be done closer to the start of the project to allow for the baseline to be fully representative of the context prior to the start of the project activities. The baseline will be done in quarter 1 of year 1, 3 months prior to the start of activities. All the baseline values shown here are purely indicative and will be revised based on the baseline findings from quarter 1 of year 1. Currently, the baseline figures are informed by prevailing assessments from the target area.

<sup>12</sup> As the baseline of the project has not been conducted and this will only be done 3 months prior to the start of the project, the target values shown here are purely indicative and will be revised based on the baseline findings from quarter 1 of year 1. The targets are informed by prevailing assessments of the context and trends of similar interventions.

<p><i>A1.0 Increased resilience and enhanced livelihoods of the most vulnerable people, communities and regions</i></p>	<p>Number of males and females benefitting from the adoption of diversified, climate-resilient livelihood options</p>	<p>Quantitative Surveys at household level conducted on bi-annual basis will collect data on WFP’s corporate Asset Benefit Indicator<sup>13</sup> (ABI) and Livelihood Coping Strategy Index<sup>14</sup> (LCSI).</p> <p>This will be reported in monitoring reports, as well as the formative mid-term and final evaluation reports which are verified by third party sources</p>	<p>0 people in targeted areas benefit from adoption of diversified, climate-resilient livelihood options</p>	<p>32.000 people in targeted areas benefit from adoption of diversified, climate-resilient livelihood options (50% women, 50% men)</p>	<p>48.000 people in targeted areas benefit from adoption of diversified, climate-resilient livelihood options (50% women, 50% men)</p>	<p>Targeted households are interested in the project and engage continuously through the 5-years of programming across the different interventions</p> <p>EEs are able to sustain the timely, adequate, and reliable provision of support</p> <p>There will be no major weather-related shocks that affect the target area of intervention during the length of the program</p> <p>No weather-related shocks, or other types, (not limited to project area) that reduce EEs capacity to implement the project</p>
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<sup>13</sup> The number of people in targeted areas reporting benefits from an enhanced livelihood asset base (including enhanced practices) disaggregated by sex

<sup>14</sup> The Livelihoods-based Coping Strategies Index (LCSI) indicator measures the different types of livelihood-related coping strategies that households apply to ensure their food needs are met. It ranks these coping mechanisms by how costly it may be to their livelihoods and ability to cope with shocks in the future. Strategies are classified into three broad groups namely: 1.Stress strategies: such as borrowing money or spending savings, are those which indicate a reduced ability to deal with future shocks due to a current reduction in resources or increase in debts; 2.Crisis strategies: such as selling productive assets, directly reduce future productivity, including human capital formation; 3.Emergency strategies: such as selling one's land, affect future productivity, but are more difficult to reverse, or more dramatic in nature.

<i>A2.0 Increased resilience of health and well-being, and food and water security</i>	Number of food secure HH in areas at risk of climate change impacts (reduced food gap) disaggregated by sex of household head	Quantitative Surveys at household level conducted on bi-annual basis will collect data on: Consolidated Approach to Reporting Indicators of Food Security <sup>15</sup> (CARI) and on the Food Consumption Score - Nutrition <sup>16</sup> (FCS-N) disaggregated by sex of household head.	2,400 HH at risk of climate change impacts are food secure	4,800 HH at risk of climate change impacts are food secure (33% female headed; 67% male headed)	9,600 HH at risk of climate change impacts are food secure (33% female headed; 67% male headed)	
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**D.3. Outcomes measured by GCF indicators**

Expected Outcomes	Indicator	Means of Verification (MoV)	Baseline	Target		Assumptions
				Mid-term (if applicable)	Final	
<i>A6.0 Increased generation and use of climate information in decision-making</i>	Use of climate information services in decision-making in climate-sensitive sectors	Quantitative Surveys at household level conducted on bi-annual basis	0 HHs in the targeted communities using climate information services for decision-making in agricultural related planning and actions.	6.400 HHs in the targeted communities using climate information services for decision-making in agricultur	9.600 HH in the targeted communities using climate information services for decision-making	Information and technology continue to be available and to function effectively, enabling the co-production and dissemination of climate/weather information

<sup>15</sup> This is a combination of all/some: Food Consumption Score + Food Energy Shortfall + Food expenditure share + Poverty status + Livelihood coping strategy categories. Some of these were previously mentioned.

<sup>16</sup> FCS-Nutrition (FCS-N) is calculated in a similar way as the FCS, but it zooms in on the consumption of three essential food groups: Vitamin A, Protein, and Iron. The FCS-categories for the FCS-N scores can be interpreted as following: when FCS-N is “acceptable”, it means the household consumes the nutrient daily (7 days per week). When FCS-N is “borderline”, it means the household consumes the nutrient sometimes (1-6 days a week). When FCS-N is “poor”, it means the household did not consume the nutrient at all (0 days a week).

				al related planning and actions. (33% female headed; 67% male headed)	in agricultural related planning and actions. (33% female headed; 67% male headed)	Other risks (plagues, wildfires, civil unrest, etc.) to agricultural production do not interfere and reduce the use and trust of climate information services
<i>A7.0 Strengthened adaptive capacity and reduced exposure to climate risks</i>	Use by vulnerable households of Fund-supported tools, instruments, strategies and activities to respond to climate change and variability	Quantitative Surveys at household level conducted on bi-annual basis.	0 vulnerable HHs in the targeted communities use at least three fund-supported strategies to respond to climate change and variability <sup>17</sup>	4.800 vulnerable HHs in the targeted communities use at least three fund-supported strategies to respond to climate change and variability (33% female headed; 67% male headed)	9.600 vulnerable HHs in the targeted communities use at least three fund-supported strategies to respond to climate change and variability (33% female headed; 67% male headed)	Insurance continues to be possible based on technology, information, and distribution channels, as assessed  Financial capacities and trust are fostered sufficiently to enable access to and use of financial tools

**D.4. Arrangements for Monitoring, Reporting and Evaluation (max. 300 words)**

Project monitoring and evaluation (M&E) will be carried out in accordance with WFP procedures, under WFP supervision, and in coordination with MASA and MITADER. WFP will assume financial oversight of the project and provide information on a regular basis in conformance with GCF operational regulations. To facilitate coordination on outcome monitoring and evaluation, project management team meetings (of the PCC) will take place at least twice per year.

Several workshops will bring together all stakeholders for project implementation. Through these workshops, stakeholders will build project ownership and identify priorities for the first year of implementation. Clear workplans with the division of responsibilities will be developed as a result of such workshops.

<sup>17</sup> The fund-supported strategies include: CRA, Asset creation, saving, credit, insurance, PHL, market access and climate information services. Through the surveys, making use of a list, the HH will be asked to note how many of these they access and practice.

WFP will compile the relevant information, including inputs from participative monitoring (questionnaires, surveys and group discussions) in annual performance reports (APRs) to be submitted to the GCF Secretariat at the end of each calendar year, for a total of five APRs. The first APR will be submitted one year after funds disbursement date, with the last report submitted six months after the end of project implementation. APRs will include: a narrative report on implementation progress based on the logical framework presented above and in Annex 2, including gender-disaggregated indicators (aligned to the GCF RMF and PMF for adaptation); and financial reports as specified in the FAA.

WFP will also submit an independent mid-term evaluation report six month after the end of the third year of project implementation and an independent final evaluation no later than nine months after the completion of the project. These reports will assess progress towards the project's outcomes and impacts defined in the logical framework as well as the overall project performance against the six GCF investment criteria. Final evaluation will include information on challenges and lessons learnt. The final evaluation will be formative. It will use panel data from households (both treatment and control) surveyed at the baseline and bi-annual outcome monitoring exercises and will use this and other quantitative and qualitative assessments carried out by a third party source to determine progress towards the project's outcomes and impacts (through independent significance tests). Annex 2 includes more details.

The costs of the M&E surveys and activities sum up to USD 300,000 over the course of the project, specifically USD 110,000 for the final evaluation, USD 40,000 for the mid-term evaluation, and USD 150,000 for baseline and bi-annual monitoring surveys. These costs are split over the project budget and the AE fee.

As per AMA section 17.02, the Accredited Entity shall provide to the Fund the required Financial Information in the form and means agreed with the Fund on a semi-annual basis within ninety (90) days after 30 June and 31 December of each year (or such other frequency agreed in the FAA).

## E. EXPECTED PERFORMANCE AGAINST INVESTMENT CRITERIA

### E.1. Impact potential (max. 300 words)

E.1.1. Expected tons of carbon dioxide equivalent (t CO <sub>2</sub> eq) to be reduced or avoided (Mitigation only)	Annual	Click here to enter text. tCO <sub>2</sub> eq
	Lifetime	Click here to enter text. tCO <sub>2</sub> eq
E.1.2. Expected total number of direct and indirect beneficiaries, disaggregated by gender	Direct	80,000 <sup>18</sup> 51% of female <sup>19</sup>
	Indirect	160,000 <sup>20</sup> 51% of female
<i>*For both, Specify the % of female against the total number.</i>		
E.1.3. Number of beneficiaries relative to total population	Direct	0.25 % of National, 23.8% of targeted Districts
	Indirect	0.50 % of National, 47.6% of targeted Districts

The Project directly contributes to the GCF's strategic results areas for adaptation, namely: (i) increased resilience of health, water and food security to the impact of climate change, (ii) increased climate resilience of livelihoods of people, strengthening of institutional and regulatory systems for climate-responsive planning and development, (iii) increase in generation and use of climate information in decision making as well as strengthening of awareness regarding climate risks adaptive capacity and reduced exposure to climate threats. All components of the project that contribute to the GCF result areas aforementioned will reach an estimated 16,000 households, with average size of 5 people per household leads to 80,000 direct beneficiaries and 160,000 indirect beneficiaries, across the districts of Marara, Changara, and Cahora Bassa in Tete province. Indirect beneficiaries are calculated on the average participation of 1 in 3 households per community for previous WFP projects in the region.

<sup>18</sup> The project will target 16,000 households. Each household will have one project participant. An alternate can be designated by the household, when the principal participant is not available. However, at any one time, there will only be one project participant per household.

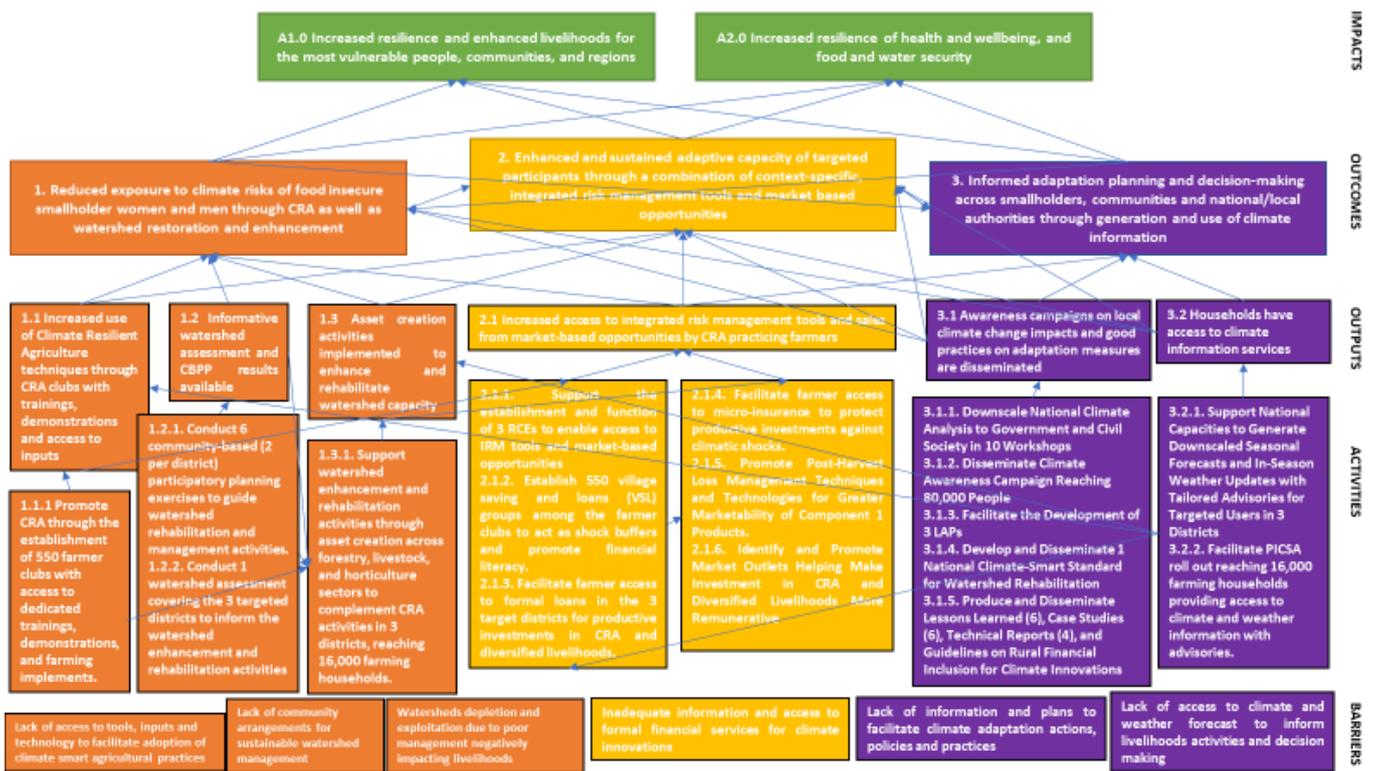
<sup>19</sup> The most recent census is from 2017. This indicates that at the national level women account for 52% of the population, at the provincial level 51%, and at the district level it ranges from 49-52%. Based on this, the project is expected to reach at the very least 51% of women in the target areas.

<sup>20</sup> The project will target 16,000 households resulting in 80,000 beneficiaries. On average, 1 out of 3 households are directly targeted, making the indirect beneficiaries the other 2/3rds or 160,000.



**E.2. Paradigm shift potential (max. 300 words)**

The project approach is based on the fact that currently livelihoods are highly vulnerable to disaster risk and there are limited adaptation alternatives, which limit the achievement of greater food security, especially as there is little information and awareness about climate change and variability. Vulnerability to disaster risks will be reduced by protecting and enhancing relevant environmental functions and agricultural practices, while simultaneously promoting adaptation for risks that cannot be mitigated, at the household, community, and watershed levels (Component 1). Adherence to these practices will be promoted through integrated risk management tools that help address evolving climate risks and market-based opportunities that remunerate climate-resilient practices adopted (Component 2). Recognizing that to effectively employ these adaptation and risk management strategies for greater food security, there is a need to grow awareness and understanding of the changing climate and weather and its impacts on livelihoods and food security, the project will also support the co-generation and dissemination of tailored information and advisories for communities and authorities (Component 3). The approach is illustrated in the theory of change below, including risks and assumptions.



**Risks**

- Unfavorable changes in political landscape
- Major weather-related shocks that affect the target area of intervention
- Weather-related shocks, or other types, (not limited to project area) that reduce EEs capacity to implement the project
- Loss of interest and engagement of national stakeholders to develop tailored climate information products
- Other risks (plagues, wildfires, civil unrest, etc.) to agricultural production interfere and reduce the use and trust of climate adaptation measures
- Unforeseen work that needs to be accommodated

**Assumptions**

- Stakeholders and partners remain interested and engaged throughout the project
- Participants maintain level engagement in the project across the 5 years and engage in the trainings offered
- Information and technology continue to be available and to function effectively, enabling the co-production and dissemination of climate/weather information
- Financial capacities and trust are fostered sufficiently to enable access to and use of financial tools
- People trust and are interested in making use of the tailored climate information products

The project will bring about a shift in the way smallholders and communities manage their resources, conduct their livelihoods, and meet their food security needs, making them more climate-resilient. The project will also cause a shift in planning for adapting to climate risks, affecting the way national, province, and district institutions operate. Furthermore, through the project, tools, systems, and capacities will be generated that will allow for these changes to be scaled up sustainably and recreated in other areas of the country. More specifically, project guidance and dedicated trainings will help bolster national stakeholder capacities. For example, the project has the potential for scaling-up to 4 neighboring districts in Tete facing the same climate risks and belonging to the same livelihood zone, reaching an estimated 650,000 people<sup>21</sup>. In addition, semi-arid districts of Gaza province<sup>22</sup> could benefit from guidelines, standards, and lessons learned produced through the project, as well as other projects that are noted in Annex 2.

The project intends to achieve this by leveraging the lessons learned and good practices from the R4 Rural Resilience Initiative implemented by WFP in the region, as well as projects in-country that have proven successful, including those on climate-resilient agriculture, weather index micro-insurance, watershed management, among others. In addition, durable change is expected through the embedding of the project approach through national policies, especially those focused on agriculture, food security, and climate risk management as further explained throughout this proposal.

### E.3. Sustainable development (max. 300 words)

The project has a strong sustainable development potential and will directly contribute to SDGs 2 (Zero Hunger), 13 (Climate Action), 5 (Gender equality) and 17 (Partnerships). In addition, the project will render co-benefits, as follows:

**Environmental co-benefits.** Work on watershed management will help conserve water, promote streamflow, support sustainable streams, rivers, lakes, and groundwater sources, as well as enables healthy soil for crops and livestock, and also provides habitat for wildlife and plants. CRA will lead to improved water availability, enhanced soil quality, reduced erosion, sustainable agricultural practices. This will result in a sustained increase of productivity, leading to food security and reducing the need for the expansion of agricultural land.

**Economic co-benefits.** Economic benefits are expected at the household level, through enhanced marketable surplus, production of quality that can be sold for greater prices. This will be further enhanced through the financial inclusion benefits from saving, credit, and insurance services. Beyond the household, market-wide benefits are expected as financial institutions can widen their reach, as well as input/technology providers.

**Social co-benefits.** Improved water access and availability are expected to have added health benefits. In addition, improved, diversified gardening, and processing technology, together with awareness-raising campaigns will improve nutrition and food security. Community plans, farmer clubs, RCEs, and targeted trainings will build human capacity and establish community institutional arrangement contributing to sustainability post-project. With enhanced food security and nutrition, as well as incomes, targeted households are also expected to be able to diversify their consumption into other areas that foster wellbeing, such as education, health services, and other services.

**Gender.** The project is expected to reduce gender inequalities through (i) diversifying sources of income and creating new income-generating opportunities, market linkages, and access to financial services, (ii) encouraging both women and men to take on roles and responsibility that are traditionally seen as not gender appropriate and have limited people's potentials, and (iii) distribute the work burden between both women and men through introduction of new techniques, income-generation, and financial services with gender transformative focus. See Annex 4 for more details.

**Environmental and Social Risks.** WFP engaged all stakeholders, including a sample of communities living in the project area, to jointly identify the risk level. The activities of component 1 and 2 are small-scale interventions at household or community level, with low environmental and social risks. Activities under component 1 and 2 will be further defined on the basis of consultations in the communities, once the implementation of the project has started. Any activities under component 1 and 2 that are further defined after the start of the project will also be screened by means of the WFP screening tool. No medium or high risk activities will be allowed. The activities of component 3 are intended to build the capacities of the national and local governments and are equally of low environmental and social risk. The agreed risk level is Category C – low risk. A detailed risk screening is available in Annex 13.

<sup>21</sup>; WFP-IFAD Climate Analysis, 2018; WFP ICA, 2017 FEWNET, 2014, Mozambique Livelihood Zone Description. Available here: <http://www.efd.org/media/uploads/2014/07/MZ-LHdescriptions-2013-en21.pdf>

<sup>22</sup> The Government of Flanders, who is co-financing this project, will also fund the replication of the model in Gaza, allowing for geographical scale up.

#### E.4. Needs of recipient (max. 300 words)

Mozambique is one of the countries most vulnerable to climate change, ranking 160 out of 181 countries in the ND-GAIN index. A full 80% of the rural population (of which the majority are women<sup>23</sup>) depend on climate-sensitive sectors, including rain-fed agriculture, for their food security and income. Consecutive climate shocks have undermined livelihoods and food security and strained national capacities to help meet the food needs of the most vulnerable.

In Tete, climate change is causing: higher temperatures; reductions in water availability; prolonged dry spells; shorter growing seasons; and reductions in biomass<sup>24</sup>. In Changara, Marara, and Cahora Bassa, the impacts are hardestfelt<sup>25</sup>. In this context, traditional livelihoods are no longer suited to the changing climate and adaptation options need to be explored.

Due to limited resources, capacities, and knowledge, services from the public and private sectors that would contribute to disaster risk reduction and climate adaptation have been missing. Extension officer support has not been able to incorporate climate sensitivities into their advisories and trainings. LAPs have not been informed by down-scaled, context-specific climate information and its interactions with livelihoods and food security. Financial institutions and markets have not expanded to these areas as information is missing about the capacities and needs of the local population.

While the need is great, the resources to address this are limited. Mozambique has yet to recover from the economic downturn from 2015 which nearly halved the past decade's GDP. Most recently, cyclones Idai and Kenneth made landfall on Mozambique, including Tete province, resulting in \$ 1.4 billion in damages and \$ 1.39 billion in losses. This is the highest costs ever recorded and is beyond the capacity of the country. At the same time, it slowed down GDP growth by over 2%, limiting further the capacity of the government to respond to the needs.

#### E.5. Country ownership (max. 500 words)

The proposed project is aligned with the Government adaptation and mitigation policies, programmes, and priorities including (i) Initial National Communication to UNFCCC (2006), (ii) *National Climate Change Adaptation and Mitigation Strategy (2013 – 2025)* calling for increasing the adaptive capacity of vulnerable people, and promoting mechanisms for planting of trees, and establishing forests for local use, (iii) *National Adaptation Programme of Action (MICOA, NAPA 2007)* that prioritized installing small-scale sustainable irrigation systems, and encourage the use of drought-tolerant crops and (iv) *Nationally Determined Contribution (NDC) Plan* that also calls for increasing the adaptive capacity of the most vulnerable groups; and reducing soil degradation and promoting planting of trees for local use. Applying a gender lens will contribute to the Strategic Gender Plan (INGC, 2016-2020).

WFP and the National Designated Authority (NDA) met to discuss collaborating on a GCF project (Jan, 2017). To support the proposal development, WFP with the Government conducted: (i) Integrated Context Analysis (2017), (ii) Historical Climate Analysis (2018), and (iv) updated climate model projections (2018). In-country workshops presenting and validating results of the analyses were organized to support proposal development.

Subsequent stakeholder engagement included:

- Consultation meeting to present concept note (Feb. 2018) organized by NDA and attended by in-country experts from Ministry of Finance (MEF), National Directorate for Agricultural Extension (DNEA), Ministry of Agriculture and Food Security (MASA), Ministry of Land, Environment and Rural Development (MITADER), Fundo Nacional de Desenvolvimento Sustentavel, and Ministerio das Obras Publicas Habitacao Recursos Hidricos (DNGRH);
- Consultation meetings with scientists at the Institute of Agricultural Research of Mozambique (IIAM-MASA), and National Institute for Irrigation (INIR-MASA) to verify the feasibility of the proposed components and activities (Feb-Apr. 2018);
- WFP-led integrated risk management feasibility study (Apr. 2018) that included focus group discussions with local communities and consultations with microinsurance providers, NGOs, Government, and other stakeholders to inform the rural financial inclusion strategy;
- Second consultation meetings with NDA and GCF Committee (April 2018) for feedback on GCF concept note before proceeding to issuing the non-objection letter;
- Consultation meetings at province, district and local communities, to inform geographical and beneficiary targeting and identifying vulnerabilities, barriers to adoption and possible adaptation priorities;

<sup>23</sup> Agriculture employs 90% of Mozambique's female labour force and women manage one quarter of all farming households (USAID, 2017).

In Gaza, 53% of small farms (below 5 ha) are managed by women.

<sup>24</sup> WFP-IFAD, 2018

<sup>25</sup> IBID

- Tete validation meeting for the project proposal with local stakeholders (Dec 2018); and
- Maputo validation meeting for the project proposal with the GCF Technical Committee, NDA, and national stakeholders. (Dec 2018)

Annex 2, section 6.1 contains an overview of all consultation done.

Country ownership at implementation stage is ensured through (i) joint WFP-MASA-MITADER project execution and coordination mechanisms at national, district and province level, and hand over to the Government from year 5, (ii) capacity building, and generating lessons learned and best practices in collaboration with co-executing entities and disseminating relevant findings, and (iii) community involvement in planning and project implementation, including the CLGRC. In addition, the project aims to influence national policies and strategies. For example, the new Development Policy for the Agricultural Sector and supporting National Agricultural Investment Plan for the country are being revised. The objective is for the integrated climate risk management approach of the project to be embedded in these policies. This is to be supported by the National Strategy for Adaptation and Mitigation to Climate Change due to be revised within the project timeframe as well.

### E.6. Efficiency and effectiveness (max. 1 page)

E.6.1. Estimated cost per t CO <sub>2</sub> eq, defined as total investment cost / expected lifetime emission reductions (Mitigation only)	(a) Total project financing	US\$ _____
	(b) Requested GCF amount	US\$ _____
	(c) Expected lifetime emission reductions	_____ tCO <sub>2</sub> eq
	<b>(d) Estimated cost per tCO<sub>2</sub>eq (d = a / c)</b>	US\$ _____ / tCO <sub>2</sub> eq
	<b>(e) Estimated GCF cost per tCO<sub>2</sub>eq removed (e = b / c)</b>	US\$ _____ / tCO <sub>2</sub> eq
E.6.2. Expected volume of finance to be leveraged by the proposed project/programme and as a result of the Fund's financing, disaggregated by public and private sources (Mitigation only)	(f) Total finance leveraged	US\$ _____
	(g) Public source finance leveraged	US\$ _____
	(h) Private source finance leveraged	US\$ _____
	<b>(i) Total Leverage ratio (i = f / b)</b>	_____
	(j) Public source leverage ratio (j = g / b)	_____
	(k) Private source leverage ratio (k = h / b)	_____

**Cost:** The total project is costed at 10 million USD. The GCF contribution is of 9.25 million USD. Donors like the Government of Flanders and the Cartier Foundation will contribute to the remaining project costs. With these funds, the project will reach 80,000 direct beneficiaries and 160,000 indirect beneficiaries in the districts of Marara, Changara, and Cahora Bassa in Tete province. This brings the total number of beneficiaries at 240,000.

**Cost structure:** The cost structure is derived from the budgeted costs of the project, which include component implementation, government/donor contributions, capacity building, personnel, goods, and services.

**Project benefits:** As per the theory of change, the benefits of components 1 and 2 are at the household and community level, while component 3 reaches these groups in addition to government authorities at national, provincial, and district levels. Components 1 and 2 enhance production and its diversification in a climate resilient manner, contributing to increases in income and access to food for the targeted households, which is further supported by tailored financial services and market opportunities. Component 3 enhance the generation and dissemination of critical information needed for adaptation planning and action, influencing the way that the government works across all levels. Component 3 also supports livelihood decision-making through tailored climate information services. The information under Component 3 helps guide investments under Components 1 and 2, helping make them fitting to the changing climate and most effective.

**Value for money:** For the project, the total investment in climate adaptation by direct beneficiary is of 125 USD over the five-year period, or 25 USD per year. When considering the indirect beneficiaries, the cost of adaptation falls to 62.5 USD per person for the 5 years and to 12.5 USD per person per year on average. Combining the direct and indirect beneficiaries, the total investment per person is 41.67 USD or 8.33 USD per year. This investment will have returns for the communities that are much greater. The project aims to introduce a combination of activities which help not only increased and improved production at the household and community level, it also helps mitigate the losses through risk transfer mechanism like micro insurance. Improved produce and horticultural practices help diversification of high value

crops as well as nutrition of the households. In addition, actionable weather information helps prevent losses in times of drought or in cases of variability of rainfall.

A study<sup>26</sup> found that in times of climate shocks, if local stocks are not sufficient, cost of provision of food aid for 3 months is approximately US\$1.013 per MT or US\$51 per beneficiary. In addition, treatment of Severe Acute Malnutrition costs approximately US\$195/case; treatment of Moderate Acute Malnutrition costs approximately US\$31 per case.

For example, according to the Fill the Nutrient Gap Study for Mozambique a nutritious diet for a household of 5 in Tete costs about 54 USD per month. At present, this is out of the reach of 55 percent of the population in Tete. Horticulture activities, like those under this project, have the potential to minimize the cost of a nutritious diet by 6 USD (per household/per month). This, with enhanced post-harvest management, also promoted by the project, can translate to similar gains. Just two activities under this project can already match the per person investment, showing that the project has a great potential for value for money.

**Cost Avoidance:** Experiencing a weather-related shock event like drought without adequate risk management strategies in place can lead to a drop of up to 25–30 percent in per capita food consumption and around 0.4 fewer meals per day per person<sup>27</sup>. This can result in a need for food assistance provision by the Government that can be costly. For example, for the 2018-2019 lean season, marked by the incidence of severe dry spells, 815,000 people (majority in Tete Province) are estimated to be in need of humanitarian assistance at an estimated cost of 55.2 million USD<sup>28</sup>. As previously noted, the recovery costs for cyclone Idai, which affected Tete province, is close to 3 billion USD. By contributing to individual and community resilience, as well as the capacity of the government to plan and address climate-related shock events, the project can help curve these costs in the future.

**Concessionality:** A grant-financing instrument is used for this project, with the Government of Mozambique seeking maximum concessionality to undertake the proposed adaptation investments. Without grant resources, the proposed interventions would not be financially sustainable in the long term for the following reasons:

- First, as a Least Developed Country and a Low-Income Economy, there is limited capacity in the country for concessional debt financing for its adaptation investments.
- Second, the project targets highly vulnerable, food insecure rural populations, more than half of whom are women, living in disaster prone and food insecure districts dependent on climate sensitive and marginal livelihoods. This segment of the population is significantly cash constrained, and therefore not yet interesting for more commercial initiatives (such as commercial insurance).
- Finally, the public good nature of the solution to address the current deficiencies in climate change awareness and information entails zero cost recovery from the proposed measures to save lives and livelihoods of vulnerable populations in the country.

Notably, the use of best available technologies and practices, including key innovations, like weather index micro-insurance, are intended to bring down the costs of the project. For more details, see Annex 2, section 6.

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<sup>26</sup> H Schmuck, The Economics of Early Response and Resilience: Mozambique Country Study

<sup>27</sup> World Bank, Extreme Weather and Poverty Risk Evidence from Multiple Shocks in Mozambique, December 2018

<sup>28</sup> Humanitarian Country Team, 2018-2019 Humanitarian Response Plan.

## F. ANNEXES

### F.1. Mandatory annexes

- Annex 1 NDA No-objection Letter
- Annex 2 Feasibility study (including Theory of Change, project/programme-level log frame, timetable, map, and summary of stakeholder consultation and engagement plan)
- Annex 3 Budget
- Annex 4 Gender assessment and action plan
- Annex 5 Co-financing commitment letters
- Annex 6 Term sheet
- Annex 7 Risk assessment and management
- Annex 8 Procurement plan

### F.2. Other annexes to be submitted when applicable/requested

- Annex 9 Legal due diligence
- Annex 10 Managing Risks to Agricultural Livelihoods: Impact Evaluation of the HARITA Program in Tigray, Ethiopia, 2009-2012
- Annex 11 Managing Risks in Smallholder Agriculture: The Impacts of R4 on Livelihoods in Tigray, Ethiopia, 2012-2016
- Annex 12 Impact Evaluation of the R4 Rural Resilience Initiative in Senegal
- Annex 13 Environmental and Social Risk Screening & Residual Risk Management Plan
- Annex 14 Operational and Maintenance Plan
- Annex 15 Mozambique: A Climate Analysis
- Annex 16 Integrated Context Analysis Technical Paper Mozambique
- Annex 17 Food Security and Livelihoods under a changing climate in Mozambique: preparing for the future
- Annex 18 Hydrology study report
- Annex 19 Signed letter of co-EEs capacity assessment

*\* Please note that a funding proposal will be considered complete only upon receipt of all the applicable supporting documents.*

No-objection letter issued by the national designated authority(ies) or focal point(s)



REPUBLIC OF MOZAMBIQUE  
MINISTRY OF ECONOMY AND FINANCE  
NATIONAL DIRECTORATE FOR MONITORING AND EVALUATION

To: The Green Climate Fund ("GCF")

Nota Nº 8/GAB-DNMA-GCF/MEF/20178

Maputo, 19<sup>th</sup> June

Re: **Funding proposal for the GCF by the World Food Programme (WFP) regarding Climate-resilient food security for women and men smallholders through integrated system-based risk management.**

Dear Madam, Sir,

We refer to the project Climate-resilient food security for women and men smallholders through integrated system-based risk management as included in the funding proposal submitted by WFP to us on the 3th May 2018.

The undersigned is the duly authorized representative of National Directorate for Monitoring and Evaluation, Ministry of Economy and Finance/Ms. Sónia da Silveira, the National Designated Authority/focal point of Mozambique.

Pursuant to GCF decision B.08/10, the content of which we acknowledge to have reviewed, we hereby communicate our no-objection to the project as included in the funding proposal.

By communicating our no-objection, it is implied that:

- (a) The government of Mozambique has no-objection to the project as included in the funding proposal;
- (b) The project as included in the funding proposal is in conformity with Mozambique's national priorities, strategies and plans;
- (c) In accordance with the GCF's environmental and social safeguards, the project as included in the funding proposal is in conformity with relevant national laws and regulations.

We also confirm that our national process for ascertaining no-objection to the project as included in the funding proposal has been duly followed.

We also confirm that our no-objection applies to all projects or activities to be implemented within the scope of the programme.

We acknowledge that this letter will be made publicly available on the GCF website.

Kind regards,



WFP - MOZ

DATE	2d 06/18
DEP. REP.	cd
INFORMATION	
ACTION	
ADLINE:	
RE:	

## Environmental and social safeguards report form pursuant to para. 17 of the IDP

<b>Basic project or programme information</b>	
<b>Project or programme title</b>	[Climate resilient food security for women and men smallholders in Mozambique through integrated risk management]
<b>Existence of subproject(s) to be identified after GCF Board approval</b>	[No]
<b>Sector (public or private)</b>	Public
<b>Accredited entity</b>	[World Food Programme (WFP)]
<b>Environmental and social safeguards (ESS) category</b>	Category C
<b>Location – specific location(s) of project or target country or location(s) of programme</b>	[Mozambique, Changara, Cahora Bassa and Marara districts in Tete Province]
<b>Environmental and Social Impact Assessment (ESIA) (if applicable)</b>	
Date of disclosure on accredited entity's website	
Language(s) of disclosure	[_]
Explanation on language	[_]
Link to disclosure	[_]
Other link(s)	[_]
Remarks	[As category C, ESIA not applicable]
<b>Environmental and Social Management Plan (ESMP) (if applicable)</b>	
Date of disclosure on accredited entity's website	
Language(s) of disclosure	[_]
Explanation on language	[_]
Link to disclosure	[_]
Other link(s)	[_]
Remarks	[As category C, not applicable]
<b>Environmental and Social Management (ESMS) (if applicable)</b>	
Date of disclosure on accredited entity's website	Click here to enter a date.
Language(s) of disclosure	[_]
Explanation on language	[_]
Link to disclosure	[_]
Other link(s)	[_]
Remarks	[As category C, not applicable]
<b>Any other relevant ESS reports, e.g. Resettlement Action Plan (RAP), Resettlement Policy Framework (RPF), Indigenous Peoples Plan (IPP), IPP Framework (if applicable)</b>	
Description of report/disclosure on accredited entity's website	Click here to enter a date.
Language(s) of disclosure	[_]
Explanation on language	[_]
Link to disclosure	[_]
Other link(s)	[_]

Remarks	[N/A]
<b>Disclosure in locations convenient to affected peoples (stakeholders)</b>	
Date	Click or tap to enter a date.
Place	[N/A]
<b>Date of Board meeting in which the FP is intended to be considered</b>	
Date of accredited entity's Board meeting	Click here to enter a date.
Date of GCF's Board meeting	Tuesday, November 12, 2019

**Note: This form was prepared by the accredited entity stated above.**

## Secretariat's assessment of SAP011

Proposal name:	Climate-resilient food security for women and men smallholders in Mozambique through integrated risk management
Accredited entity:	World Food Programme (WFP)
Country/(ies):	Mozambique
Project/programme size:	Micro

### I. Summary of the Secretariat's assessment

1. The funding proposal is presented to the Board for consideration with the following remarks:

Strengths	Points of caution
Targets some of the most vulnerable and poor people of Mozambique with an appropriate set of activities aimed at environmental sustainability with substantial social co-benefits	
Introducing financial mechanisms that have potential to foster long-term sustainability. Micro-insurance scheme against crop loss is innovative for Mozambique	
Will use the tested Rural Resilience Initiative approach with proven results in other countries in Africa; integrated approach; addresses enabling environment	

2. The proposal deploys the World Food Programme (WFP) Rural Resilience Initiative approach to provide integrated climate risk management support to the highly climate vulnerable Tete region of Mozambique. Focusing on poor and food insecure smallholder farmers in the selected semi-arid districts of Changara, Marara and Cahora Bassa, who contend with increasing average temperatures and rain variability, the proposed interventions are based on addressing the underlying vulnerabilities of livelihoods to climate-related disaster risk. This is achieved through the promotion of better agricultural practices, enhanced watershed restoration, climate-informed adaptation planning, and increased access to market-based opportunities.

3. The project has three components to be co-executed by WFP and Mozambique's Ministry of Agriculture and Food Security (MASA) and Ministry of Environment and Rural Development (MITADER).

4. Component 1 aims to reduce the exposure to climate risk of smallholder farmers who are climate vulnerable and food insecure through practices in climate-resilient agriculture and watershed restoration and enhancement. Through four activities, this component aims to strengthen the adaptive capacity of the communities in selected districts. By providing support systems via farmer clubs (activity 1.1.1.), it aims to provide a community base from which climate-resilient agricultural practices will be planned (activity 1.1.2). This is complemented by

watershed assessments that provide the viability considerations of the necessary physical conditions to carry out agricultural activities based on climate trends (activity 1.1.3). In response to the plans and assessments noted in the previous activities, assets will be created and/rehabilitated based on pre-determined needs in the categories of agriculture, forestry, land reclamation, water management and livestock (activity 1.1.4). This is advanced by component 2, which will only work with beneficiaries meeting the requirements of component 1.

5. More than sustenance-based agriculture, the project aims to provide the enabling environment for farmers to make climate-conscious investments to safeguard their livelihoods. This is realised in six activities in component 2. Formal organizations (activity 2.1.1 via rural centres of excellence) and community-based groups (activity 2.1.2 via village savings and loan groups) will be the two main organizations leveraging in-district, in-community support to better manage the climate risks they are and will be facing. Indeed, basic skills in financial literacy will be essential in supporting operational needs in risk sharing (activity 2.1.3). Long-term efforts at risk reduction are expected to take place with testing of parametric micro-insurance (activity 2.1.4) for the selected districts. Coupled with activities improving market access (activities 2.1.5-2.1.6), smallholder farmer capacity is expected to be enhanced beyond providing basic needs.

6. Component 3 aims to provide post-project sustainability by documenting (activity 3.1.5) and inculcating the lessons learned in government policies (activity 3.1.4), local climate informed development plans (activity 3.1.3), and public advocacy (activity 3.1.2). These lessons are further strengthened by climate analysis (activity 3.1.1, 3.1.6) at the national and district levels.

7. The proposal requests USD 9.25 million in GCF grant financing. The Government of Flanders and the Cartier Foundation will co-finance the project in the amount of USD 0.60 million and USD 0.15 million, respectively. The total project size is USD 10 million. In terms of environmental and social safeguards, this proposal has been categorized as a category C project. The review by the Secretariat confirms the environmental and social risk category assigned by the accredited entity (AE). (Refer to the environmental and social safeguards findings section for more information.) The project duration is five years.

8. The Board may wish to consider approving this funding proposal with the terms and conditions listed in the respective term sheet and addendum XVII, titled “List of proposed conditions and recommendations”.

## II. Assessment of the performance against the investment criteria

### 2.1 Impact potential

*Scale: N/A*

9. The proposal demonstrates a clear climate change rationale, giving a detailed analysis of the expected reduction in precipitation over a medium timescale and the impacts on the smallholder subsistence farmers in the three districts of Tete province in Mozambique.

10. The proposed activities align directly with the established land-use practices, but in a way that safeguards the environmental integrity of the landscape. Physical infrastructure is small and poses no apparent risk.

11. The project will introduce index-based insurance against crop losses for farmers, which is a novel approach for Mozambique. The AE has already secured the interest of an insurance firm to support this important innovation of the project.

12. The key expected targets and indicators aligned with the GCF performance measurement framework, are well described and estimated.

## 2.2 Paradigm shift potential

*Scale: N/A*

13. The funding proposal includes a theory of change that covers all the aspects of the project. The project activities are all responsive to the theory of change and properly described with baselines and targets in the logical framework.
14. The project will establish village savings and loan schemes. While these schemes are well known and established elsewhere in Mozambique, they are relatively new to the project area.
15. A more significant innovation is the introduction of an index-based crop-loss insurance scheme, for which an insurer has already been identified by the AE. The project will cover the insurance premium during the project's lifetime, with diminishing support over time matched by an increased contribution from the farmers. This insurance scheme is expected to reduce imminent poverty when harvests fail, but also to encourage investment in land management.
16. The financial elements of the project, as described in the previous two paragraphs, provide a strong element of long-term sustainability for the investment, particularly since the institutional capacity-building at local and regional levels include elements of financial sustainability.
17. The investment of USD 125 per direct beneficiary is modest considering the activities being undertaken. Given Mozambique's status as a least developed country (LDC) with limited fiscal space for investment, replication is only feasible if the project clearly demonstrated substantial benefits from the investment. Certain elements, such as the index-based insurance scheme, may be replicated independently by third parties.

## 2.3 Sustainable development potential

*Scale: N/A*

18. The project is expected to contribute to Sustainable Development Goals 1, 2, 5, 13 and 15. The project area is in a remote location in a large LDC, implying that there are considerable gaps in meeting the Sustainable Development Goals.
19. The project has positive environmental externalities, particularly in the sustainable management of land and water resources, through erosion control, water harvesting and revegetation. This is complemented by direct project benefits in the form of more integrated farming practices with the recycling of nutrients to the greatest extent possible.
20. The project also has significant social co-benefits, through improved availability and quality of food products, insurance against crop loss to avoid falling into poverty and destitution, and a proactive gender policy geared towards strengthening the position of women in decision-making and household finances.
21. The project is not expected to lead to any additional greenhouse gas emissions but will in fact have an unspecified mitigation benefit through increased vegetative cover and improved soil management resulting in soil-carbon increases. These benefits have not been quantified because they are relatively small and diverse and difficult to estimate with a good degree of quality due to the lack of base data.

## 2.4 Needs of the recipient

*Scale: N/A*

22. As an LDC, Mozambique has limited fiscal space and institutional capacity to undertake the kind of investments proposed in this project. The project site is in a remote area of Tete province and among the poorest areas of Mozambique. This year alone has brought two Indian Ocean cyclones to the area, something which was very rare in the past. The project area is

exposed to increasing droughts, both in frequency and in severity, like other areas in Southern Africa.

23. The project will build institutional capacity at district, provincial and national levels in areas of sustainable land management, early warning of droughts, and financial services to rural areas. All of these are not strongly enabled in the governance system at the moment.

## 2.5 Country ownership

*Scale: N/A*

24. The funding proposal is fully aligned with Mozambique’s policies on rural development, agriculture, poverty reduction and climate change, such as the National Climate Change Adaptation and Mitigation Strategy. The nationally determined contribution does not indicate any specific adaptation areas, but this proposal responds directly to identified gaps and barriers in finance, technology and knowledge, and political and institutional areas.

25. The funding proposal has been developed by the AE with the full participation of counterparts in Mozambique at the national, provincial and district levels.

26. WFP, the AE of the proposed project, has been working in Mozambique for more than 20 years in areas of rural development and food production. For the Government of Mozambique, MASA and MITADER will act as executing entities of the project, alongside WFP.

## 2.6 Efficiency and effectiveness

*Scale: N/A*

27. The proposed project is of micro size, with a total amount of USD 10 million, of which USD 9.25 million is requested from GCF as a grant. The proposal is based on the WFP Rural Resilience Initiative and previously implemented techniques in watershed rehabilitation, climate-resilient agriculture, and micro-insurance. Component 3 provides a public good through the provision of climate information and awareness-raising, while the watershed management activities under Component 1 help to solve a collective action problem. The climate resilient agriculture techniques under component 1 and the risk management tools provided under component 2 will generate revenues and cost savings on the micro level, which improve household resilience but will be insufficient to service a loan.

28. Given the level of indebtedness of Mozambique, a grant request is appropriate, particularly given that the activities are not expected to lead to revenue generation (public good nature of some of the activities) with which a loan could be serviced, existing indebtedness, and the vulnerability of the population.

29. The project has built-in financial mechanisms that will survive the project, specifically the index-based micro-insurance against crop loss.

30. With 80,000 direct beneficiaries, this implies an investment of USD 125 per direct beneficiary. Financial and economic analyses are not applicable to this funding proposal.

### III. Assessment of consistency with GCF safeguards and policies

#### 3.1 Environmental and social safeguards

Does the project comply with the GCF Environmental and social policy?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Does the project have minimal to no environmental and social safeguard risks compatible with the simplified approval process?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

### 3.1.1. Environmental and social risk category

31. The AE has screened the project as likely to have low or minimal environmental and social risks and potential impacts, equivalent to category C due the small-scale nature of the proposed activities. The AE provided the results of its screening of environmental and social risks of the project. The due diligence by the GCF Secretariat confirms the low or minimal environmental and social risk category assigned by the AE.

### 3.1.2. Environmental and social assessment

32. The environmental and social risk screening and residual risk management plan provides a list of eligible activities that can be financed by the project. These include agriculture, forestry, water and livestock management. The community and household-level activities that will be implemented will be defined during the implementation of the project through community-based planning, and screened using the AE screening tool, to identify environmental and social risks to exclude activities that have medium and high risks. Furthermore, the project will support access to finance and markets for farmers, and climate and weather information.

### 3.1.3. Environmental and social risks and impacts

33. Mitigation measures have been proposed for minimal potential residual risks associated with project activities, such as soil and water pollution due to use of agro-chemicals, increased use of water, and tensions in communities depending on the location of facilities that will be installed by the project, in the environmental and social risk screening and residual risk management plan. The environmental and social co-benefits will result from improved access to water, nutrition, food security and income-generating opportunities among others.

### 3.1.4. Stakeholder engagement

34. During project preparation, consultations were held with national authorities and communities in the project target districts between 2018 and 2019. Information about the project was shared in focus group discussions, key informant interviews and consultation workshops. Key issues discussed in these consultations are outlined in the feasibility report and the environmental and social risk screening and residual risk management plan of the funding proposal. These include livelihood activities, natural resource constraints, climate risks, adaptation requirements and desired interventions. The engagement of stakeholders will be a continuous process and will be conducted in all project areas throughout the implementation of the project. A stakeholder engagement plan has been provided with activities, timelines and list of those responsibilities for leading them.

### 3.1.5. Grievance redress mechanism

35. Mechanisms for channelling complaints about and feedback on the project have been outlined in the environmental and social risk screening and residual risk management plan. These include a committee made up of community members who will report to a project officer and a tollfree hotline number managed by a third party. The channels for receiving complaints will be communicated during community consultations. Additionally, the AE has provided the contact details of the focal point for its institutional-level grievance and redress mechanism.

## 3.2 Gender policy

Does the project comply with the GCF Gender Policy?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
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36. The proposal contains a gender assessment; therefore, it complies with the operational guidelines of the GCF Gender Policy and Action Plan. The gender assessment describes the policy, legal and regulatory mechanisms that have been established to promote gender equality and the empowerment women in Mozambique. This includes relevant international agreements, provisions in the national constitution, a national action plans, strategies and a government ministry responsible for gender, children and social welfare. Furthermore, the assessment provides contextual information on the gender situation in the project areas and sector of intervention. The gender assessment discusses the societal roles, including care work and reproductive work, and norms that determine access to resources by women, and economic participation, and how this has been exacerbated by the impacts of climate change. Women have significant roles in agriculture; however, they have less access to, and control of, farming inputs such as land due to limited decision-making power.

37. Consultations were conducted between 2018 and 2019 with national authorities, targeted communities and community leaders in the project areas. Consultations were segregated by sex as needed to allow women and men the opportunity to express themselves freely on the gender issues in their communities. Engagement with stakeholders, especially targeted communities, during the preparation of the project identified gender roles of women and men and how gender norms result in differentiated impacts from climate change on men and women in the target areas. Prioritizing women in the distribution of resources, equal access to and management of land and water resources by the communities through decision-making structures like associations, and increased access to water, among others, were some of the issues discussed by communities. More vulnerable groups in communities, that is, the elderly, disabled, chronically ill and orphaned children were identified through the consultations in terms of access to land and other agricultural inputs. The gender assessment presents recommendations on activities and approaches that can be adopted by the project to address needs and the priorities of women and men.

38. The proposal contains a project-level gender action plan (GAP). The GAP contains activities that are aligned to the project's three components, indicators with sex-disaggregated targets, timelines, responsibilities and a budget for its implementation of the GAP. The baseline has been provided as zero for all activities in the GAP. Baseline data will be collected three months prior to commencing implementation of the project as indicated in the gender assessment. The AE is advised to use the baseline data to rationalize targets in the GAP. Direct and indirect beneficiaries have been disaggregated by sex to demonstrate the impact potential of the project in the funding proposal. Additionally, sex-disaggregated targets, including targets for female-headed households, are incorporated into the logic framework for indicators such as food security and nutrition related to fund-level impacts, and for access to climate information and subsequent use in decision-making at the outcome level.

39. Timelines for the implementation of the gender-related activities that correspond to timelines for the implementation of the project in years have been provided in the GAP. The budget for the implementation of the GAP is integrated into the project budget for each outcome. Regarding implementation arrangements, all responsibilities have been assigned to WFP. The gender adviser in the country office of the AE will assume the role of the technical expert for supervising the implementation of the GAP.

40. The project intends to contribute to the following outcomes in relation to gender: access to infrastructure, finance and climate information; and participation in training by both women and men. In addition, the project facilitates the inclusion of women in asset management committees and village savings and loan committees to improve their decision-making capacity and position. The AE is encouraged to support the women in such committees to make decisions that will address their needs.

### 3.3 Risks

### 3.3.1. Overall proposal assessment (medium risk)

41. GCF is requested to provide a grant of USD 9.25 million towards total project cost of USD 10 million. There is no co-financing by the AE. Mozambique is an LDC.

### 3.3.2. Accredited entity/executing entity capability to execute the current programme (medium risk)

42. WFP has been working with the Government of Mozambique since 1977; the work of WFP focuses on building the food security and resilience of individuals and communities. The AE started access to loans and micro-insurance work, leveraging its experience in awareness campaigns among communities in Mozambique. It has relevant regional experience through WFP regional bureau in Johannesburg.

43. WFP Mozambique country office will also be the co-executing entity along with the Government of Mozambique acting through its ministries – MASA and MITADER. MASA has been supporting Rural Centers for Excellences (RCEs) and promoting climate-resilient agriculture but at a limited scale. MITADER provides technical advice on water and land management in all government projects.

### 3.3.3. Programme-specific execution risks (medium risk)

44. The project implementation involves various stakeholders – two ministries acting as EEs, the three RCEs, approximately 550 farmers' clubs and other parties such as micro-insurance providers. Coordination amongst all stakeholders is critical for the success of the project. The multiple consultations by the AE with the stakeholders and AE acting as a co-EE are expected to benefit the project. The activities under the project will be continued by the farmers' clubs and the RCEs after the exit of GCF. The AE has proposed dedicated training and handover to support the farmer clubs.

45. Micro-insurance: component 2 of the project includes the provision of micro-insurance. The premium will be initially paid through the funding secured by the project. It is projected that the farmers will gradually increase their contribution – going up to 75 per cent in the last year of the project. After GCF project completion, the premium is expected to be paid by the farmers, and by the Government through future MASA initiatives, supported by donors and local partners. The success of this part of the project depends on the farmers' ability to pay and the availability of other donors to support the premium payments; the arrangement of these resources is beyond the scope of project.

46. Concessionality: the entire grant funding by GCF may be accepted considering that the country is an LDC, the project focuses on a highly vulnerable population and the public good of the proposed activities. An estimate of the economic internal rate of return if provided by AE could strengthen the case for GCF financing.

### 3.3.4. Compliance (low risk)

47. The AE has ranked this project as low risk in terms of compliance risks for money laundering and terrorist financing and has indicated that it has policies and procedures in place to monitor for and mitigate against such risks. Additionally, the activities proposed in this project are not typically at high risk for money laundering or terrorist financing. The AE has acknowledged the potential for political instability but believes that such political instability will not pose a significant risk to the programme.

48. Having reviewed the proposal and considering the responses of the AE in this regard, Compliance is comfortable with concurring in assigning a compliance risk rating of low.

### 3.3.5. GCF portfolio concentration risk (low risk)

49. Should the project be approved, the impact of this proposal on the GCF portfolio concentration in terms of results area and single proposal is immaterial.

Summary risk assessment		Risk assessment
Overall project/programme	Medium	Coordination amongst all stakeholders is critical to the success of the project. The multiple consultations by the AE with the stakeholders and the AE acting as a co-EE are expected to benefit to the project  The success of the micro-insurance scheme depends on the farmers' ability to pay and the availability of other donors for supporting the insurance premium payments
Accredited entity (AE)/ Executing entity (EE) capability to implement the project/programme	Medium	
Project specific execution	Medium	
GCF portfolio concentration	Low	
Compliance	Low	

## 3.4 Fiduciary

Does the project comply with the GCF AE fee policy?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
In case the EE/EEs is (are) different to the AE, has the financial management capacity assessment of the EE/EEs been undertaken?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

50. The Government of Mozambique acting through MASA and MITADER will be the EEs in this project. In addition, WFP - Mozambique Country Office will have the dual role of being an EE and AE as well.

51. As the EE, MASA, will be the technical and operational co-lead on activities related to climate resilient agriculture, horticulture, livestock, post-harvest loss management, and market access, specifically market information, and will provide technical inputs for the implementation of activities related to climate services and index insurance. MITADER, on the other hand, will be the technical and operational co-lead on activities related to water and soil management, as well as forestry, under the watershed component, including the development of local adaptation plans. Furthermore, WFP will also enter into a United Nations-to-United Nations agreement with the Food and Agriculture Organization of the United Nations, that will act as the implementing partner and will be responsible of the implementation of activities related to the livestock sector. WFP, in its EE role, will provide technical and operational backstopping to MASA, MITADER, and service providers in addition to the other specific roles that WFP will engage in under each component.

52. Together, MASA, MITADER and WFP, under the guidance of the national designated authority (NDA), the Ministry of Finance, will establish a Project Coordination Committee at the national level to provide technical and operational oversight to the project, develop operational plans and tools for effective implementation, and ensure collaboration and coordination aimed at guaranteeing that the project is successful in meeting its objectives. WFP will, in its capacity as AE, review and provide a statement effective towards a no-objection to the annual work plan.

53. As an AE, WFP will perform the functions of project supervision, financial oversight, reporting and evaluation. WFP will assume the sole responsibility for the effective management of project funds, including financial disbursement, oversight and reporting (annual, mid-term, and final evaluations/audits). GCF will transfer funds to WFP annually based on a disbursement schedule as outlined in the project proposal and in relevant agreements. From this finance, WFP will disburse funds to the EEs and service providers/contractors, based on successful capacity assessments and workplans within established agreements, which will be closely monitored to ensure compliance and fulfilment of responsibilities. The project will utilize WFP financial management and procurement systems in line with its accreditation and funded activity agreement. The WFP Finance and Treasury Division at headquarters' level certifies annual financial statements of relevant expenditures. The financial reporting and audit arrangements will be as per the accreditation master agreement (AMA).

54. Project monitoring and evaluation will be carried out in accordance with WFP procedures, under WFP supervision and in coordination with MASA and MITADER. An independent mid-term and final evaluation report will be submitted to the GCF six months after the end of the third year of project implementation and no later than nine months after the completion of the project respectively.

55. WFP has confirmed that in line with GCF procedures that it has, as AE, conducted a capacity assessment for MASA and MITADER to determine whether they can fulfil their roles and responsibilities pursuant to the objectives of the project. Both were assessed by WFP as capable of undertaking their roles as EEs for the project. To this effect, a memorandum of understanding will be signed between the Government of Mozambique and WFP outlining the exact roles and responsibilities for each party.

### 3.5 Results monitoring and reporting

Is the project in line with the GCF monitoring and accountability framework?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
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56. Project monitoring and evaluation will be carried out in accordance with WFP procedures, under WFP supervision, and in coordination with MASA and MITADER. To facilitate coordination on outcome monitoring and evaluation, project management team meetings (of the Project Coordination Committee) will take place at least twice per year. The project has included, as part of its monitoring and evaluation arrangements, participative monitoring (questionnaires, surveys and group discussions) in annual performance reports.

57. The logical frame has been revised to the satisfaction of GCF and includes indicators that are aligned with the GCF risk management framework/performance management framework. It also integrates Secretariat comments on targets and means of verification.

58. The monitoring and evaluation section outlines the methodologies to be deployed during evaluation but still needs to spell out the types of evaluation envisioned (e.g. whether ex-post, impact, summative or formative evaluations, etc.). The funding proposal has indicated an evaluation budget of USD 300,000 over the course of the project to cover interim and final evaluations as well as baseline and biannual monitoring surveys to be covered under the project budget and the AE fee. The allocation is expected to ensure credible information gathering during implementation and assist in the measurement of and progress towards results. The funding proposal has indicated an evaluation budget of USD 110,000, which needs to be updated to reflect the previous responses received from the AE regarding costs associated with conducting the surveys referenced in the logical framework.

### 3.6 Legal assessment

Has the AE signed the AMA?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <u>Date of AMA execution:</u> Click or tap to enter a date.
Has a bilateral agreement on privileges and immunities signed with the country where the proposed project/programme will be implemented?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Has a certificate of internal approval submitted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

59. The Accreditation Master Agreement was signed with the Accredited Entity on 23 November 2018, and it is not effective yet.

60. The Accredited Entity has not provided a legal opinion/certificate confirming that it has obtained all internal approvals and it has the capacity and authority to implement the project. It is recommended that, prior to submission of the Funding Proposal to the Board (a) the Accredited Entity has obtained all its internal approvals and (b) the Fund has received a certificate or legal opinion from the Accredited Entity in form and substance satisfactory to the Fund confirming that all final internal approvals by the Accredited Entity have been obtained and that the entity has the authority and capacity to implement the project.

61. The proposed project will be implemented in the Republic of Mozambique, country in which GCF is not provided with privileges and immunities. This means that, amongst other things, GCF is not protected against litigation or expropriation in this country, which risks need to be further assessed.

62. The Heads of the Independent Redress Mechanism (IRM) and Independent Integrity Unit (IIU) have both expressed that it would not be legally feasible to undertake their redress activities and/or investigations, as appropriate, in countries where the GCF is not provided with relevant privileges and immunities. Therefore, it is recommended that disbursements by the GCF are made only after the GCF has obtained satisfactory protection against litigation and expropriation in the country or has been provided with appropriate privileges and immunities.

63. In order to mitigate risk, it is recommended that any approval by the Board is made subject to the following conditions:

- (a) Delivery by the Accredited Entity to the Fund of a certificate or legal opinion confirming that it has obtained all its internal approvals within 120 days of the Board approval, or the date of effectiveness of the AMA entered into with the Accredited Entity, whichever is later;
- (b) Signature of the funded activity agreement in a form and substance satisfactory to the Secretariat, within 180 days from the date of Board approval, or the date in which the Accredited Entity has provided a certificate or legal opinion confirming that it has obtained all internal approvals, or the date of effectiveness of the AMA entered into with the Accredited Entity, whichever is later; and
- (c) Completion of legal due diligence to the satisfaction of the Secretariat.

# Independent Technical Advisory Panel's assessment of SAP011

Proposal name:	Climate-resilient food security for women and men smallholders in Mozambique through integrated risk management
Accredited entity:	World Food Programme (WFP)
Project/programme size:	Micro

## I. Assessment of the independent Technical Advisory Panel

### 1.1 Impact potential *Scale: N/A*

#### 1.1.1. Adaptation impact

1. The project is divided into three main components.
2. Component 1 focuses on promoting climate-resilient agriculture (CRA) techniques (activity 1.1) and asset creation for diversified livelihoods (activity 1.3). CRA practices would include minimum soil disturbance, retention of crop residues, crop diversification and intercropping, and water access and management, which would be done by providing training, demonstrations and basic farming implements. This would be implemented through 550 farmers' clubs created by the project, which would act as community-based organizations to reach 16,000 households. The project includes a list of eligible and excluded activities to be used as a guide for implementing components 1 and 2.
3. Farmers' clubs engaged in CRA activities would be eligible to receive project support for developing diversified livelihoods in the forestry, livestock and horticulture sectors. Project support would focus on the creation and rehabilitation of sustainable and climate resilient assets, which would include reforestation with native species, non-timber products such as baobab, amarula, honey, moringa, banana and mango, improved and diversified horticulture, multi-level gardens, conservation agriculture techniques, post-harvest structures, and irrigation schemes supported by surface water and water harvesting.<sup>1</sup> These activities would be designed and implemented based on the community participatory planning exercise and watershed assessment included in activity 1.2 and aimed at rehabilitating watersheds and enhancing environmental services, thereby reducing exposure to climate risks.
4. When consulted by the independent Technical Advisory Panel (iTAP) about including agroforestry systems in the list of eligible activities to be promoted and supported by components 1 and 2, the proponent explained that these systems are already implicitly included under practices such as intercropping, planting of banana and mango trees, and the use of natural shading and fencing for gardens. However, agroforestry goes beyond those practices, involving tailored systems that combine, on the same parcel of land, annual and perennial crops, seasonal vegetables, timber and/or fruit trees, generally compatible with highly biodiverse, multi-strata and dynamic systems that require minimum or no external inputs.
5. With respect to the risk of using genetically modified organisms (GMOs), the World Food Programme (WFP) will follow its policies of aligning with the respective government's regulations on GMOs. In Mozambique, the import of GMO inputs for commercial cultivation is

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<sup>1</sup> Funding proposal, page 7.

prohibited. To ensure the project follows the policy of the Government of Mozambique, the project will only procure and use inputs included in the agricultural strategy of the Ministry of Agriculture and Food Security (MASA). In addition, the inputs will only be sourced from MASA-approved retailers.<sup>2</sup>

6. Component 2 would aim to enhance the adaptive capacity of the households targeted in component 1 by enabling access to finance, risk management tools and market opportunities.

7. The project would promote the establishment of 550 village saving and loans groups among the farmer clubs by supporting financial literacy, group formation, effective group dynamics, and savings and small loan facilitation. Access to formal loans would be supported through a strategic partnership with a micro-finance institution to help develop tailored input loan packages for the CRA activities selected under component 1.

8. Weather index insurance is proposed as a means to protect and promote diversified climate-resilient livelihoods. The project would start paying the insurance premium for beneficiaries (which would reach 12,000 households by year three), gradually passing this responsibility to farmers as they develop the capacity to pay, as shown in the budget description.

9. To increase market opportunities, the project would promote post-harvest loss management (mainly the use of silo bags, safe food processing methods and solar dryers), develop linkages with local markets (e.g. with the WFP School Meals Programme), promote the use of the Mozambican Information System for the Agricultural Market, and provide trainings with a focus on business development.

10. Component 3 involves awareness-raising and mainstreaming of climate change adaptation. The national climate analysis developed by WFP together with the Government of Mozambique would be downscaled to produce province- and district-level specific maps, risks summaries and climate projections, to be disseminated to stakeholders through 10 workshops. Critical messages concerning climate change adaptation, food security and livelihoods would be delivered through an awareness-raising campaign designed to reach the 16,000 targeted households.

11. With the objective of mainstreaming climate change concepts in local and national policies, the project would develop, in partnership with the Ministry of Land, Environment and Rural Development (MITADER), three local action plans (one for each target district), and the National Climate-Smart Standard for Watershed Rehabilitation.

12. The project has a strong focus on the generation and use of climate information through output 3.2. Activities related to the generation of climate information include the expansion of the rain gauge network, the establishment of a system for data transmission, storage, and blending with satellite data, the enhancement of data interpretation, and the production of in-season updates with advisories and seasonal forecasts.

13. A Participatory Integrated Climate Services for Agriculture approach would enhance the use of climate information. It would include baseline assessments on information needs, training of extension workers, and planning and review workshops to collectively interpret the seasonal climate forecasts and plan accordingly.

14. Direct beneficiaries are estimated to be 16,000 households which, at approximately 5 people per household, represents a total of 80,000 direct beneficiaries. Indirect beneficiaries are estimated to be 160,000 people; they would not participate in the project but they reside in rural areas of the targeted districts.

## 1.2 Paradigm shift potential

*Scale: N/A*

<sup>2</sup> See annex 13 of Environmental and Social Risk Screening & Residual Risk Management Plan 18.08.19 Clean.docx.

### 1.2.1. Potential for knowledge and learning

15. With the objective of documenting and disseminating lessons learned and supporting replication and upscaling, activity 3.1.5 would generate knowledge products including six lessons-learned documents, six case studies, four technical reports and one set of guidelines on rural financial inclusion for climate innovations. Monitoring and evaluation arrangements, which would form the basis for this activity, are adequately described in the funding proposal.

### 1.2.2. Contribution to the creation of an enabling environment

16. The project would not provide significant funds for the implementation of CRA and resilient livelihoods, but would instead support it through knowledge transfer, institutional strengthening, development of the market for agricultural products, enhancement of financial capacities, and other activities that would help to create an enabling environment and enable sustainability beyond the project lifespan.<sup>3</sup>

### 1.2.3. Contribution to the regulatory framework and policies

17. Activities 3.1.3 and 3.1.4 aim to mainstream climate change adaptation in local and national policies through the development of three local action plans and a National Climate-Smart Standard for Watershed Rehabilitation.

### 1.2.4. Scalability and replicability

18. Given that other regions of the country face similar barriers and issues regarding climate change adaptation, sustainable livelihoods and food security, the development of a National Climate-Smart Standard for Watershed Rehabilitation under activity 3.1.4 would certainly support replication and upscaling.

## 1.3 Sustainable development potential

*Scale: N/A*

### 1.3.1. Environmental co-benefits

19. CRA and watershed management practices would result in enhanced soil and water quality, improved biodiversity and reduced soil erosion.

20. The high crop diversity, which is inherent to agroforestry activities, would have a major positive effect on insect and animal biodiversity since it would provide increased natural habitats.

21. As shown in table 14 of the feasibility study, the project would not support the use of agrochemicals. This would have a highly positive effect on soil and water quality by reducing chemical contamination and would also help enhance biodiversity by eliminating the negative effects of agrochemicals.

### 1.3.2. Social co-benefits

22. Watershed management and some CRA practices would help improve surface water and groundwater quality and availability. Enhanced crop diversity would have a positive effect on food security, providing a richer and more nutritious diet and diminishing the risk of food shortage.

### 1.3.3. Economic co-benefits

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<sup>3</sup> See budget description in annex 3 of this funding proposal.

23. Economic co-benefits for targeted households include increased productivity due to the implementation of more sustainable and climate-resilient agricultural practices and increased market opportunities. Increased food security and a richer diet would probably lead to improved health among the population, and finally to savings in the public health system.

#### 1.3.4. Gender-sensitive development impact

24. The project carried out a gender assessment to evaluate gender inequalities and gender-specific impacts of climate change and identify appropriate responses within the project design. The gender assessment included literature review and consultations with the targeted communities, community leaders and local institutions, as described in annex 4 to this funding proposal. In order to support a gender-sensitive approach, the project would, inter alia, conduct regular community consultations, involve women's rights and gender equality organizations, tailor capacity-building activities to prioritize women's needs, and support women's access to and ownership of productive assets.

## 1.4 Needs of the recipient

*Scale: N/A*

### 1.4.1. Vulnerability of the country and vulnerable groups

25. Mozambique is ranked 160 out of 181 countries on the Notre Dame Global Adaptation Initiative (ND-GAIN) Country Index, which summarizes a country's vulnerability to climate change and other global challenges in combination with its readiness to improve resilience.

26. Although reliable observational data is limited in Mozambique, available assessments conclude there is evidence of a continental warming trend over the twentieth century, estimated at 1 °C for Mozambique, and a warming of 0.1–0.25 °C per decade from 1981 to 2017 for the southern part of the country. Temperature projections range between a 1 °C and 3 °C increase in the daily maximum temperature by 2050 (Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report; IPCC, 2013; Niang et al., 2014; WFP, 2018). The United States Agency for International Development's climate profile for Mozambique expects that drought-sensitive crops could decrease productivity by 45 per cent during the next 40 years in Tete province. The flow rate of the Zambezi River could decrease by up to 15 per cent, reducing the per capita water availability from approximately 1,900 cubic metres/capita/year in 2000 to about 500 cubic metres/capita/year by 2050.<sup>4</sup>

27. For the climate zone of the target district, the two climate projection scenarios for 2050 show opposite rainfall trends. Scenario 1 shows a decrease of 15 per cent in average rainfall and scenario 2 shows an increase of 15 per cent as well as an increase in extreme rainfall events. Therefore, increased average rainfall in scenario 2 would not reduce drought periods, but it would intensify flood risks.

28. Livestock and crops are mostly rain-fed systems in Mozambique and, for this reason, livelihoods and food security are highly susceptible to droughts and higher temperatures. Targeted districts (Changara, Marara and Cahora Bassa), located in Tete province, are classified as semi-arid zones and have a historically high risk of drought and food insecurity.

29. The criteria for the selection of the target districts included incidence of food insecurity, risk of exposure to disaster, observed trends and impacts of climate change, and projected impacts of climate change on livelihoods and food security.

### 1.4.2. Economic and social development

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<sup>4</sup> Feasibility study, page 6.

30. Mozambique is ranked 178 among 186 countries in the Human Development Index. Poverty affects 55 per cent of the population, and is even higher in rural areas. Food insecurity affects 24 per cent of the national population, and 45 per cent of the population in Tete province suffers from chronic malnutrition.

31. Agriculture is the main source of income: 70 per cent percent of the population lives in rural areas and practices agriculture as their main source of livelihood.

#### **1.4.3. Absence of alternative sources of financing**

32. Although the funding proposal does not justify the absence of alternative sources of financing, it can be assumed that a lack of alternative funding is justified by the general economic development and financial capacity of the country.

#### **1.4.4. Need for strengthening institutions and implementation capacity**

33. The project identified the limited institutional capacity to generate, translate and disseminate climate information for decision-making as a barrier to adaptation, and would address this issue through training activities under output 3.2.

34. Other activities that would help strengthen institutions are the three local adaptation plans for Changara, Cahora Bassa and Marara, and the National Climate-Smart Standard for Watershed Rehabilitation that would be developed in partnership with MITADER.

### **1.5 Country ownership**

*Scale: N/A*

#### **1.5.1. Alignment with national climate strategy and policies**

35. As described in the proposal, the project is fully aligned with climate adaptation policies, including the Initial National Communication to the United Nations Framework Convention on Climate Change, the National Climate Change Adaptation and Mitigation Strategy (2013–2025), the national adaptation programme of action (Ministry for the Coordination of Environmental Affairs, 2007), the Nationally Determined Contribution Plan and the Strategic Gender Plan (National Disasters Management Institute, 2016–2020).

#### **1.5.2. Capacity of accredited entities or executing entities to deliver**

36. Together, MASA, MITADER and WFP, under the guidance of the national designated authority (Ministry of Finance), will establish a Project Coordination Committee at the national level to provide technical and operational oversight to the project, develop operational plans and tools for effective implementation, and ensure collaboration and coordination, all of which is aimed at guaranteeing that the project is successful in meeting its objectives. It will meet biannually and benefit from provincial-level representation.

37. A Project Implementation Committee comprised of the executing entities (EEs) and contractors/service providers, including the Food and Agriculture Organization of the United Nations (FAO), will meet on a monthly basis to coordinate the implementation of operational plans. The EEs will have equal decision-making power and make joint decisions for the overall project implementation within the Project Implementation Committee. This means that MASA, MITADER and WFP will jointly agree on annual work plans and budgets as well as input into reporting processes, including the annual performance reports. WFP will, in its capacity as accredited entity (AE), review and provide a no-objection to the annual work plan. In case of disputes, the Project Coordination Committee will be asked for advice; however, as AE, WFP will have the final say. Subsidiary agreements between WFP and each of the co-EEs will be signed to formalize and establish these implementation arrangements.

38. Building on ongoing national and international collaboration, and in order to take advantage of the experience and expertise of the FAO on livestock, WFP will also enter into an adapted “United Nations to United Nations Agreement” with FAO.

39. At the community level, leveraging on the work of the Local Disaster Management Committees, the committees will be engaged to act as intermediaries between the communities and the project team. The committees will accordingly assist with tasks such as community mobilization, planning and targeting, and will also offer a structure for building community ownership of the project even beyond the implementation cycle.

40. The iTAP understands that these agreements between the AE and the EEs will be able to deliver the expected results.

### 1.5.3. Engagement with civil society organizations and other relevant stakeholders

41. The project design phase included consultations with representatives from the government, academia, practitioners, community members and the private sector. Consultation methods involved household and market surveys to collect data on key well-being indicators, focus group discussions, key informant interviews and workshops. Consultations with community members served to validate project activities and receive insights. The feasibility study contains a satisfactory description of each consultation activity.

## 1.6 Efficiency and effectiveness

*Scale: N/A*

### 1.6.1. Cost-effectiveness and efficiency

42. Economic support for the implementation of CRA practices and asset creation is relatively small: USD 9 /farmer on average for activity 1.1 and USD 14.50/farmer on average for activity 1.3 to buy farming implements for farmers. In addition, 6 farmers’ clubs would receive a borehole and solar pump under activity 1.1; 23 clubs would receive support for the rehabilitation of animal handling facilities; another 23 would receive support for establishing forage and fodder production sites; and another 23 would be provided with solar dryers under activity 1.3. Therefore, activities 1.1 and 1.3 would provide direct economic support to a maximum of 75 out of 550 farmers’ clubs.<sup>5</sup>

43. On the other hand, the high number of direct beneficiaries in relation to total project cost (i.e. high efficiency) responds to the fact that only 10 per cent of the total cost would be allocated to equipment and materials to implement the CRA activities and resilient livelihoods, while 90 per cent of the budget would be allocated to capacity-building, management, knowledge generation and institutional strengthening, climate change mainstreaming and awareness-raising, development of the agricultural market, and enhancement of financial and risk management capacities. In other words, the project would not provide significant funds for the implementation of CRA and resilient livelihoods, but would instead support it through the creation of an enabling environment.

44. The proposed farmers’ club structure to reach beneficiaries is considered cost-effective. Every farmers’ club would have two lead farmers that would be trained in CRA by extension officers and other project staff and subsequently supported in transmitting this knowledge to 30 to 40 follower farmers.<sup>6</sup>

### 1.6.2. Amount of co-financing

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<sup>5</sup> See budget description – annex 3, sheet “Detailed Budget Notes”.

<sup>6</sup> Feasibility study, page 30.

45. The amount of co-financing is relatively small. From a total project cost of USD 10 million, USD 9.25 million would be provided by the GCF, while only USD 0.75 million would be provided by the Government of Flanders and the Cartier Foundation.

#### **1.6.3. Financial viability**

46. The fact that the project would not provide funds for the implementation of resilient livelihoods and that beneficiaries have very limited resources makes project outputs highly dependent on the successful implementation and development of the proposed financing mechanisms, and mostly on the participation of microfinance institutions. During project inception, two finance institutions were identified as potential partners for the project, namely UPTC and GAPI. However, an in-depth assessment is yet to be done, and the potential amount of financing that could be provided by these institutions will be determined during project implementation.

47. The project does not include an economic analysis because of its capacity-building approach. While it is estimated that 80,000 people would benefit from trainings, demonstrations and other project activities, it is not possible to estimate the extension up to which CRA practices and resilient livelihoods would be implemented since, as explained before, the project would not provide funds for their implementation.

#### **1.6.4. Best practices**

48. It is the objective of the project to promote the implementation of techniques that are socially, economically and environmentally sustainable. The environmental and social screening method is adequately described in Annex 13 of this funding proposal.

49. The proposed CRA and watershed management practices are considered best practice as they all tend to restore and protect environmental services, soil and water quality, and biodiversity, as opposed to traditional agricultural practices that are generally harmful for the environment and unsustainable in the long term.

## **II. Overall remarks from the independent Technical Advisory Panel**

50. The iTAP recommends the approval of this funding proposal.

## Response from the accredited entity to the Independent Technical Advisory Panel's assessment (SAP011)

Proposal name: Climate-resilient food security for women and men smallholders in Mozambique through integrated risk management

Accredited entity: World Food Programme (WFP)

### Impact potential

*WFP welcomes iTAP's positive assessment of the impact potential and thanks the iTAP for the suggestions on agroforestry which will be taken into consideration.*

### Paradigm shift potential

*WFP appreciates the positive review of the paradigm shift potential and would like to add the following:*

- *On regulatory framework and policies: The project's aim is to have the approach to agricultural risk management and adaptation embedded within new policies related to the new Strategic Plan for the Development of the Agricultural Sector (PEDSA) and the accompanying National Agricultural Investment Plan (PINSA). Accordingly, the project is mainstreaming its support through Rural Centers of Excellence (RCE) managed by the Ministry of Agriculture and Food Security (MASA), which contribute to the operationalization of both the PEDSA and PINSA.*
- *On scalability and replicability: Through co-financers, as well as alignment to other national projects, replicability and scalability is being pursued. The example cited in the FP and Annex 2 is that of Gaza province, which is also drought-prone, where the integrated package is being introduced by one of the co-financers, the Government of Flanders.*

### Sustainable development potential

*WFP takes note of the positive review of the sustainable development potential.*

### Needs of the recipient

*WFP is glad to see the positive review in this area and would like to add, in relation to the absence of alternative sources of financing, that Mozambique has yet to recover from the economic downturn from 2015, which nearly halved the past decade's GDP. Most recently, cyclones Idai and Kenneth resulted in \$ 1.4 billion in damages and \$ 1.39 billion in losses for the country. This is the highest costs ever recorded and is beyond the capacity of the country. At the same time, it slowed down GDP growth by over 2%, limiting further the capacity of the government to respond to the needs. So, while adaptation needs are high, funding is limited.*

### Country ownership

*WFP takes note of the iTAP assessment on the country ownership and would like to confirm to the GCF that a capacity assessment was conducted for each of the co-EEs to ensure their institutional and operational ability to implement the project effectively.*

**Efficiency and effectiveness**

*WFP takes note of the review's assessment with regard to efficiency and effectiveness.*

***Overall remarks from the independent Technical Advisory Panel:***

*WFP thanks the iTAP for its recommendation to the Board for approval.*

## Gender Assessment & Action Plan

### i. Introduction

The Ministry of Agriculture and Food Security (MASA), The Ministry of Land, Environment, and Rural Development (MITADER), and the World Food Programme (WFP) have partnered to develop a joint Green Climate Fund (GCF) proposal titled: *Climate resilient food security for women and men smallholders in Mozambique through integrated risk management*. If successful, the project is to be implemented in the province of Tete, specifically the districts of Marara, Changara, and Cahora Bassa. A joint MASA, MITADER, and WFP team conducted a gender assessment to inform the project’s design. This analysis aims to provide an overview of the gender situation in Mozambique, identify gender issues that may be relevant to the project, and to examine the potential for gender mainstreaming opportunities. This report presents the methodology applied, details of the field work, and outcomes of the work, including key findings and the action plan.

### ii. Approach

The gender assessment had two objectives: to identify the ways that climate change impacts men and women differently in the target area, and thereby, the ways that the project can adopt appropriate responses to climate risks and impacts. The gender assessment included a literature review and consultations with the targeted communities, community leaders, and local institutions. While the former was focused on developing the national context, including a review of national policies and commitments, the latter was focused on informing an understanding of the local, project context, through a participatory and representative approach. The consultation took place from the 6<sup>th</sup> to 11<sup>th</sup> of May, 2019. Gender-segregated discussions took place to allow women and men the opportunity to speak freely about the gender issues in their communities. The guiding questions for the assessment are summarized in the table below. These were used to formulate the questionnaires and facilitation guides for the consultations held.

Context	<ul style="list-style-type: none"> <li>- What is the situation of women and men in the specific sector of intervention or in the project footprint area?</li> <li>- Are there existing gender inequalities that may be exacerbated by climate change impacts in the proposed project footprint area?</li> <li>- What are some of the inequalities that exist between different social groups in the project footprint area? How do these inequalities affect people’s capacity to adapt to climate change?</li> <li>- What roles women and men are anticipated to play in the context of the project? What will these entail in terms of time commitment and need for mobility?</li> </ul>
Resources	<ul style="list-style-type: none"> <li>- What resources (economic, financial, physical, natural, other assets) do women and men have access to?</li> <li>- Who manages or controls access to these resources?</li> <li>- Do women and men from vulnerable communities have equal access to information and opportunities necessary to participate and benefit fully from the anticipated outcomes of the project?</li> </ul>
Decision making	<ul style="list-style-type: none"> <li>- To what extent do women and men from vulnerable communities participate in decision – making processes?</li> <li>- What type of decisions are made by women?</li> <li>- What are the constrains (social, cultural, economic, political) that restrict women’s active participation in household and community level decision – making processes?</li> </ul>

	<ul style="list-style-type: none"> <li>- Are there any opportunities to promote the leadership of women in local governance/political systems and formal/informal institutions?</li> <li>- If not, what are some of the constraints that hinder women from assuming leadership roles?</li> </ul>
Needs and priorities	<ul style="list-style-type: none"> <li>- What are the differential needs/priorities of women and men in the context of the project?</li> <li>- Will the project be able to address their respective needs and priorities? If so, how?</li> <li>- How are needs/priorities of women and men in the context of the project changing?</li> <li>- Can you define the coping strategies of a woman and girl in the local society in case of food insecurity as a result of a climate shock?</li> <li>- Can you define the coping strategies of a man and boy in the local society in case of food insecurity as a result of a climate shock?</li> <li>- In your opinion, are the coping strategies different by sex?</li> <li>- If so, what are the key differences?</li> <li>- Have the needs changed over time?</li> <li>- If so, what are some of the drivers of change?</li> <li>- What are some changes you would like to see? Why?</li> <li>- What would it take to see these changes?</li> </ul>

**iii. Findings**

The key findings and reflections of the gender assessment are presented below. The findings are subdivided into themes. While the initial sections outline the general country context, the subsequent sections go into more specific details about the targeted communities. As such, the findings of the literature review and consultations are presented together in an interlinked manner.

**General Country Context**

The population of Mozambique is of 28.9 million people. Women account for 52 per cent of the population and men 48 per cent. The population of the country is characteristically young. For example, some estimates indicate that 45 per cent of the population is below 15 years of age. Life expectancy for women is 62 years, while men have a life expectancy of 58 years.

The fertility rate has slowly been declining in recent years and was estimated at 5.3 children per woman in 2012. Maternal mortality continues to be high in Mozambique. Due to underreporting and misclassification, accurate numbers do not exist, but UNICEF estimated that in 2012 the maternal mortality ratio was 490 women per every 100.000 live births. Under five mortality is also high in Mozambique, or 85 and 94 out of every 1.000 live births, for boys and girls, respectively.

Contraceptive use is just under 12 percent, and while HIV prevalence has stabilized, numbers in Mozambique remain some of the highest in the world at 10.6 per cent of the population. Women are overrepresented in these figures. 60 percent of people living with HIV are women. This is closely related to the high incidence of violence against women and girls.

Violence against women and girls is widespread and according to the 2011 Demographic and Health Survey more than one in three women (37.2%) has experienced physical or sexual violence at some point in their lifetime. These rates are higher (42.8%) among young women aged 20-24. Mozambique also has the 10th highest early marriage rate in the world with almost half (48%) of women aged 20-24 married before age 18.

Women are confined to the domestic sphere, while their male counterparts are more active in public spaces. This is most evident when looking at the educational outcomes for girls versus boys. Boys make up the majority of the primary school population, while girls trail off further behind with every year. Girls are taken out of school to do productive and domestic labor in poor households, and often married at young ages, to also minimize the economic burden. Young marriages result in pregnancies and girls failing to return to school altogether.

As a result, there are fixed roles for women, girls, boys, and men in Mozambican society that have been hard to change. Changes are particularly difficult to attain in contexts of high poverty and little opportunity. Men and boys undertake the bulk of economic activity, and thus, exercise control over resources. Women and girls are responsible for the household wellbeing, including care work, but also activities related to meeting basic needs, such as food, fuel, and water. These skews the balance of labor burden and also of influence in favor of men. Where women are the head of household, they often have limited opportunities to advance in economic spheres, which are culturally conceived as male-only spaces.

### ***Gender Policy Framework***

After the country's independence in 1975, Mozambique constructed a solid commitment on gender equality and women empowerment. At the international level, the Mozambican State adhered to the United Nations Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), adopted the Beijing Platform of Action, and signed on to numerous other declarations related to Gender Equality and Promotion of the Status of Women. Similarly, at Continental and Regional levels, namely within the African Union and the Southern African Development Community (SADC), Mozambique is a party to legal instruments that uphold the rights and status of women and girls. Under the framework of the Sustainable Development Goals (SDGs), Mozambique is further making progress on issues related to Goal 5 on gender equality and empowerment of women and girls.

International and regional commitments are translated to national priorities and action. The commitment of the Government of Mozambique to women's rights and gender equality at the national level is taken forward by a number of policies, legal frameworks, and dedicated institutional mechanisms. At the core, is the country's Constitution. The Constitution reflects a duty to promote, support and value the development of women and stimulate their growing role in all spheres of political, economic, social, and cultural life, which are constitutional principles (articles 36 and 122 of the Constitution).

Stemming from the Constitution other legal and institutional arrangements have been put into place to support gender equality and empowerment. For example, these commitments are also reflected in the principal public policy planning document, the *Programa Quinquenal de Governo* (Five Year Plan) for 2015-2019 and several related sectoral programs. The Government has also approved a National Action Plan on Combating Violence against Women and a National Plan for Gender Equality<sup>1</sup>. The Family Law was approved in 2002 and the Law against Domestic Violence was passed in 2009. The National strategy for preventing and fighting early marriages conducted by the Ministry of Gender, Children and Social Welfare, was approved by the Council of Ministers and officially launched in April 2016.

In regards to governance and gender equality, national policies indicate that the participation of women in decision-making process should be at least 30 percent. Women have stronger presence at higher

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<sup>1</sup> Ministry of Gender, Children and Social Welfare. 2018. paper para o evento paralelo da delegação de Moçambique no CSW62

political level, holding 39.6 percent of the parliamentary seats, visible presence at the District and Administrative posts but traditional leaders and headman are mostly held by men<sup>2</sup>.

### **Community Composition**

Throughout the project design, in the national and sub-national consultations, gender has been mainstreamed. As such, all community consultations on project design included discussion elements on gender to help ensure all access and benefit from the project. These consultations were held jointly by MASA, MITADER, and WFP representatives from 2018 up to (May) 2019. These consultations are summarized in the table below.

<b>GCF SUB-NATIONAL CONSULTATIONS</b>								
DISTRICTS	DATES	LOCATION	STAKEHOLDER	N° PARTICIPANTS		PURPOSE	PROJECT PROPOSAL	NOTES
				F	M			
Tete	05/06/2019	Tete	DPATDR (MITADER) / DPASA (MASA)	2	2	Kick-start planning for provincial and district consultations. Present outcome of national level consultations and general project framework for their input and endorsement.	The endorsement of project framework and activities based on their feedback.	
Tete	22/10/2018	Tete	UPCT/INAM/GAPI	2	2	Present project framework. Inquire about their activities in the target areas. Explore synergies and partnerships, as fitting.	Mapping of stakeholders and potential partnerships.	
Cahora Bassa	23/10/2018	Chitima	ADPP/Dzua microcredito	3	2	Present project framework. Inquire about their activities in the target areas. Explore synergies and partnerships, as fitting.	Mapping of stakeholders and potential partnerships.	
Moatize	21/03/2018	Canguedza	Community	6	8	Consultations held with youth, women, men, and elderly. Communities outlined: key livelihood activities, how these have changed over time, natural resource constraints,	The components and activities of the project were each validated by the communities offering	All consultations held by WFP, MASA, and MITADER. Moatize not targeted but offered a good perspective of
Marara	05/11/2019	Marara centro	Community	5	5			

<sup>2</sup> World Development Report 2012: Gender Equality and Development. Mozambique Country Case Study. Gender Equality and Development. <http://siteresources.worldbank.org/INTWDR2012/Resources/7778105-1299699968583/7786210-1322671773271/Tvedten-mozambigu.pdf>

						perceptions and understanding of climate change, key climate risks, adaptation practices being implemented and needed, and specific activities/interventions desired	insights for different members of the community.	the challenges throughout.
Changara	19/03/2019	Changara sede	ADEMUCHA/Associacao de futuras mulheres	5	5	Present project framework. Inquire about their activities in the target areas. Explore synergies and partnerships, as fitting.	Mapping of stakeholders and potential partnerships.	
Changara	21/06/2018	Carata	Community	6	3	Consultations held with youth, women, men, and elderly. Communities outlined: key livelihood activities, how these have changed over time, natural resource constraints, perceptions and understanding of climate change, key climate risks, adaptation practices being implemented and needed, and specific activities/interventions desired	The components and activities of the project were each validated by the communities offering insights for different members of the community.	All consultations held by WFP, MASA, and MITADER
	21/06/2018	Chicompende	Community	6	8			
	21/06/2018	Cancune	Community	5	7			
Marara	19-20/07/2018	Cachembe	Community	6	24	Consultations held with youth, women, men, and elderly. Communities outlined: key livelihood activities, how these have changed over time, natural resource constraints, perceptions and understanding of climate change, key climate risks, adaptation practices being implemented and	The components and activities of the project were each validated by the communities offering insights for different members of the community.	All consultations held by WFP, MASA, and MITADER
	19-20/07/2018	Mufacaconde	Community	3	7			
	19-20/07/2018	Nhaapende	Community	2	4			

						needed, and specific activities/interventions desired		
Cahora Bassa	16-17/07/2018	Candodo	Community	8	6	Consultations held with youth, women, men, and elderly. Communities outlined: key livelihood activities, how these have changed over time, natural resource constraints, perceptions and understanding of climate change, key climate risks, adaptation practices being implemented and needed, and specific activities/interventions desired	The components and activities of the project were each validated by the communities offering insights for different members of the community.	All consultations held by WFP, MASA, and MITADER
	16-17/07/2018	Caho	Community	4	11			
	16-17/07/2018	Cawira B	Community	12	3			
<b>GRAND TOTAL</b>				75	97			

To wrap up the project design and ensure adequate gender mainstreaming, a joint MASA, MITADER, and WFP team conducted a specific gender assessment to inform the project's design. The gender assessment had two objectives: to identify the ways that climate change impacts men and women differently in the target area, and thereby, the ways that the project can adopt appropriate responses to climate risks and impacts. The gender assessment included as second stage of consultations with the targeted communities, community leaders, and local institutions. This second stage was focused on informing an understanding of the local, project context, through a participatory and representative approach. The consultation took place from the 6<sup>th</sup> to 11<sup>th</sup> of May, 2019. Gender-segregated discussions took place to allow women and men the opportunity to speak freely about the gender issues in their communities. The table below shows more details on the stakeholders involved in this assessment.

Stakeholder	Nr of representatives	Date(s)
Community of Cancune, District of Changara, Province of Tete	9 women, 9 men	8 May 2019
Community of Nhalicune, District of Changara, Province of Tete	6 women, 24 men	8 May 2019
Community of Carata, District of Changara, Province of Tete	9 women, 10 men	9 May 2019
Community of Chicomphende, District of Changara, Province of Tete	9 women, 9 men	9 May 2019
Community of Cachembe, District of Marara, Province of Tete	9 women, 15 men	10 May 2019

Community of Marara Centro, District of Marara, Province of Tete	17 women, 12 men	10 May 2019
Community of Nhanpende, District of Marara, Province of Tete	9 women, 10 men	11 May 2019
Community of Mufa Caconde, District of Marara, Province of Tete	8 women, 10 men	11 May 2019

When asked to develop their community profile in the targeted locations for the project, the following household types were identified:

- Elderly
- Disabled
- Chronically ill
- Single males/females with children
- Orphan/abandoned children
- Married couples with children

When asked to describe the key characteristics of these households and their prevalence in the community, the communities replied with the following:

GROUP	DESCRIPTION	PREVALANCE
Elderly	Caregivers who look after the household, grandchildren, and the sick. They teach the young about different livelihood practices. Some are principally responsible for grandchildren, if parents have died or divorced, resulting in abandonment. Tend to farm and keep some livestock to meet their food needs and generate an income.	Medium
Disabled	Mute can do chores/small works around the community for money/food, like guarding the household or helping in the farm. Typically, do not have many assets/skills for income generation.  Blind, depending on when they went blind, could have some skills/assets to do some income generating activities. Otherwise, they do not.  Mobility impaired generally are home-bound, but can do some income-generating activities, like sewing, or weaving with local materials.  Across all groups there is a dependency on others (e.g. family members, neighbors, and external assistance) for food/income support.	Low
Chronically ill	HIV/AIDS and TB affected individuals (men and women), who live on their own (have been abandoned), unable to work	Medium

	and have little assets/resources to meet their needs and medical requirements. Highly dependent on health committees and external, institutional help.	
Single males with children	Result from divorce or death, men with children, who focus on income generating activities, like charcoal-making, firewood collection, and farming. Some men also do some paid work in and outside their communities. Have limited assets, but have access to resources and have more labor availability and power. Children are less likely to go to school.	Low
Single females with children	Result from divorce or death, women with children, who focus on both income generating and care giving activities. Main livelihood activities include farming, livestock keeping, horticulture, charcoal-making, firewood and water collection. Have limited assets, access to resources is constrained, and labor availability limited. Children more likely to go to school, but limited to lower levels, when schooling costs are still low. Closer attention to caregiving, compared to their male counterparts, indicates that the household is more stable.	High
Orphan/abandoned children	A result of HIV/AIDS and TB related death or divorce, where parents (mainly father) do not care for the children. Children can work for others or beg to get food/income. Children can pool resources with their siblings, or choose to be autonomous. They do not have land or livestock. They are likely to suffer violence and abuse, particularly girls who often marry prematurely.	Medium
Married couples with children	Undertake both economic and care giving activities, with women doing both and men mainly the former. Main livelihood activities include farming, livestock keeping, horticulture, charcoal-making, and firewood collection. Men are more focused on the latter two, and women on the former activities. Have considerable assets, including labor, and skills to engage in many livelihood activities and might be seen to support others in the community. Children tend to go to school, even at higher levels.	Low

## ***Roles and Responsibilities***

Stemming from the mapping of the community, those consulted stated that the following are the roles and responsibilities of the different community members:

- Men are the main decision makers at community and household levels.
- Women are not community leaders, but can contribute to the community discussions.
- Women at the household level tend to plan, budget, and manage resources (especially cash), helping guide and inform decision-making.
- While there is a potential for dialogue in household level decision-making, this is not the norm, and in many cases, women are not able to input into all decision-making.
- Men are seen as economic agents and women are seen as care-givers, while women also play a big economic role.
- Women are often referred to as the keepers of the household funds, or the bank, as they are seen to be more trustworthy and less likely to waste money on negatives vices (e.g. drinking)
- There is a preference among individuals to be in a marriage as it enables couples to spread the workload and grow more assets/resources. Otherwise, the burden is too great for one person, be it a man or a woman, considering both the productive and reproductive duties of a household.
- In and outside married households it is recognized that women do the bulk of the work within the household and community.
- The elderly are key advisors and aids to the young, supporting with caregiving and livelihood support. Given the rise of divorce and deaths among younger members of the community (associated to HIV/AIDS), the elderly have assumed a key role within the household and community.
- Disabled, chronically ill, and orphaned/abandoned children are often disenfranchised and not granted the same opportunities as other members of the community.

## ***Gender Norms and Climate Change***

Going deeper into the different roles between men and women, communities were asked to identify the norm (or status quo) and how this is changing in the context of increased climate risk and variability. The following table summarizes their responses.

Norm	Changes
<ul style="list-style-type: none"> <li>• Women wake up earlier than men and sleep later than men for a total of 2 hours difference every night</li> <li>• Before going to work, woman takes care of the house, children, and husband- while men tend only to themselves - fetching water and preparing food (i.e. household chores).</li> <li>• Men and women leave to go to work around the same time and undertake a variety of activities related to farming, gardening, livestock rearing, and small business, depending on the seasonality of these activities.</li> <li>• Men undertake more lucrative activities, related to business and off-farm work.</li> </ul>	<ul style="list-style-type: none"> <li>• Women have to wake up earlier to get water to prepare house, children, and husband before leaving for work.</li> <li>• Women tend to spend more time on fetching water or fuelwood from further places; time can vary considerably during the year, depending on the functioning (or not) of water wells.</li> <li>• Women have a harder time getting food for the household meals, as productivity in the fields/gardens is going down</li> <li>• Women and men are diversifying into new areas of business to make up for shocks to agriculture. This requires doing more with less time and resources.</li> </ul>

<ul style="list-style-type: none"> <li>• Women come back from work and need to once again take care of the house, children and husband, while the men get to relax.</li> <li>• Men are better able to travel out of the community for job opportunities, if needed, whereas women’s mobility is limited due to their caregiving role.</li> </ul>	<ul style="list-style-type: none"> <li>• Vulnerable girls more likely to get married before adulthood, or to resort to sex work.</li> </ul>
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When consulted, communities identified two avenues to try to promote positive changes in gender norms. These are as follows:

- Women have more skills and resources to grow businesses and are fully recognized as economic agents; and
- Women also have more skills and resources to reduce their workload in the household and beyond.

Notably, consulted communities did not easily articulate desired positive changes in terms of gender norms. This can be attributed to the deep-rooted cultural traditions in the patriarchal society. In addition, it is also illustrative of the limited education and empowerment opportunities women enjoy.

**Resource Profile**

Based on consultations with the communities, the following are the key resources found in these locations, upon which they depend for their livelihoods and food security.

- Water from rivers, wells, dams, water harvesting structures
- Forests and non-timber forest products
- Livestock including chickens, cows, goats, pigs, turkeys
- Agricultural land and spaces for vegetable gardens
- Social infrastructure including roads, schools, electricity and hygiene structures
- Information including market prices, climate information, adequate agricultural practices, and business opportunities

Subsequently, respondents were asked to map out the distribution of these resources against the against the different community members. The table below summarizes their feedback.

GROUP	DESCRIPTION
Elderly	Only resources they had from when they were younger (if any) that they can maintain, like smaller plots and animals requiring minimal maintenance (e.g. chickens). May have some labor capacity.
Disabled	No resources of their own and no labor capacity.

Chronically ill	Only resources they had from before they became ill (if any) that they can maintain. More likely resources are sold to pay for health care and medicines, including travel to get these. No labor capacity.
Single males with children	Chicken and goats since they don't need much maintenance. Able to acquire relatively larger farm plots and inputs for these. Access to forests, trees, and non-timber forest products, as they can travel farther and have strength to cut trees. Greater access to information to inform their livelihood decisions.
Single females with children	Chicken, goats, pigs, and ducks kept. Cows only kept if they had them from their marriage. Relatively smaller farm plots and limited access to inputs for these. Plots also in less desirable (been abandoned by others due to limited fertility) in further away locations. Horticulture plots either owned or rented. Less labor availability due to caregiving responsibilities. Relatively reduced access to information to inform their livelihood decisions.
Orphan/abandoned children	No resources of their own any land owned by the parents is abandoned. Have labor capacity.
Married couples with children	Chicken, goats, pigs, cows, etc. are kept. Relatively larger farm plots and inputs for these. Can travel farther and are stronger to get to trees needed for firewood and charcoal-making. Horticulture plots either owned or rented. More likely to have exclusive access to water wells for agricultural use. Access to forests, trees, and non-timber forest products, as they can travel farther and have strength to cut trees. Relatively higher labor availability. Greater access to information to inform their livelihood decisions.

The following is a visualization of the resource distribution against household profiles:

Resource	MHH	FHH	OVC	CI	Disabled	Family	Elderly
Main plot for production	X	x	-	-	-	X	x
Horticulture gardens	x	X	-	-	-	X	-
Livestock	x	X	-	-	-	X	x
Business	X	X	-	-	-	X	-
Forestry	X	X	-	-	-	X	-

Water resources	X	X	-	-	-	X	X
Social infrastructure	X	X	X	X	X	X	X
Information	X	x	-	-	-	X	x

SMALL 'X' REPRESENTS LOW DEGREE  
BIG 'X' REPRESENTES A HIGHER DEGREE

The following are some key issues that were identified across the different household categories:

- All have limited access to water resources and is getting worse due to climate change and variability.
- All experience a reduction in soil resources – quality and quantity – as a result of poor management strategies and exposure to extreme climate event.
- All note diminishing forests/tree coverage, which negatively affects resource availability more broadly.
- All depend on traditional land tenure, with no ownership rights.
- All experience diminishing availability of land for farming – due to erosion, loss of fertility, or overcrowding.

Building on the above, the status quo, regarding resource distribution is as follows:

- Chronically ill, disabled, and OVCs lack access to resources and labor capacity;
- Elderly can only maintain few assets that require little maintenance;
- Women can more easily access resources if married;
- Un-married women have a harder time accessing resources, including land;
- Men, conversely, can access resources, even if not married;
- Male jobs are paid more than female jobs;
- Men can access more easily external aid;
- Men make the final decision on the use of resources, while women are the ones generally doing the planning, budgeting, and care of these;
- Many resources are gendered, for example:
  - Animals that require additional feeding and care are for women
  - Men cut trees and make charcoal
  - Women keep funds, including from VSLs (otherwise men may spend it on alcohol/vices)

Given the current norm, the vision going forward regarding resource distribution expressed by communities is summarized as follows:

- Women have greater access and ownership over resources – independently.
- Distribution of resources prioritized towards women to ensure equitable distribution in the future.
- Women (not their husbands) should be registered in activities that entail resource management and redistribution, so their ownership of these is strengthened.
- Overall, resource base and access to this grows in an equitable manner.
- Exploitation of forest resources diminishes – as they will be less stressed livelihoods.

- Water availability increases, as this is the key resource concern, for both productive and reproductive purposes.
- Fertile and nearby land is more readily available and accessible, rather than having to go further seeking suitable land for production.
- More equal access to and management of land and water resources by the communities through structures like associations.
- Information/trainings for livelihood decision-making and improved practices more easily accessible by more members of the community.

### ***Climate change impact on resource & related coping strategies***

Overall, there is a consensus that climate change and variability is driving a reduction in resource availability, access, and ownership, independent of the household type. The following are the key drivers of change:

- Less rain
- More sporadic rain
- More frequent dry spells/droughts
- Hotter temperatures
- Reduction in vegetation cover
- Rivers and water points drying
- Greater competition for resources
- Incidence of pests increases
- Incidence of animal disease increases and resistance to treatment
- Animal mortality increases
- Investments/assets lost
- Production compromised, especially for staple crops like maize
- Greater poverty and food insecurity
- Cost of inputs for agriculture and small business increase due to greater demand

In turn, the following are the impacts of these trends, which summarizes the coping strategies of the communities:

- Greater focus on charcoal-making and firewood collection as alternate sources of income
- Reduce area under agricultural production
- Attempts to diversify agricultural livelihood activities
- Seek more and different types of inputs – insecticides for pests and drought-resistant seeds
- Try to harvest water and to channel water towards productive areas and households
- Use same water source for many purposes despite of health issues
- Change food crops grown – maize and types of sorghum abandoned, while millet, sorghum, sweet potato (in limited quantity) and cowpeas are produced more frequently
- Savings depleted and no more being accumulated
- Livestock sold
- Livestock grazed in far off areas
- Do off-farm work
- Out migration of men to work in the city or in mines
- Convert more land to productive purposes
- Farming is no longer the principal livelihood, as this needs to be supported by other activities

- Children go to school where there are school meals to ensure they get food, otherwise they get pulled out to do work

### ***Gender and coping strategies***

Out of the coping strategies identified, it was noted by the communities that certain strategies were more commonly adopted by men, rather than women, and vice versa. These gender differences are summarized as follows:

- Men focus on charcoal making and some firewood selling, women get it for household consumption men said women get firewood to sell.
- Women have to become more economically active, starting businesses (buying and re-selling of goods), as they need income to help meet food needs, when the crops fail.
- Women become even more overburdened having to undertake a diversity of jobs and their usual work norm is already greater.
- Women seen as the main agents behind the food gardens and plots, so when these fail they feel pressure to compensate as much as possible through other activities.
- Men decide about the sale of livestock in case of a shock, even when often it is the women who take care of these.
- Women travel to get water more frequently and for longer periods, if not, the children have to. Women also get water to sell to others.

### ***Vulnerability to climate change***

Based on the understanding developed on the roles, responsibilities, resources, and coping strategies of the different members of society, the communities were asked to identify who was most vulnerable to the impacts of climate change. The table below summarizes the feedback received.

<b>GROUP</b>	<b>RANKING</b>	<b>DESCRIPTION</b>
Elderly	4	Because they have their family and resources/skills they developed over time, they are not considered highly vulnerable, even though they lack the labor capacity to adopt different coping strategies
Disabled	1	Because they have no resources, no labor capacity, and rely on others who have little or government support, they are considered highly vulnerable (top ranking)
Chronically ill	3	Because they do not have labor capacity or resources, but can rely on regular external aid especially from government/NGOs, they are vulnerable, but not top ranking
Single males with children	6	Because they have assets, skills, labor capacity, and influence within and beyond their household they are not as vulnerable as others

Single females with children	5	Because they have little assets, skills, labor, and time, they are considered vulnerable
Orphan/abandoned children	2	Because they have no resources, limited labor capacity, and rely on others who have little, they are considered highly vulnerable
Married couples with children	7	Because they have assets, skills, labor, and more time, they are vulnerable to the lesser extent They have more chances than the other groups to diversify livelihoods, but their vulnerability depends very much on their access to reliable water sources for agricultural use.

Some cross-cutting themes that emerged are as follows:

- Everyone is vulnerable to climate change
- Every individual is vulnerable in different ways
- Some key determinants of vulnerability include labor capacity, soft skills (know-how), access to information, limited time availability, and finally access/ownership of resources.

### ***Needs and priorities of women***

In summary of the discussions above, women were asked to define their needs and priorities. These can broadly be grouped into three categories, which include (1) agricultural support, (2) care work support, and (3) business support. More details on this shown in the table below.

<b>PRIORITY</b>	<b>NEED</b>	<b>DESCRIPTION</b>
Agricultural production and productivity	Agricultural support	Because women are principally responsible for the agricultural production, and this has suffered due to the changing and more variable climate, women have requested support to ensure that their agricultural production is enhanced and protected going forward.
Household wellbeing	Care work support	Because women are principally responsible for the wellbeing of their households (especially in terms of food security and nutrition) and they face difficulties to help meet the household basic needs (e.g. food, water, fuel, disposable income, etc.) due to the impacts of climate change on their livelihoods, women have requested support to ensure that their care work burden is lessened through climate-smart solutions.
Economic empowerment	Business support	Because women are perceived to have a larger role in the reproductive sectors, rather than productive sectors, they often are negated business opportunities, which makes it hard for them to adapt and diversify their livelihoods, enhancing their resilience. As a result, women want business support to help eliminate these barriers, including financial literacy and trainings.

## Recommendations

The project recognizes that the different groups within the communities will require specific types of support. Further, especially with regards to the highly vulnerable, there is a recognition that the underlying chronic issues have a significant impact on their wellbeing, so additional, more specific support may be needed for this, which is beyond the project scope. Linkages to these other types of support will be fostered through the project accordingly, while also trying to use the project to help meet some of their needs. In this context, the project will target all vulnerability groups, however, the scope and depth of work will differ across, groups with more extensive engagement with groups categorized as medium and low vulnerability. The differentiated approach is summarized in the table below.

Vulnerability Category	Composition	Activities	Project approach	Geographical targeting
Highly vulnerable	Elderly, disabled, chronically ill, and children	<ul style="list-style-type: none"> <li>• Cash transfers</li> <li>• Food transfers</li> <li>• Health services</li> <li>• School feeding</li> <li>• Savings</li> <li>• Information for decision making</li> <li>• Improved financial literacy and services</li> </ul> <p>→ Indirect: help their families/those that provide these groups with assistance</p>	<p>Project can provide access to information for improved decision making and access to saving opportunities.</p> <p>For transfers and other type of direct support, they are better suited to social protection type programs</p>	Across the three districts, mainly Marara
Medium vulnerable	Single women/men with children	<ul style="list-style-type: none"> <li>• Improved agricultural practices</li> <li>• Improved access to resources for productive purposes</li> <li>• Improved financial literacy and services</li> <li>• Time-saving technologies and techniques needed</li> <li>• Facilitate farmer organization (linkages to pre-existing org./creation of these)</li> <li>• Business support – techniques, technologies, information, training</li> </ul>	A combination of soft and hard activities, the former referring to skills/capacity development and the later about the provision of implements/services, as they develop the capacity to access these themselves.	Across the three districts, mainly Marara

		<ul style="list-style-type: none"> <li>Information for livelihood decision making like climate services or market information</li> </ul>		
Low vulnerable	Married couple with children	<ul style="list-style-type: none"> <li>Improved agricultural practices</li> <li>Market access</li> <li>Improved agricultural practices</li> <li>Market access</li> <li>Business support – techniques, technologies, information, trainings</li> <li>Improved financial literacy and services</li> </ul>	A focus on soft skills development activities, as described above, and some hard activities	Across the three districts, mainly Changara and Cahora Bassa

It is important to note that based on this qualitative work, the three districts have proven to be comparable in terms of language, culture, tradition, livelihoods, climate, and socio-economic matters. For this reason, there are no apparent emerging differences across these districts. At least, the qualitative work conducted cannot indicate this with great certainty. However, in the recommendations above, some possible differences in approach across the districts have been flagged, based on some of the feedback received. This may be revised based on the findings from the project baseline, which will be a quantitative assessment looking thoroughly at differences between men and women across different districts with reference to indicators that are relevant to the project. The project baseline will be done 3 months prior to the start of the project activities. Through routine data collection, at outcome level principally, but also output level, disparities across districts will continue to be tracked, if any. Based on this, the project will adapt its approach, as needed.

**iv. Proposed Gender Plan**

Given the aforementioned inequalities, and the systemic discrimination experienced by women, gender equality considerations will be integrated into the development, implementation and monitoring of the proposed project. Kindly see the projects general timeline in Annex 2, along with the logframe including gender specific targets.

It is intended that two-thirds of the project beneficiaries will be women; so as to redress the inequalities in capacities, opportunities, assets, income etc.

Example measures include:

- conducting regular community consultations, scheduled and held to ensure engagement of women and men
- local and national women’s organizations will be involved as key stakeholders;
- partnering with women’s rights and gender equality organizations, operating at the national and sub-national levels;

- increasing women’s access to and ownership of productive assets, including land, equipment, technology;
- increasing men’s assumption of unpaid care and domestic work;
- tailoring and delivering capacity-strengthening initiatives to the particular needs and priorities of the diverse women and men in the targeted areas;
- strengthening the existing hotline, and establishing additional complaints and feedback mechanisms, to ensure safe accessibility by the range of beneficiaries and stakeholders.

Monitoring and evaluation will be gender-responsive, with the collecting, analysis and use of sex- and age-disaggregated data, tracking of gender equality indicators, and the integration of gender in process and content. Please see Annex 2 for the logframe with specific gender targets as well as a project timeline.

The regular narrative reports will summarise progress in implementing a gender-transformative approach to climate resilience, with results achieved for women and men, along with progress on gender equality.

Savings and the other financial instruments offered by the project, including the insurance and credit, will be accompanied by trainings and general messaging that will help with their use for adapting to climate change and to managing climate risks, based on WFP’s experiences learned in other projects. However, beyond that, the project will ensure that in the way they are introduced and operationalized, awareness is raised and an understanding developed that the financial instruments play a role in risk management and adaptation. For example, when the insurance is designed with the farmers, the farmers will be asked, with reference to the historical bad years, to identify the years they would have liked to be insured. The farmers will be supported to identify years with considerable drought events, while shown through the discussions, that other risk management tools, like savings, exist to cover risks of a higher frequency, but lower magnitude. This is part of the SNIID approach outlined in Annex 2. Another example is the provision of climate services through PICSA, whereby farmers, based on historical climate and weather information, as well as forecasts, can chose how to adapt their livelihoods. As farmers are supported to make these livelihood decisions, they will get information about the role and contributions of financial instruments like saving, credit, and insurance, for risk management. Arguably, this sort of approach, that goes beyond trainings and messaging, showcases how the integrated nature of the overall package offered by the project is able to trigger significant changes in the way farmers manage risks and adapt to a changing climate.

Objective	Activities	Indicators	Baseline <sup>3</sup>	Targets	Timeline	Responsible Entity	Budget <sup>4</sup> (USD)
<b>Impact Statement:</b> Build climate resilient livelihoods and food security systems for women and men in Changara district in Tete province through integrated, context-specific climate risk management, addressing gender needs and priorities							
<b>1. Specific Objective:</b> Reduce vulnerability to climate risks of food insecure smallholder women and men through climate-resilient agriculture as well as watershed restoration and enhancement							
<b>Result 1:</b> Climate-resilient agriculture (CRA) supported among men and women through the establishment of farmer clubs with access to dedicated trainings, demonstrations, and farming implements.							
<b>Result 2:</b> Watershed enhancement and rehabilitation conducted by and for men and women across forestry, livestock, and horticulture sectors to complement CRA activities.							
Climate adaptation capacities and assets created respond to the needs and priorities of women and men	<ul style="list-style-type: none"> <li>Engage both men and women equitably in planning and implementing asset creation/rehabilitation activities</li> </ul>	# of participants engaged in the Community Based Participatory Planning activities	0	Year 1 – 3600 participants (1800 women) Year 2 – 7000 participants (3500 women) Year 3 – 12000 participants (6000 women) Year 4 – 16000 participants (8000 women)	Years 1- 5	WFP <sup>5</sup> (project coordinator)	3,467,300 <sup>4</sup>

<sup>3</sup> A representative household survey three months prior to project implementation will be conducted to define the baseline values, and as needed, will refine the targets.

<sup>4</sup> As the actions of the gender action plan are totally integrated into the project activities, they are not budgeted separately. The budget presented here is therefore the entire outcome budget.

<sup>5</sup> The project coordinator is ultimately responsible and has received gender trainings. In addition, the project coordinator will work with the Gender and Protection Advisor based in the WFP Mozambique Country Office, who will be the technical expert accompanying the project action plan. A Gender Expert is also available in the WFP Regional Bureau in Johannesburg. The Regional Gender Advisor will provide the necessary technical support to ensure that the GAP is properly implemented and monitored.

	<ul style="list-style-type: none"> <li>Engage men and women equitably in trainings on CRA and asset management</li> </ul>	<p># of participants trained on CRA (disaggregated by gender)</p> <p># of participants practicing CRA (disaggregated by gender)</p>	0	<p>Year 1 – 3600 participants (1800 women)</p> <p>Year 2 – 7000 participants (3500 women)</p> <p>Year 3 – 12000 participants (6000 women)</p> <p>Year 4 – 16000 participants (8000 women)</p>			
	<ul style="list-style-type: none"> <li>Integrate the particular roles, responsibilities, needs, priorities, and knowledge of both men and women in the definition and implementation of assets construction/CRA activities</li> </ul>	<p># of assets built as % of planned (disaggregated by gender-oriented type<sup>6</sup>)</p> <p># of participants engaged in asset creation trainings (disaggregated by type and gender)</p> <p># of participants engaged in asset construction (disaggregated by type and gender)</p>	0	<p>Year 1 – 0 Assets build (60% for women)</p> <p>Year 3 – 600 Assets build (60% for women)</p> <p>Year 5 – 800 Assets build (60% for women)</p> <p>Year 1 – 3600 participants (1800 women)</p> <p>Year 2 – 7000 participants (3500 women)</p> <p>Year 3 – 12000 participants (6000 women)</p> <p>Year 4 – 16000 participants (8000 women)</p>			

<sup>6</sup> The table below indicates the types of assets that are requested by the communities and which have benefits for women. So, the disaggregation will help in determining if these are assets that benefit women and are fitting with the expressed needs of the community.

	<ul style="list-style-type: none"> <li>men and women's participation in groups and committees to manage new asset schemes</li> </ul>	% of women participants in asset committees	0	Year 1 - 50% women participants in asset committees Year 2 - 50% women participants in asset committees Year 3 - 50% women participants in asset committees Year 4 - 50% women participants in asset committees Year 5 - 50% women participants in asset committees			
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<b>2. Specific Objective:</b> reduce exposure to climate risks of food insecure smallholder women and men through climate-resilient agriculture as well as watershed restoration and enhancement							
<b>Result 3:</b> Village saving and loans groups established and supported among farmer clubs to act as shock buffers.							
<b>Result 4:</b> Access to loans for productive purposes facilitated in support of CRA and diversified livelihoods.							
<b>Result 5:</b> Insurance against climate shocks made accessible to farmers to protect their productive investments							
<b>Result 6:</b> Market opportunities identified and promoted among farmers to make climate-resilient livelihoods more remunerative							
Women and men are equally able to access financial services and market opportunities for diversified and resilient livelihoods adapted to climate change	<ul style="list-style-type: none"> <li>Integrate the particular roles, responsibilities, needs, priorities and knowledge of both men and women into the design and provision of financial literacy trainings and financial services</li> <li>Engage men and women equitably in financial literacy trainings</li> </ul>	# of participants in VSL groups (disaggregated by gender)	0	Year 1 – 3600 participants (1800 women) Year 2 – 7000 participants (3500 women) Year 3 – 12000 participants (6000 women) Year 4 – 16000 participants (8000 women) Year 5 – 16000 participants (8000 women)	Years 1-5	WFP <sup>5</sup> (project coordinator)	3,886,994 <sup>4</sup>
		# of participants trained on financial literacy (disaggregated by gender)					
	Engage men and women in financial committees equally	% of women participants in VSL committees	0	Year 1 - 50% women participants in VSL committees Year 2 - 50% women participants in VSL committees Year 3 - 50% women participants in VSL committees			

				Year 4 - 50% women participants in VSL committees Year 5 - 50% women participants in VSL committees			
	<ul style="list-style-type: none"> <li>• Provide women and men opportunities to grow their asset base and develop collateral for greater access to financial services</li> <li>•</li> </ul>	# of participants saving through groups disaggregated by gender	0	Year 1 – 3600 participants (1800 women) Year 2 – 7000 participants (3500 women) Year 3 – 12000 participants (6000 women) Year 4 – 16000 participants (8000 women) Year 5 – 16000 participants (8000 women)			
		# of people insured through project (disaggregated by gender)		Year 1 – 3600 participants (1800 women) Year 2 – 7000 participants (3500 women)			
		# of people selling marketable surplus (disaggregated by gender and crop type)		Year 3 – 12000 participants (6000 women) Year 4 – 12000 participants (6000 women)			

				Year 5 – 12000 participants (6000 women)			
	<ul style="list-style-type: none"> <li>Provide men and woman with equitable access to financial services/products</li> </ul>	# of individuals accessing loans disaggregated by type (including amount) and gender	0	Year 1 – 0 participants (0 women) Year 2 – 1000 participants (500 women) Year 3 – 3000 participants (1500 women) Year 4 – 8000 participants (4000 women) Year 5 – 16000 participants (8000 women)			

<b>3. Specific Objective:</b> Informed adaptation planning and decision making across men and women smallholders, communities, and local authorities through the generation and use of climate information, addressing gender needs and priorities							
<b>Result 7:</b> Government staff, both men and women, capacities to generate and use climate/weather information for planning and decision-making enhanced							
<b>Result 8:</b> Capacities of men and women to use climate/weather information for planning and decision-making enhanced							
Women and men are able to access climate/weather information to support planning and decision-making to support climate adaptation	<ul style="list-style-type: none"> <li>Integrate the particular roles, responsibilities, needs, priorities and knowledge of both men and women into the design and provision of climate/weather information</li> <li>Engage women and men in the planning and design of content creation activities</li> <li>Engage women and men in the selection of adequate communication channels to deliver climate/weather information</li> </ul>	# of people engaged in climate services needs assessments	0	Year 1 – 3600 participants (1800 women)	Year 1	WFP <sup>5</sup> (project coordinator)	2,095,230 <sup>4</sup>
	<ul style="list-style-type: none"> <li>Train women and men in the accessing and interpreting of climate/weather information</li> </ul>	# of people provided with direct access to information on climate and weather risks (disaggregated by gender, and by source)  # of people trained on accessing and interpreting climate/weather	0	Year 1 – 3600 participants (1800 women) Year 2 – 7000 participants (3500 women) Year 3 – 12000 participants (6000 women)	Year 4		

		<p>information for decision-making (disaggregated by gender)</p> <p># of people using information on climate/weather to make decisions/plans (disaggregated by type and gender)</p>	<p>Year 4 – 16000 participants (8000 women) Year 5 – 16000 participants (8000 women)</p> <p>Year 1 – 1800 participants (900 women) Year 2 – 3500 participants (1750 women) Year 3 – 6000 participants (3000 women) Year 4 – 8000 participants (4000 women) Year 5 – 9600 participants (4800 women)</p>			
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To ground further the action plan, the communities were asked to validate the specific result areas and to provide more detailed suggestions for activities that will be integrated into the project activities. Their feedback is summarized below, with reference to the specific objectives that the activity refers to.

- Farming: Millet, sorghum, and cowpeas promotion as it can grow even with periods of interrupted rain. Compost/manure application. Conservation agriculture to promote time-saving techniques. Seed multiplication support. [SO1]
- Livestock: Pig, chicken, and duck production promotion as they require little care and are resilient to drought/dry spell conditions. Supplementary feeding prepared, different water points developed, grazing areas established, and treatment areas constructed. [SO1]
- Horticulture: Tomatoes and onion production support in gardens, as proven resistant to shocks, and new vegetables to try include sweet potato and cassava. Introduce shadings options like multi-story gardening, nets, live fencing/roofing, etc. [SO1]
- Forestry: Introduce fruit trees (mango/banana) in gardens. Afforestation for the production of baobab trees and amarula. Moringa plant grown alongside. [SO1]
- Business: VSL promotion. Association promotion. Business trainings. Processing and value addition trainings. Market information and linkages. [SO2/3]

Cross-cutting: Combination of water management techniques, including

- Cisterns
- Ponds
- Wells
- In situ (e.g. zai pits)
- Trenches
- Controlled flooding
- Desilting of rivers
- Strengthening of river banks

Cross-cutting: soil/land management techniques including

- Support access to DUATs
- gully reclamation
- Multiplication and planting of vetiver grass/ other vegetation
- Trenches
- Soil stabilization/ terraces to prevent erosion
- Contouring
- Gabions