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**ANNEX II**

of the Commission Implementing Decision on the of the Annual Action Programme 2017 part III for Environment and Climate Change under the Global Public Goods and Challenges (GPGC) thematic programme

**Action Document for GCCA+ Building Local Climate Resilience in Mozambique**

<b>1. Title/basic act/ CRIS number</b>	GCCA+ Building Local Climate Resilience in Mozambique CRIS number: ENV/2017/40-491 financed under Development Cooperation Instrument			
<b>2. Zone benefiting from the action/location</b>	Republic of Mozambique The action shall be carried out at the National level and Provinces of Nampula and Zambezia			
<b>3. Programming document</b>	Annual Action Programme (AAP) 2017 Planet and People, Macro Action “Climate Change and Environment: Boosting Adaptation and Resilience.			
<b>4. Sector of concentration/ thematic area</b>	Climate Change Adaptation	DEV. Aid: YES		
<b>5. Amounts concerned</b>	Total estimated cost: EUR 5 000 000 Total amount of EU budget contribution EUR 5 000 000			
<b>6. Aid modality and implementation modality(ies)</b>	Project Modality Indirect management with the United Nations Capital Development Fund (UNCDF) Indirect management with the Republic of Mozambique			
<b>7 a) DAC code(s)</b>	Main DAC code – Sector-41010 Environmental policy and administrative management Sub-code - Rural development 43040			
<b>b) Main Delivery Channel</b>	Channel 41000 United Nations Agency, Fund or Commission (UN) and 12000 Recipient Government			
<b>8. Markers (from CRIS DAC form)</b>	<b>General policy objective</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Main objective</b>
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Aid to environment	<input type="checkbox"/>	<input type="checkbox"/>	x
	Gender equality (including Women In Development)	<input type="checkbox"/>	x	<input type="checkbox"/>
	Trade Development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Reproductive, Maternal, New born and child health	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Main objective</b>
	Biological diversity	<input type="checkbox"/>	x	<input type="checkbox"/>
	Combat desertification	x		<input type="checkbox"/>
	Climate change mitigation	<input type="checkbox"/>	x	<input type="checkbox"/>
	Climate change adaptation	<input type="checkbox"/>	<input type="checkbox"/>	x
<b>9. Global Public Goods and Challenges (GPGC) thematic flagships</b>	Global Climate Change Alliance Plus (GCCA+)			
<b>10. SDGs</b>	<u>Main</u> Goal 13: Take urgent action to combat climate change and its impacts <u>Secondary</u> Goal 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture Goal 6: Ensure access to water and sanitation for all Goal 15: Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss			

<b>SUMMARY</b>
<p>The proposed action is fully aligned with the objectives of the Global Climate Change Alliance+ (GCCA+) Flagship Initiative that aims to strengthen dialogue and cooperation to the most vulnerable countries to climate change by supporting their efforts to develop capacity to implement adaptation and mitigation actions. The Republic of Mozambique had previously received funds from the GCCA.</p> <p>This programme is relevant for the Agenda 2030 as it contributes to several of the SDG Goals (13, 2, 6 and 15). The overall objective of the action is to build resilience to climate change at the local and provincial level and reinforce the Government of Mozambique's knowledge-based decision making capacity in the management of the threats and challenges imposed by climate change. The action will implement the <i>National System for Monitoring and Evaluation of Climate Change (SNAMMC)</i> foreseen by the Paris Agreement on Climate Change by linking it with the data collection from the provincial and district level and will support the implementation of concrete actions from the Local Adaptation Plans at the district level. This support aims at enhancing the technical capacity to implement climate-proof actions at the district level and improve the resilience to climate change especially in the coastal areas. The support to climate resilience is proposed to focus geographically in two provinces, identified with the Government for all EU 11<sup>th</sup> EDF rural development actions (principle of concentration). The choice of Nampula and Zambezia Provinces is thus in line with the need to build synergies with the 11<sup>th</sup> EDF rural agriculture and biodiversity programmes. Nampula in the north and Zambezia in the central part are the most populous provinces in the country with 9 million inhabitants and amongst the poorest with 48% of the population living below the poverty line. Nampula is vulnerable to cyclones and moderately vulnerable to floods, while Zambezia is very vulnerable to floods and cyclones. In Nampula, the action will focus on selected districts in the coastal ecosystems and on projects in the areas of fishery, mangrove rehabilitation, prevention of erosion and water management. In Zambezia particular focus will be on climate resilience infrastructures, water supply systems, agricultural productivity and natural resources management.</p>

## 1. CONTEXT

### 1.1 Country context and thematic area

Mozambique has an area of 799 380 km<sup>2</sup>, of which 13 000 km<sup>2</sup> are coastal with an eastern shoreline bathed by the Indian ocean extending to 2700 km. The Mozambican population has been increasing at a rate of 2,4% per year and is now estimated at 26 million, of which 46.1% live in poverty, under USD 1.25 per day (National Poverty Assessment, 2016)<sup>1</sup>. Although Mozambique has made impressive economic progress in recent years, it remains one of the poorest countries in the world with a GDP per capita of US\$802/ year. Agriculture contributes with 24% to the national GDP and it engages around 80% of the overall population (90% rural households). Rural poverty levels decreased, accompanied by economic growth until 2003, however, in the last five to ten years<sup>2</sup> there has been a slowdown in progress on poverty reduction resulting from several factors, among which recent climatic impacts that have also contributed to this trend. The country faces three major climate risks: i) droughts, with impact on agriculture and livelihoods, especially in the south of the country where the Limpopo watershed constitutes the biggest agricultural production area; ii) floods, which are a major hazard to agriculture, infrastructure and livelihoods<sup>3</sup> and iii) coastal erosion, storm flows and rising sea levels which threaten Mozambique's coastal zone and cities. These events have significant impacts on livelihoods and food security. Construction of new infrastructure such as roads, schools and hospitals can hardly keep up with infrastructure destroyed or damaged by natural disasters<sup>4</sup>. Moreover, a sea-level rise is expected resulting in submersion of coastal areas, increase of erosion, salt water intrusion, desertification and consequent reduction of arable land.

The economic impact of climate change is well described in the study *Economics of Adaptation to Climate Change: Mozambique* (World Bank, 2010). The study indicates that the economic cost of the disasters that occurred in Mozambique between 1980 and 2003 was around USD 1,74 billion. Nonetheless, this value underestimates the losses and impact on the poor populations that live mostly in the coastal zones (60%) and depend for their basic subsistence from fisheries and rain-fed agriculture. Coastal populations, their livelihoods and infrastructures are exposed to tropical cyclones and to sea level rise<sup>5</sup>. Based on the same study, the climate scenarios point towards the reduction of the national welfare. The report projects greater losses, estimated between USD 2-7 billion for the period covering 2003 to 2050. This is equivalent to an annual loss that varies from USD 0,6 and 1,2 billion per year until 2030. The major losses are those associated with infrastructures, mainly roads due to floods, although agriculture is also severely affected by drought and loss of arable land (particularly in coastal areas).

In the last years, climate change has become increasingly important in the Government's policies. The Government's five-year plan 2015– 2019 includes as its fifth priority for economic development to "Secure sustainable and transparent management of natural resources and the environment". *Investigation on climate change adaptation and disaster risk management and creation of local resilience to the negative impacts of natural disasters* are two of the five strategic objectives under this priority area. Presently, the capacity at national, provincial and local level to effectively integrate climate change into infrastructure projects, social and economic services is limited although progress is undergoing in several sectors particularly at national level. Through the elaboration and implementation of Local Adaptation Plans (LAPs), promoted and supervised by the Ministry of Land, Environment and Rural Development (MITADER)<sup>6</sup> with the support of the previous GCCA action in

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<sup>1</sup> Ministry of Economy and Finance, Directorate of Economic and Financial Studies, *Poverty and well-being in Mozambique*, October 2016.

<sup>2</sup> Poverty declined from 69 % in 1997 to 54 % in 2003 and reduced to 46.1% in 2015.

<sup>3</sup> In the past 30 years, 14 % of the population has been affected by a drought or a flood/ storm.

<sup>4</sup> As an example, the 2013 and 2015 floods destroyed or damaged respectively 695 and 433 conventional classrooms while during those same years the MINEDH built on average 800 classrooms annually

<sup>5</sup> Intended Nationally Determined Contribution (INDC) of Mozambique to the United Nations Framework Convention on Climate Change (UNFCCC), MITADER 2015

<sup>6</sup> MITADER was created in 2015 to replace MICOA.

partnership with the Danish Cooperation, awareness on climate change adaptation at the district and provincial level has increased considerably, even if the technical knowledge on adaptation measures is still limited. According to the national guidelines from 2015, climate change should be integrated for elaboration of District Development Plans (DDP) but so far, few districts have revised their DDPs.

### **1.1.1 Public Policy Assessment and EU Policy Framework**

In the past eight years, Mozambique has gradually built a framework to address the challenge of climate change. The framework is comprehensive but still needs to be consolidated and financing secured for its implementation. The *Study on the Impact of Climate Change on Disaster Risk in Mozambique 2009*<sup>7</sup>, followed by 8 thematic studies, enhanced the scientific basis for the elaboration of policy documents and strategies such as the NCCAMS and the Strategy and Action Plan for Gender, Environment and Climate Change. The roadmap for the National Adaptation Plans will assess the financial gap to implement the National Climate Change Adaptation and Mitigation Strategy (NCCAMS)<sup>8</sup>. However, as indicated above, between 0,6 and 1,2 billion USD is estimated to be needed each year until 2030 just to finance repairs and maintaining the actual situation. As established in the NCCAMS 2013-2025, the national priority is defined as “to establish the main guidelines to create resilience through climate risk reduction in the communities and in the national economy including the reduction of climate risks, promote a low carbon development and the green economy through the integration of adaptation and mitigation in sectorial and local planning”.

The strategic actions follow 3 main pillars: 1) Adaptation and climate risk reduction; 2) mitigation and low-carbon development and 3) cross-sectoral issues. Some of the strategic actions, listed under these pillars, will be supported by the project (through the LAPs, as explained below), such as: “increase the resilience of agriculture and livestock”; “increase the adaptive capacity of vulnerable people”; “improve access to renewable energy”; “develop the level of knowledge and capacity to act on CC”; “promote the transfer and adoption of clean and CC-resilient technologies”.

In the short term (2013 –15), the NCCAMS gave priority to build climate resilience at the local level. Mozambique has 151 rural districts and 53 autonomous urban municipalities. Out of these districts 80 to 90 are considered particularly vulnerable to climate change<sup>9</sup>. Since 2013 MITADER in coordination with Ministry of Economy and Finance (MEF) has supported rural districts in elaborating LAPs in consultation with vulnerable communities. Presently, also with the support of the previous GCCA action, 45 districts have approved the LAPs as an instrument to prioritise investment in climate change adaptation and to inform the District Development Plans. Other 20 districts have elaborated the plan, which is currently undergoing the consultation process for subsequent approval. In the area of mitigation, MITADER has elaborated the National Inventory System on Greenhouse Gas (SNIGEE), in 2003, now under revision and in the process of being submitted to the UNFCCC<sup>10</sup>. Moreover, a number of policies and strategic documents are in place like the Masterplan for Natural Gas (2014 – 2030), the New and Renewable Energy Development Strategy (2011 -2025), the Renewable Energy Feed in Tariff and the REDD<sup>11</sup>+ strategy (2016). Finally, in the run up to the Paris Agreement on Climate Change, Mozambique has elaborated its **Intended Nationally Determined Contribution** (INDC) which is closely aligned to the priorities and strategies for short, medium and long term management of climate change as mentioned above. The INDC indicates that the National Monitoring System for Climate Change will be implemented by 2020. The country has developed a National

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<sup>7</sup> INGC. 2009. Main report: INGC Climate Change Report: Study on the Impact of Climate Change on Disaster Risk in Mozambique. [Asante, K., Brundrit, G., Epstein, P., Fernandes, A., Marques, M.R., Mavume, A , Metzger, M., Patt, A., Queface, A., Sanchez del Valle, R., Tadross, M., Brito, R. (eds.)]. INGC, Mozambique. Coordinated by the National Institute for Disaster Management (INGC) prepared with support from Danida, UNDP and GIZ.

<sup>8</sup> (NCCAMS) *National Climate Change Adaptation and Mitigation Strategy*, approved by the Council of Ministers in November 2012

<sup>9</sup> Based on the risk of floods, droughts and cyclones.

<sup>10</sup> United Nations Framework Climate Change Convention (UNFCCC).

<sup>11</sup> Reduce Emissions from deforestation and forest degradation in developing countries

System for Monitoring and Evaluation of Climate Change (SNMAMC) which was approved by the Council of Ministers in November 2014. The SNMAMC has been developed in a consultative process with the key sectors ministries under coordination of MITADER and identifies key impact and result indicators for climate change. With support from the Environment Sector Programme Support (ESPS II)<sup>12</sup> and the World Bank the implementation of the system is being piloted in selected provinces<sup>13</sup> in 2017<sup>14</sup>. It is based on key indicators related to the main sectors concerned by climate change, including Agriculture fisheries and food security, Biodiversity, Disaster risk reduction, Energy, Forests, Health, Industry, Infrastructure, Land use, Social protection, Transport, Water, Waste. The system also uses three pillars: Adaptation, Mitigation and Institutional capacity (level and quality of mainstreaming in national and sector plans, level of coordination, knowledge management ...).

The EU has taken a leadership role by adopting far-reaching measures to achieve the long-term goal of limiting global temperature rise to 2°C. The EU is actively involved in the United Nations Framework Convention on Climate Change (UNFCCC). Moreover, the EU is also the biggest donor for developing countries, it's actively mainstreaming climate change into development and has put in place different related instruments such as the Global Climate Change Alliance (GCCA) which provides technical and financial support to partner countries. The Agenda for Change priority is to integrate Climate Change concerns into agriculture and energy, and, as a response to the 2030 Sustainable development goals, the European Consensus puts climate change at the centre of sustainable development.

The joint communication on International ocean governance stresses the need to reduce pressure on the oceans. EU action should focus on climate change, and its impact, marine pollution and eutrophication, the preservation, conservation and restoration of marine ecosystems and biodiversity, and the sustainable use of marine resources.

### **1.1.2 Stakeholder analysis**

MITADER is the focal point for the UNFCCC in Mozambique and has the responsibility for coordinating and implementing work on climate change and territorial planning. MITADER is also responsible for policy development and implementation in the areas of forests, territorial planning, protected areas and land management, as well as policies and investments to support rural development.

The National Institute for Disaster Management (INGC) under the Ministry of State Administration (MAE) coordinates work on disaster risk planning and management and some implementation tasks. The Technical Council for Disaster Risk Management where the sector ministries and main donors are represented coordinates the emergency response and disaster relief. The Law on Disaster Risk Management was approved in 2014 but is expected to be revised soon.

Both MITADER and INGC have mandates on coordination on climate change. MITADER is concentrating on climate change adaptation and mitigation efforts while INGC is coordinating disaster risk management and increasingly climate resilience. The Government supports decentralisation on climate change actions engaging with the districts as the local structures for economic sustainable development. The Ministry of Economy and Finance (MEF) has the responsibility for national development planning, overall budget coordination and prioritization of expenditure. The National Meteorological Institute (INAM) under the Ministry of Transport and Communications (MTC) oversees meteorological services and the National Directorate of Water Resources Management (DNGRH - *Direção Nacional de Gestão de Recursos Hídricos*) under the Ministry of Public Works

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<sup>12</sup> Environment Sector Programme Support II (2011 – 2017) with support from Danida, the European Union (GCCA) and Irish Aid. The support comes from the GCCA ended 31/12/2016.

<sup>13</sup> Nampula, Gaza e Sofala

<sup>14</sup> A knowledge management centre for climate change has also been created under the Ministry of Science and Technology which website [www.cgcmc.mz.org](http://www.cgcmc.mz.org) is presently under revision.

and Housing (MOPH) is responsible for water resources management. Both DNGRH and INAM have the responsibility for collecting and disseminating information derived from hydro-meteorological monitoring networks. The Ministry of Agriculture and Food Security (MASA) and the Ministry of Inland waters and Fishery also have responsibilities regarding adaptation on agriculture production and food security.

At district level<sup>15</sup>, the District Community Councils have been set up and meet twice a year to advise the District Government on support to projects and various other issues. Within the district administration, the department of planning and infrastructures (SDPI) is the one dealing with issues of climate change.

The main beneficiaries of the action are the communities. Their active involvement in the definition of the main activities to be implemented and selected for support in the LAPs are crucial for the implementation of the project and future evaluation processes and results. Communities will be consulted through established consultation processes at district level during the actual design of the future LAPs and their implementation, to ensure contribution to communities' needs. Women and young girls will be especially empowered to be active members/actors of change within their communities, while ensuring that all members of community but in particular the more disadvantaged groups (such as individuals and single –heads households), as they are amongst the most affected by climate change, are benefitting from this action.

Several NGOs (Care, Save the Children, Oxfam and World Vision) have been working under the African Climate Change Resilience Alliance (ACCRA) until 2016. Presently, Concern, Save the Children and Oxfam are implementing the COSACA<sup>16</sup> programme in Zambezia Province, which is focused on emergency relief. These NGOs have important knowledge and experience on climate resilience that is relevant for this action. In Nampula Province, the Samaritans Purse (health), Save the Children (education) and the Danish NGO Inter Aid (water and sanitation) are active in Memba district. Memba is also one of 10 districts in Nampula Province benefitting from the multi-donor water and sanitation programme PRONASAR. In Mossuril District a number of organizations working with communities and local authorities are present, such as Care, Save the Children, Ehale, Ophavela, Malaria Consortium, WaterAid, SNV as well as INGC, INPPE and other government institutions. The different NGOs and other grassroots organizations will play an important role in the implementation of the LAPs by supporting communities' involvement and participation in the decision making processes (prioritize climate resilience infrastructure, socio-economic services and equipment), building capacity for the proper use and maintenance of the climate resilience infrastructure or other activities, accountability processes, good governance of the funds and monitoring.

### **1.1.3 Priority areas for support/problem analysis**

Vulnerability to climate change in Mozambique is mostly felt by the rural poor population which is increasingly experiencing difficulties to sustain their livelihood because of low agricultural production, loss of crops, homes and their possessions as well as destruction of infrastructure (roads, health and education infrastructures) due to frequent floods, cyclones and prolonged droughts and heat waves. Even before the onset of climate change events, the rural population was experiencing a widespread depletion of natural resources, little agricultural inputs to improve productivity and in many places a low quality of basic infrastructure such as access roads, school building and hospitals.

Lessons from the EU previous support through GCCA (ESPSII) show that there are advantages in efficiency and sustainability by concentrating activities geographically and by working locally. At the local level a main achievement of ESPS II has been the elaboration and approval of 39 LAPs that are

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<sup>15</sup> Districts are headed by an Administrator appointed by the Government.

<sup>16</sup> The COSACA Programme is implemented in Zambezia Province mainly in Mopeia, Morrumbala and Nicoadala districts.

being integrated into the Districts Development Plan (DDPs). LAPs have monitoring and evaluation frameworks with indicators to measure their implementation, but procedures to monitor results have not yet been put in place. In Nampula, 6 out of 8 coastal districts have an approved LAP. In 2016, the GCCA in the context of ESPS II supported implementation of LAP priorities in 3 of those districts<sup>17</sup>. However, more districts need support, especially the more vulnerable ones in the coastal areas.

To complement other interventions in the National Indicative Plan<sup>18</sup>, it is suggested to select in 4 main districts **Nampula and Zambezia Province**. In Nampula, Memba and Mossuril districts are situated in the northern part, along the coast. Both districts are very poor with poor soils and vulnerable to droughts and cyclones. **Memba district** with an area of 5 250 km<sup>2</sup>, according to 2007 census, had 229 824 inhabitants (111 432 men and 118 392 women) and a population density of 41.5 h/km<sup>2</sup>. In general, Memba is located within the cyclone belt. The district has been frequently affected by cyclones in the past. The precipitation is 1000 mm annually and is concentrated in the rainy season (November to April). According to the communities consulted, the rainfall has become increasingly erratic and food insecurity is widespread. Memba is divided in four administrative posts of which Memba-Sede is the most vulnerable to cyclones. Mazua and Memba-Sede are vulnerable to coastal erosion while droughts affect Mazua, Memba-Sede and Chipene. The risk of floods is low. **Mossuril district** has 140 078 inhabitants of which 72 474 are women (51,7%). The area of the district is 3 343 Km<sup>2</sup> which gives a population density of 41.9 inhabitants/Km<sup>2</sup>. It is a coastal district with abundant natural resources and attractive landscapes enhanced by the presence of the World Heritage Site on Ilha de Moçambique. There is already a growing but small-scale tourism in place. On the other hand, the district is characterised by sandy soils, a challenge for agricultural production. The community consultation carried out for elaboration of the LAP showed that there is erratic rainfall with intense rain storms and increasingly hot days that dry out the crops. The district was affected by cyclone Nadia in 1990. Due to the population density and widespread poverty the pressure on the natural resources is high, especially closer to the coast. In the selected districts fishery and subsistence agriculture are the main economic activities. Coastal activities and culture tourism are also important particularly in Mossuril due to the proximity to Ilha de Moçambique. The approved LAPs have as main priorities to improve the capacity of the districts to plan and implement climate resilient basic services such as provision of water services and support the community in improving their livelihoods (activities mainly in agriculture and fisheries).

**Zambezia** is vulnerable to floods and cyclones, as well as droughts in some areas of the Zambezi Valley. 7 districts have approved LAPs of which 2 are along the Zambezi and Shire Rivers and 5 are along the coast. ESPS II has supported the approval of LAPs in 2016 in Mopeia and Morrumbala districts which are vulnerable to floods as they are bordering Zambezi and Shire Rivers. The **Mopeia district** with a surface of 7 761 Km<sup>2</sup> (7% of the total area of the Province) and around 135 845 inhabitants suffer continuous problems with droughts and floods which limits overall the capacity of resilience and productivity of the rural communities. In the past 5 years the district has suffered from cyclical drought periods affecting communities' food security. The district is part of the Zambezi valley and its crossed by 5 different rivers<sup>19</sup>. The main source of income in the district is agriculture and fisheries. **Morrumbala district** is situated north of Mopeia district and is amongst the highest populated districts in Zambezia, and highly prone to natural disasters (floods, droughts and winds). The district's main economic activities are agriculture, fisheries, arts and craft and forestry.

From previous experience from other programmes (ESPSII and LoCal) provincial authorities need financial support to coordinate and monitor activities being developed by the districts, as well as technical assistance and capacity building on procurement, financial management, climate-proofing and management of public works to the district services. The Government has established a Task

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<sup>17</sup> Mogincual, Angoche and Moma

<sup>18</sup> The selected districts will be complementary to other Rural development actions for the 11<sup>th</sup> EDF

<sup>19</sup> Chirobo, Mutra, Longuzi, Mucombezi and Ntiade

Force<sup>20</sup> at Provincial level to support the implementation of LAPs at the district level. This set up has worked well because it is flexible and has proven to enhance ownership at the institutional level. At the macro level, some of the main achievements from ESPS II were the elaboration and approval of the Mozambique's National Strategy for Climate Change 2013–2025 (NCCAMS), as well as the National System for Monitoring and Evaluation of Climate Change (SNMAMC). In consultation with the main sector ministries, impact and result indicators for climate change adaptation and mitigation were identified. The indicators are meant to assist in informing the government on the improvement of resilience of the country. Presently, procedures for collection, analysis and management of the climate data are not in place and without further long term support there is a risk that valuable work in developing the system will be wasted. The lack of systematic monitoring, reporting and verification is hindering the assessment of the results and impact of climate change adaptation measures. Yet, the implementation of the SNMAMC would increase the knowledge in resilience building and vulnerability reduction and, ultimately, improve decision making.

## 2. RISKS AND ASSUMPTIONS

Risks	Risk level (H/M/L)	Mitigating measures
1. The political situation deteriorates leading to renewed instability, affecting the overall implementation and specifically the access to project areas.	H/M	Nampula province has only been slightly affected by the instability, while most of Zambezia Province has been more affected. To reduce risk preference could be given to coastal districts in both provinces, which are also some of the most vulnerable to climate change.
2. The public financial management continues to experience serious constraints which can delay the implementation and the quality of infrastructure investments.	H/M	The implementation should only partly be based on the use of the Public Financial Management System <sup>21</sup> . Funds for studies, capacity building and monitoring could be managed in a project modality. This will give more flexibility. Regular monitoring should be applied to secure quality.
3. Poverty and the increasing sense of insecurity and lack of economic development lead staff in the implementing institutions to be guided by personal interest to the detriment of reaching common objectives.	H	This risk can be mitigated by a high degree of decentralisation of funds and responsibility to provincial and district level where the need for climate adaptation is better visible and more urgently felt. This will increase the sense of ownership to the common objectives. Regular monitor would also help in timely detection of malfunctioning and taking corrective measures.
4. The vulnerability of the project areas can limit the access in certain periods because of floods, cyclones etc. and the bad roads and bridges.	H	Implementation of infrastructure in the project areas should be planned to take place in the dry season.
5. Weak technical capacity at the district level can delay implementation and prejudice the quality of adaptation work.	M	The action has a strong element of local capacity building combined with regular monitoring and technical assistance from external specialists and provincial technical staff.
6. State funds are not or only to a limited degree allocated to the district level to maintain investments financed by the	M	A performance based approach will be applied to motivate the district to allocate more funds progressively.

<sup>20</sup> The task force was called Provincial Technical Team.

<sup>21</sup> e-sistafe

project.		
7. Risk of lack of funds for the actions at district level once action is over	M	Sustainability at the local level will be fostered by involving local partners such as association or other non-state actors.
<b>Assumptions</b>		
<ul style="list-style-type: none"> <li>• MITADER and MEF will take the responsibility and proactively secure the flow of funds on the Public Financial Management System (e-sistafe).</li> <li>• MITADER and MEF will take the lead in promoting the implementation of the SNAMMC at the national level.</li> </ul>		

### 3. LESSONS LEARNT, COMPLEMENTARITY AND CROSS-CUTTING ISSUES

#### 3.1. Lessons learnt

Lessons learnt from the ESPS II in Mozambique show that:

- ESPS II was fully aligned to the Government's objectives on environment and climate change and all funds were channelled through the public financial management system (e-sistafe). A financial advisor assisted in securing the flow of funds to the beneficiary institutions that received funds. Given the number of institutions involved, this was a considerable challenge. Future actions, such as the proposed are expected to have **fewer beneficiary institutions** e.g. probably around 25 institutions compared to close to 100 under ESPS II. The task of securing flow of funds should therefore be much easier.
- **Monitoring of the activities in the field** improves the motivation of staff at provincial and district level and the quality of the activities.
- **Studies and surveys** should be carried out as early as possible to form the basis for selection of implementation actions. These studies should be carried out in close coordination with the Ministry responsible for the sector to maximise coordination and alignment and be directly usable for the implementation of water projects, roads, coastal erosion measures etc.
- **Establishment of Task force (Provincial Technical Teams)** has worked well in the implementation of ESPS II in Nampula Province. The proposed action will make use of the capacity of this team, also to share its experience with other provinces.
- **Official monitoring and data collection** are weak or non-existing. This limits the possibility for knowledge-based decision-making.

The main results learnt from the UNCDF LoCAL programmatic framework<sup>22</sup> revolve around:

- a) The need to increase development partners' support to **local government finance**. Local governments' fiscal capacity in the LoCAL selected districts in Gaza province significantly reduced in the past years, leaving the district with a minimal capacity to finance climate resilient development interventions. Some of this fiscal decrease has been due to changing climate conditions, which have affected rural livelihoods and thus, local government revenues.
- b) Support should be provided to local government departments in charge of **procurement processes** (UGEAs), since bottlenecks have been identified in this area in most of the districts, which has challenged the financial and technical delivery of government-led interventions in matters related to local development, including adaptation based interventions.
- c) Through the management of the **Performance based Climate Resilient Grant System**, there has been challenges with the **accountability of decentralized** (and budgeted) **financial resources** addressed to support socio-economic local planning processes. Local authorities' fiscal capacities should be supported through capacity development.
- d) **Inter-governmental dialogue** – across central, provincial and district authorities is a challenge but also an opportunity to fine-tune national driven policies and strategies to support climate change adaptation interventions.

<sup>22</sup> RoM exercise took place in May 2017

### 3.2. Complementarity, synergy and donor coordination

Development partners/donors active in environment and climate change are organised in the donor Environment and Climate change Working Group (ECCWG)<sup>23</sup> for sharing information and coordinating activities. The ECCWG meets around four times a year. The development of LAPs began with support to MITADER from a core group consisting of ESPS II (Danida/EU/Irish Aid), UNDP and the NGOs alliance ACCRA<sup>24</sup>. Although it is unclear whether ACCRA will continue as a consortium<sup>25</sup> it is expected that Irish Aid, UNDP including UNEP<sup>26</sup>, UEM<sup>27</sup> and the individual organisations in ACCRA will continue to form a loose network to exchange experiences and further develop methodologies in the area of climate change adaptation and decentralisation. The implementation of the LAPs in Nampula and Zambezia will be based on the experience and good practices from ESPS II, performance indicators and will continue capacity building of district staff on climate change adaptation techniques and management of public works.

The United Nations Capital Development Fund (UNCDF) launched the programme LoCAL<sup>28</sup> in 2015 in 4 districts of the Gaza province. The LoCAL programme serves as a mechanism to mainstream climate change adaptation into local governments' planning and budgeting systems, increase awareness of and response to climate change at the local level, and support the management of financial resources available to local governments for climate change adaptation. LoCAL is implemented with MEF. The current proposed action will be informed by the LoCAL programme and it is expected that UNCDF will be the main implementer of this action. Meanwhile, UNCDF is also in the process of receiving funds from the Swedish cooperation to support the implementation of more LAPs in Gaza and Inhambane Province, while UNDP is identifying an action to support resilience to climate change through the support of 10 LAPs in different districts in the provinces of Maputo, Gaza, Sofala, Manica and Nampula. By entrusting the action to UNCDF, it is expected to ease complementarity with the actions financed by other donors through this same implementer, as well as to build economy of scale within programmes. Synergies will also be pursued with the Rural Agriculture and Biodiversity programmes that the EU delegation is identifying under the 11<sup>th</sup> EDF Rural development component, all concentrated in Nampula and Zambezia Provinces. These provinces were identified in 2015 by the Government and the EU as being the poorest among the most densely populated, thus they are also the ones where climate events are more prone to cause a greater impact on population. Synergies and complementarities among these actions, whose identification/formulation is running in parallel, are being ensured and, depending on the provinces' absorption capacity of the whole rural development component, programmes may need to be distributed in different selected districts within these provinces. The future action will also build synergies with the World Bank Landscape Programme to be implemented in the same two Provinces.

### 3.3. Cross-cutting issues

- **Environment and climate change**

MITADER has revised its regulation on Environment Impact Assessment to integrate the area of climate change and biodiversity off-sets. The new decree 54/2015 will be disseminated in the two provinces and capacity building carried out to enhance the integration between environment and climate change assessments not only in the LAPs activities supported, but in general at the provincial level. The support to LAPs implementation in the coastal zone in Nampula will directly improve the

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<sup>23</sup> Several donors are represented: Danida (phasing out in the country), Sida, Norad, the Belgian Cooperation, EU, the World Bank, AfD, USAID among others. The group is chaired by UNDP (chair).

<sup>24</sup> Save the Children, World Vision, Care and Oxfam as well as the Eduardo Mondlane University (UEM).

<sup>25</sup> Due to uncertainty of availability of funds for the coming years

<sup>26</sup> UNEP is preparing a project for funding from the Green Climate Fund with the working *Securing vulnerable coastal and marine livelihoods in Mozambique against climate-change hazards*. It is envisaged to be implemented in along the full coast line.

<sup>27</sup> Eduardo Mondlane University

<sup>28</sup> Local Climate Adaptive Living Facility

natural resource management and biodiversity through mangrove rehabilitation, fisheries and aquaculture, relieving the stress on degraded marine resources. Finally, the SNMAMC is aligned with sector policies and foresees to support climate smart practices in both adaptation and mitigation aspects, notably through specific tracking of climate resilient practices in agriculture, change in land use, forestry and biodiversity (including fisheries). This will be translated at local level in both target provinces, bringing beneficial impacts over the environment and sustainable management of natural resources.

- **Gender**

The 2010 Mozambique *Strategy and action plan for the gender, environment and climatic change* is implemented by MITADER as part of the NCCAMS. The main objectives of the Strategy are: 1) Contribute to women's and local communities' empowerment through access to technologies and other activities for adaptation and mitigation of climate change, and the sustainable use of natural resources; 2) Ensure gender equality in the process of environmental decision making, formation and empowerment; 3) Ensure that plans, policies, programmes, strategies and budgets promote gender equity, access to natural resources and measures of mitigation of and adaptation to climatic changes; 4) Ensure that staff and technicians of all Sectors of the environment have an understanding over gender equity and are able to contribute to the purpose of this strategy and 5) Contribute towards MITADER becoming an institution that actively practices and promotes gender equity in the environmental management.

The elaboration of LAPs considers gender issues and takes the most vulnerable groups into consideration in its methodological approach. The diagnostic at community level is done using the Climate Vulnerability Capacity Assessment (CVCA) where women and different vulnerable and marginalized communities are consulted on local vulnerability and adaptation measures to get differentiated views and experience. The results from the CVCA are used for developing the Action Plan in the LAP. In the process of approval, the District Administration presents the LAP to the District Supervisory Council where both community leaders and private sector will be consulted on selection of adaptation activities to be supported.

- **Governance**

Local governance issues are particularly addressed as the project seeks to build climate resilience through financial support and capacity building at the district level. This will enhance the capacity of the district administration to deliver climate resilient basic services to the population. The performance-based approach secures the incentives to gradually improve governance related performance.

- **Human rights**

Adaptation to climate change addresses the unbalance between the emitters of greenhouse gases and the ones affected by dangerous climate change as well as the basic human right to development. Local adaptation actions to climate change address human rights in the most basic sense because these actions aim to protect local populations against climate-induced hazards such as natural disasters and more insecure conditions for agricultural production due to heat waves, prolonged droughts and erratic rainfall. The community-based approach to elaboration of the LAPs and the involvement of the district community councils in the identification of the adaptation activities will also secure that the voices the local population is heard. Moreover, supporting directly the district government will assist in securing that relevant legislation on Environmental Impact Assessment (EIA), procurement and access to natural resources are observed and that local officials' capacity is enhanced to apply established regulations. The action will develop an inclusive monitoring and evaluation framework. Special attention will also be given to establish mechanisms to contribute to communities' right to information as data on vulnerability and adaptation activities will be systematically collected and the monitoring reports should be available to the district community council and thereby improve accountability.

## 4. DESCRIPTION OF THE ACTION

### 4.1 Objectives/results

The **overall objective** of the action is to support the Government's efforts to reduce climate vulnerability through improving delivery of climate resilient basic services to the rural communities and enhancing the knowledge-based decision making in the selected Provinces. There are two **specific objectives**:

- **The first specific objective is** to implement the national climate change monitoring system in Nampula and Zambezia Provinces by creating capacity at the district and provincial level to monitor the reduced climate vulnerability resulting from implementation of the LAPs.
- **The second specific objective is** to reduce climate-induced vulnerability at the local/district level by supporting the implementation of concrete actions from the LAPs.

The **target group** will be the MITADER and MEF responsible for monitoring and data collection in climate change, the provincial level with a mandate on climate change and disaster risks management coordination as well as key technical provincial directorates and staff at the district level. The target group will receive training and capacity building so that they can better exercise their functions in the relation to climate change adaptation. The **final beneficiaries** are the communities of the two focal provinces.

#### **Result Component 1: National Monitoring System on Climate Change implemented**

- The annual monitoring report elaborated by MITADER and presented to the Council of Ministers is based on methodological local data;
- The Monitoring system will contribute for the reporting obligation of the INDC of Mozambique;
- Districts are systematically collecting and using data for the key indicators identified.

#### **Result Component 2: Capacity to adapt to climate change at the district level improved**

- The LAPs are integrated into the new District Development Plans (DPPs)<sup>29</sup> in the districts in the two provinces;
- Communities, and the most vulnerable among them, increase their climate resilience by building climate resilient infrastructures and implementing activities related with rural development as well as natural resource management, through the implementation of LAPs actions in the 4 districts;
- Families in these 4 districts decrease their food insecurity;
- Key staff at Provincial and district level are able to elaborate simple project descriptions for climate-proof projects;
- The District Administration in the target districts can manage procurement processes and simple construction works within the rules and procedures established in decree 8/2015;

### 4.2 Main activities

#### **Results Component 1: National Monitoring System on Climate Change implemented**

Demonstration of implementation and consolidation of the National Monitoring System on Climate Change (SNMAMC) will be one of the main overall activities of the programme in the two target provinces. The SNMAMC will be implemented and maintained by MITADER in cooperation with and supported by the inter-institutional Group of Climate Change (GIIMC) which is a so far informal body representing the main sector ministries in the Government, the private sector, academia and civil society. GIIMC exists since 2011 and MITADER intends to make it an inter-institutional coordination body. Formal agreements between MITADER and the sector ministries on collection and sharing of data to inform the climate indicators in the SNAMMC are being prepared. In 2017 MITADER will fund a pilot the Nampula, Sofala and Gaza provinces to establish the procedures for the district administration to collect relevant data to inform the monitoring system.

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<sup>29</sup> District development plans

The proposed action will support the extension of MITADER's pilot project both at central level and in Nampula and Zambezia Provinces. The monitoring and evaluation system will set up a database in MITADER, in order to run the SNMAMC and to integrate data from climate events and disaster risk management data (with inputs from INGC). The action will also train government officials at the central, provincial and district levels on monitoring indicators and data collection. The **main activities** will be:

- Purchase of hardware (computer) for data collection;
- Installation of data system;
- Training on data collection (Provincial and district level);
- Field visits from central staff to the provincial and district level to monitor the system

### **Results Component 2: Capacity to adapt to climate change at the district level improved**

The **main activity** under component 2 will be the implementation of LAPs activities in order to improve climate resilience for the communities. The targeted districts have already approved LAPs that specify the districts' climate resilience priorities and activities.

In Nampula the support to Memba and Mossuril districts will cover the following activities:

- Building small infrastructure (water supply systems, resilience housing, small bridges)
- Agriculture related activities (promote resistant crops, crops of lower cycle and water supply systems for agriculture production and livestock and small irrigation systems)
- Fisheries related activities
- Coastal reconstruction (mangrove rehabilitation, anti-erosion protection barrier)
- Institutional capacity building for the district authorities to deal with climate change

In Zambezia Province, Mopeia and Morrumbala districts, some of the main activities to be considered for support (as per LAPs) will be:

- Activities related with agriculture (promote resistant crops, crops of lower cycle, irrigation systems, control of slash and burn practices, sustainable management of soil fertility, agroforestry, low carbon agriculture)
- Activities related with fisheries (introduce or promote techniques for sustainable fisheries, improve coastal ecosystems, promote climate resilient fisheries);
- Activities on natural resources management (land rehabilitation, soil and water conservation, mangrove and forest regeneration, sustainable management of forest resources, integrated water resource management/watershed approaches);
- Develop livelihood opportunities linked to the sustainable use of biodiversity (eco-products, eco-tourism) that are community-led and maintained;
- Institutional capacity building for the district authorities to deal with climate change
- Building of small infrastructure (improved house construction, provision of water supply systems for drinking water...).

For monitoring and technical assistance, there will be a Task Force to assist the districts in securing quality implementation. The Task Force will report to the Provincial Government via the already established Provincial Technical Team. Long term and short term technical assistance will be available for the provincial and district administrations on technical issues related to the sectors identified and programmatic issues related to procurement and project implementation, as well as to encourage coordination and experience/lesson learned sharing across provinces in the Country.

### **4.3 Intervention logic**

To identify the main districts of the action, some criteria were used in consultations with the MITADER Climate Change Department, National Directorate of Environment (DINAB) and National Directorate of Rural Development (DNDR). The following criteria were considered: 1) LAP elaborated and approved; 2) Climate vulnerability profile; 3) Geographical concentration in Nampula and Zambezia to complement with other 11<sup>th</sup> EDF actions and 4) Increased impact by choosing less

districts. The existing LAPs have been elaborated in close consultation with vulnerable communities and the District Community Council. The elaboration of the LAPs follow specific Guidelines that incorporate the Climate and Vulnerability and Capacity Assessment (CVCA) methodology developed by CARE following the theory of change.

The programme shall be overviewed and implemented by the central directorate of MITADER, the National Directorate of Environment, and the National Directorate of Planning and Budgeting at MEF, while its provincial component will be implemented by UNCDF. In the initial phase of the action, UNCDF will first undertake a process of revision with the communities, local government and other important stakeholders, of the main priorities proposed in the LAPs, in a participatory manner. Participation in the decision-making processes includes community participatory approach to identify and prioritize climate resilient infrastructure, socio-economic services and equipment addressed to build up community resilience to climate change. After these consultations, specific studies will be carried out in the beginning of the implementation to support the elaboration of projects for LAPs implementation. The studies will be done for all the activities (infrastructure or environment or socio-economic services) selected for support and will take into consideration the vulnerability and institutional capacity of the districts with approved LAPs. Through UNCDF support, the district government will implement the proposed activities for climate-proof basic services together with local associations or other Non-State Actors organizations to the benefit of the population and ecosystems. Support will also be provided by the central and provincial level technical teams. In order to monitor the increased resilience, district and provincial staff will be trained in systematic collection of data that will feed the indicators in the LAPs and in the SNMAMC. The data will be processed at the provincial and national level and stored in a database to be created in MITADER in coordination with the Institute for National Statistics under MEF. The implementation of the SNMAMC will enhance the knowledge on building climate resilience, potentially enabling the Government to take evidence-based policy decisions.

Performance indicators will be defined after a baseline survey applying the model developed by UNCDF. In order to further uphold communities' rights, activities' implementation and monitoring ownership, UNCDF will explore ways on how to best involve Non-State Actors (possibly with attribution of small grants) and private sector. These annual performance assessments also aim to ensure basic human rights on **social inclusion, participation and transparency** and promote good governance. Through fiscal incentive combined with significant capacity building support and awareness raising, this is expected to constitute drivers of change and development. Indeed, the project intends to take into account the rights-based approach to local development aiming at enhancing duty-bearers' capacities to meet their obligations vis-à-vis its citizens and further empowers right-holders to claim their rights for an inclusive, equitable and climate compliance local development. For the citizens to concretely enjoy their rights, it is crucial to reinforce laws' application, local strategies, policies and institutions, which include the equitable, gender-responsive allocation of decentralized resources for climate resilient development.

## **5. IMPLEMENTATION**

### **5.1 Financing agreement**

In order to implement this action, it is foreseen to conclude a financing agreement with the partner country, referred to in Budget Article 184(2)(b) of Regulation (EU, Euratom) No 966/2012.

### **5.2 Indicative implementation period**

The indicative operational implementation period of this action, during which the activities described in section 4.1 will be carried out and the corresponding contracts and agreements implemented, is 54 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's authorising officer responsible by amending this decision and the relevant contracts and agreements; such amendments to

this decision constitute technical amendments in the sense of point (i) of Article 2(3)(c) of Regulation (EU) No 236/2014.

### **5.3 Implementation of the budget support component N/A**

#### **5.4 Implementation modalities**

##### **5.4.1 Indirect management with the United Nations Capital Development Fund**

A part of this action *Result Component 1: National Monitoring System on Climate Change implemented in Nampula and Zambezia Provinces in selected districts (purchase, installation and training components)* and *Result Component 2: Capacity to adapt to climate change at the district level improved and Climate change considerations integrated into the Provincial Strategic Plans of Nampula and Zambezia Provinces* may be implemented in indirect management with the United Nations Capital Development Fund (UNCDF) in accordance with Article 58(1)(c) of Regulation (EU, Euratom) No 966/2012.

#### **The implementation entails the following actions:**

- Coordinate all implementation activities, ensuring coordination between the central Ministries in particular MITADER and MEF, Provincial Governments and districts;
- Ensure the monitoring and evaluation of the project implementation, using the result based management approach;
- Monitor financial resources and accounting to ensure efficiency and efficacy;
- Perform regular progress reporting to the Project Steering Committee;
- Reinforce MITADER and MEF in the follow-up of development interventions to ensure that appropriate planning and reporting mechanisms and tools are completed;
- Guidance to the districts on the overall functioning of the performance-based grants (including specialized technical assistance) and linkages with capacity building support at central, provincial and district level;
- Support to mainstream Climate Change<sup>30</sup> into LAPs and into the annual plans and budgets for local development;
- Ensure involvement of the communities and participation of the civil society along the entire process;
- Procurement for Component 1 of the Action and whenever necessary;
- Provide adequate logistics for the programme team.
- Encourage and support relevant actors, at local and national level, in the circulation/exchange of best practices and lessons learned across actions in provinces/districts other than those targeted, and internationally (in particular in the context of UNFCCC).

#### **This implementation is justified because:**

- The UNCDF has already an established working relation with MITADER and MEF and proven experience on implementation of CCA;
- UNCDF development approach facilitates central-local ownership and alignment with national policies and local development strategies which are associated with local adaptation strategies, plans and budgets;
- UNCDF aims at reinforcing the **state budget** and in particular **local government budgets** by transferring funds through government systems.

#### **The entrusted entity would carry out the following implementation tasks:**

- Launching procurement and grant award procedures, and awarding, signing and executing the resulting procurement contracts, notably accepting deliverables, carrying out payments and recovering the funds unduly paid. The procurement and grant award will be implemented either by UNCDF itself or through the local governments with the supervision, monitoring and control

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<sup>30</sup> and its related links with natural resources management, land use and biodiversity, as per the SNMAMC

of UNCDF. The latter (UNCDF) will remain always accountable towards the EU in respect of the implementation of the action.

- A discretionary power (not involving policy choices) is delegated to implement the Action, in particular, to find the best mechanism to ensure involvement of the communities and participation of the civil society along the implementation of the action, in consultation with concerned public authorities.

#### 5.4.2 Indirect management with the Republic of Mozambique

A part of this action with the objective of **Result Component 1: National Monitoring System on Climate Change implemented in Nampula and Zambezia Provinces in selected districts** may be implemented in indirect management with the Republic of Mozambique in accordance with Article 58(1)(c) of the Regulation (EU, Euratom) No 966/2012 according to the following modalities:

The Republic of Mozambique will act as the contracting authority for the procurement and grant procedures. The Commission will control ex ante all the procurement procedures except in cases where programme estimates are applied, under which the Commission applies ex ante control for procurement contracts above EUR 100 000 (or lower, based on a risk assessment) and may apply ex post control for procurement contracts up to that threshold. The Commission will control ex ante the grant procedures for all grant contracts.

Payments are executed by the Commission except in cases where programmes estimates are applied, under which payments are executed by the partner country for ordinary operating costs, direct labour and contracts below EUR 300 000 for procurement and for grants.

The financial contribution does not cover the ordinary operating costs incurred under the programme estimates.

In accordance with Article 190(2)(b) of Regulation (EU, Euratom) No 966/2012 and Article 262(3) of Delegated Regulation (EU) No 1268/2012, the partner country shall apply procurement rules of Chapter 3 of Title IV of Part Two of Regulation (EU, Euratom) No 966/2012. These rules, as well as rules on grant procedures in accordance with Article 193 of Regulation (EU, Euratom) No 966/2012 will be laid down in the financing agreement concluded with the partner country.

##### a) Overview of implementation

Activity/objective/result, include location	Type of financing (works, supplies, or service contract, grant, programme estimate)
<b>Result Component 1: National Monitoring System on Climate Change implemented in Nampula and Sofala Provinces in selected districts:</b> " • <i>Field visits from central staff to the provincial and district level to monitor the system</i> "	Programme estimates

##### b) Implementation through programme estimates

The contracting authority for these activities shall be the National Authorising Officer. The project supervisor shall be Ministry of Land, Environment and Rural Development (MITADER). An imprest administrator and an imprest accounting officer, and their deputies, shall be appointed for the management and implementation of the programme estimate by the contracting authority, in agreement with the Head of Delegation.

In accordance with the powers delegated to them by the partner country authority that appointed them, the imprest administrator and the imprest accounting officer shall draw up and implement programme

estimates, award contracts and grants, commit expenditure and make the corresponding payments. The imprest administrator and the imprest accounting officer shall submit their technical and financial reports to the project steering committee, where applicable, and to the National Authorizing Officer and a copy to the Head of the EU Delegation.

## 5.5 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility in accordance with Article 9(2)(b) of Regulation (EU) No 236/2014 on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where the eligibility rules would make the realization of this action impossible or exceedingly difficult.

## 5.6 Indicative budget

<b>Creating Climate Resilience at the Local Level</b>	<b>Budget ( in EUR)</b>
<b><u>5.4.1 Indirect management with the United Nations Capital Development Fund (UNCDF) out of which</u></b>	<b>4 300 000</b>
<ul style="list-style-type: none"> <li><b>Component 1: National Monitoring System on Climate Change implemented (procurement)</b></li> </ul>	<b>300 000</b>
<ul style="list-style-type: none"> <li><b>Component 2: Capacity to adapt to climate change at the district level improved</b></li> </ul>	<b>4 000 000</b>
<b><u>5.4.2 Indirect Management with Partner Country (Programme Estimate) (Component 1)</u></b>	<b>500 000</b>
<b>5.9 Evaluation, 5.10 Audit</b>	75 000
<b>5.11 Communication and visibility</b>	50 000
<b>Contingencies</b>	75 000
<b>TOTAL</b>	<b>5 000 000</b>

## 5.7 Organisational set-up and responsibilities

A Steering committee shall be set up with the responsibility to monitor and orientate the Programme implementation. It will be composed of: one representative of MITADER, one representative of MEF and one representative of the line Ministries that are involved in the action (MASA, MOPH, INGC), one representative of National Authorizing Office, one representative of the EU delegation, one focal point from each of the Provinces (Nampula and Zambezia), one representative of the concerned districts, one CSO representative per province, one representative of UNCDF and one representative from the monitoring system. The Steering Committee will meet once per year. The Steering Committee will approve the general guidelines of the programme and approve the programme annual plan. A Technical Committee will meet regularly (at least 3 times a year) to discuss and review the implementation of the programme's workplan. It shall indicatively be composed of: one representative of MITADER, one representative of MEF, one representative of National Authorizing Office, one representative of the EU delegation, one representative of UNCDF and one representative from the monitoring system.

MITADER will be directly responsible to implement the National monitoring system and for the coordination of the technical monitoring of LAPs implementation.

### **5.8 Performance monitoring and reporting**

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish an intervention baseline at the onset of the programme, a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. The monitoring system shall follow the GCCA+ Monitoring and Evaluation results framework, developed to be aligned and coherent with the EU Results Framework. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) or the list of result indicators (for budget support). The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

### **5.9 Evaluation**

Having regard to the nature of the action, a mid-term and a final evaluation(s) will be carried out for this action or its components via through a joint mission (for the mid-term) and independent consultants (for the final evaluation) contracted by the Commission. A mid-term review will be carried out for learning purposes, in particular with respect to the implementation of the LAPs, and to review progresses against the initial intervention guideline. A final evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision). The Commission shall inform the implementing partner at least 1 month in advance of the dates foreseen for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities. The evaluation reports shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

Indicatively, two contracts for evaluation services shall be concluded under a framework contract. One when the project will reach mid-implementation and one, in a month after conclusion of the implementation of the action.

### **5.10 Audit**

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

Indicatively, one contract for audit services shall be concluded under a framework contract with a recognized audit firm shortly after completion of the action.

### **5.11 Communication and visibility**

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation, in

line with the GCCA+ Communication and Knowledge management framework, and supported with the budget indicated in section 5.6 above. The Plan, and the action in general, shall actively encourage experience and lessons-learned sharing, both on results and methodology, at domestic (across provinces) and international level (in particular in the context of UNFCCC). In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements. The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations. The implementation modality of procurement is foreseen to be under direct management in agreement with the partner country.

The number, type of contacts (which may include the use of framework contracts) and the indicative trimester of the launch of the procedure will be determined by the Communication and Visibility Plan of the Action, to be elaborated at the start of implementation.

## **6. PRE-CONDITIONS**

N/A