WB experiences building drought resilience:

problems and practical solutions encountered

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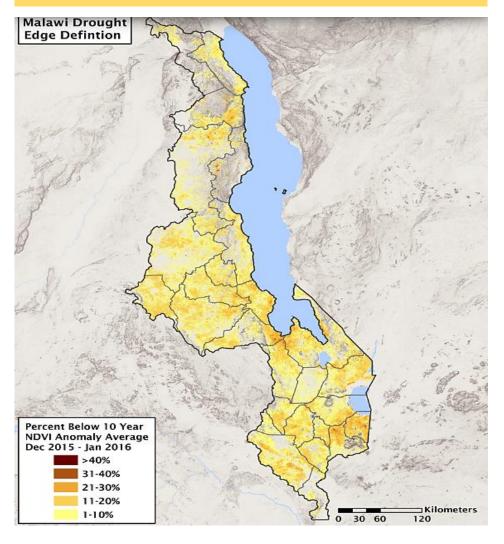
Malawi Overview

- Drought in Malawi
- Post Disaster Needs Assessment
- Malawi Drought Recovery and Resilience Project

Drought in Malawi – Severity of the Drought

2015/16 DROUGHT

Dec 2015/ Jan 2016 worst hit most critical months for agriculture



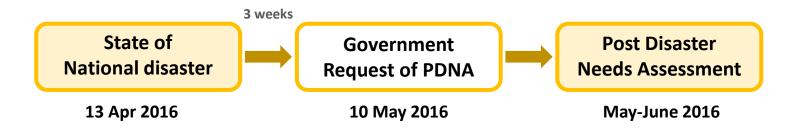
History of Droughts

- In 100 Years, Malawi has experienced 20 droughts
- Impact of drought has intensified and is likely to worsen with climate change
- 2015/16 El Niño
 - Strong El Niño resulted in below average rainfall in Southern and Central Districts
 - Prolonged dry spells severely affected food production and food security

State of National Disaster

- Declared with effect from April 13, 2016, covering 24 of Malawi's 28 districts.
- Severe Crop Failure and Humanitarian Situation:
 - Food production has declined by 12.4 percent from the 2014/15 season, already down by about 30 percent compared to the 2013/14 season
 - Estimated 6.7 million people (40 percent of the country's population) not to meet their annual foods requirements during the 2016/2017 consumption period
 - Worst food shock in a decade in the lean period from January to March 2017.

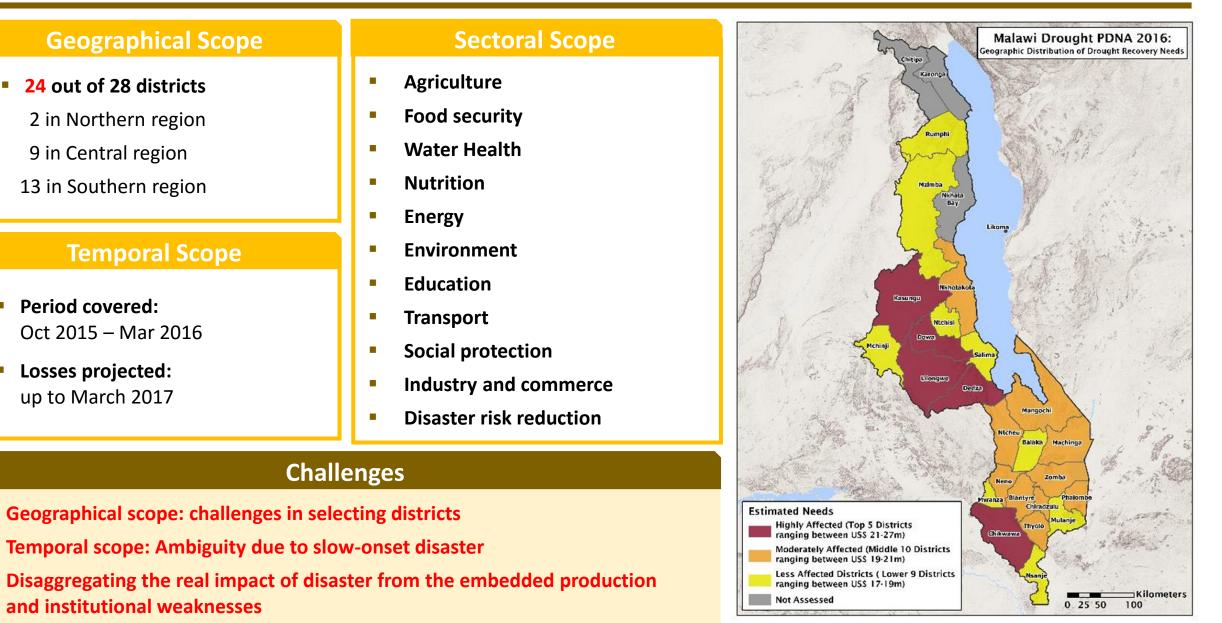
Post Disaster Needs Assessment – Objective



Objective

- Estimate physical, economic, human impacts of the drought and recovery needs
- Assist GoM and DoDMA to develop a recovery plan for 2015/2016 drought response by: defining and aligning national recovery vision to long-term development objectives; establishing a multi-sectoral framework of recovery interventions.
- Ensure integration of DRR, resilience, "build back better," gender and environmental considerations in recovery strategies.
- Identify policy options and programs to break the cycle of drought and promote drought resilience

Post Disaster Needs Assessment – Scoping



Post Disaster Needs Assessment – Challenges & Approach

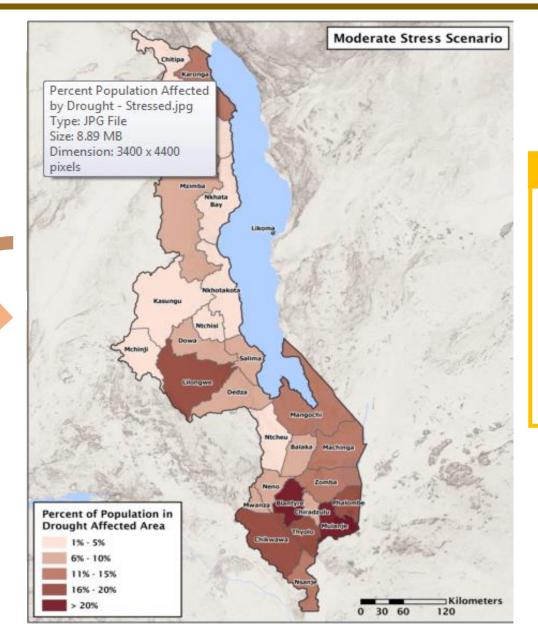
Challenges

- Multi-sectoral involvement
- Urgent time constraints
- Data deficit
- Resource limitation

Approach

- Collaboration across GPs
- Leveraging partnerships
- Innovative data collection & analysis
- Rapid resource mobilization

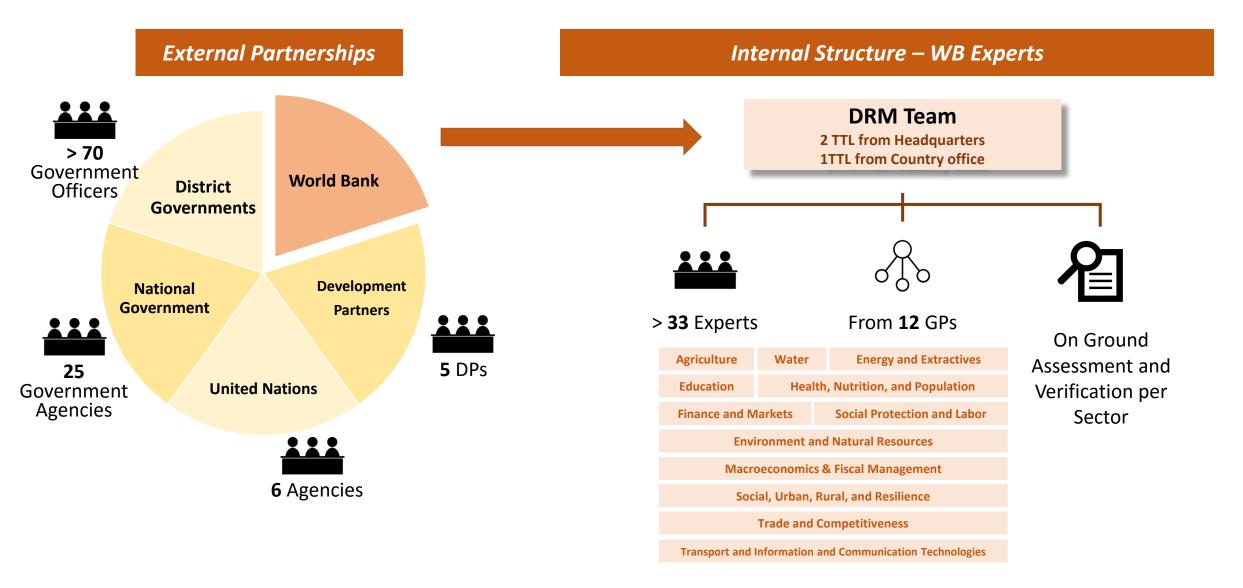
Post Disaster Needs Assessment – Innovative Data Collection & Analysis



Innovative Data Collection & Analysis

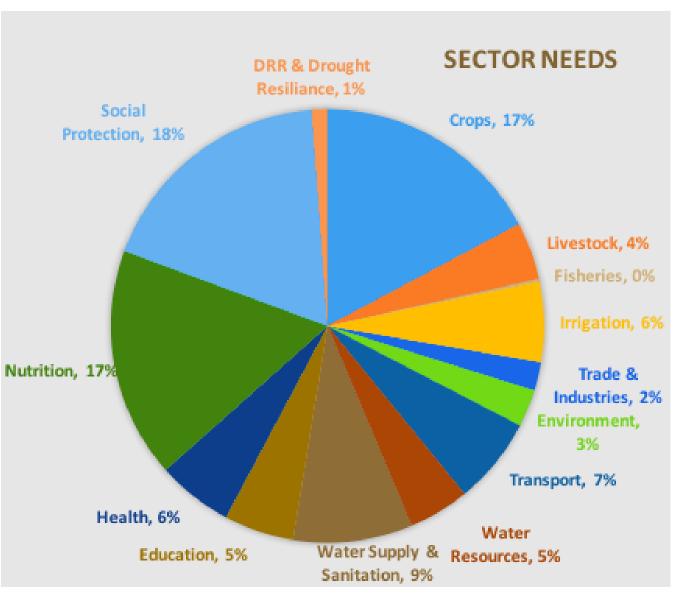
- Quantification of the impacts of the drought
- Data verification and gap filling
 - Satellite imagery
 - Social media analytics
 - information from partner

Post Disaster Needs Assessment – Multi-Sectoral & Integrated Approach



Post Disaster Needs Assessment – Findings

Sectors	Cost (USD)		
Sectors	Damages	Losses	Recovery
Productive Sectors			
Crops	-	198,758,638	40,545,252
Livestock	15,772,527	31,186,832	10,067,379
Fisheries	-	10,783,990	527,571
Irrigation	-	31,876,168	14,101,063
Trade & Industries	-	8,768,583	4,997,417
Productive Sectors Total	15,772,527	281,374,212	70,238,682
Physical Sectors			
Energy	-	5,888,561	2,893,521
Environment & Forestry	4,245,524	1,501,786	6,560,350
Transport	-	-	15,331,000
Water Resources	1,400,000	-	10,707,143
Water Supply & Sanitation	11,803,071	7,377,773	20,991,643
Physical Sectors Total	17,448,596	14,768,119	56,483,656
Social Sectors			
Food Security	-	-	268,459,014
Education	3,358,929	6,946,445	12,285,922
Health	-	14,303,878	13,514,120
Nutrition	-	11,970,568	33,425,537
Social Protection	-	-	42,908,343
Human and Social Impact	-	-	-
Social Sectors Total	3,358,929	33,220,892	370,592,937
Cross-cutting Issues			
DRR	-	-	2,926,609
Contingency Financing	-	-	-
Cross-cutting Issues Totals	-	-	2,926,609
Total with Food Security	36,580,052	329,363,222	500,241,884
Total without Food Security	36,580,052	329,363,222	231,782,869



Post Disaster Needs Assessment – Drought Recovery Strategy

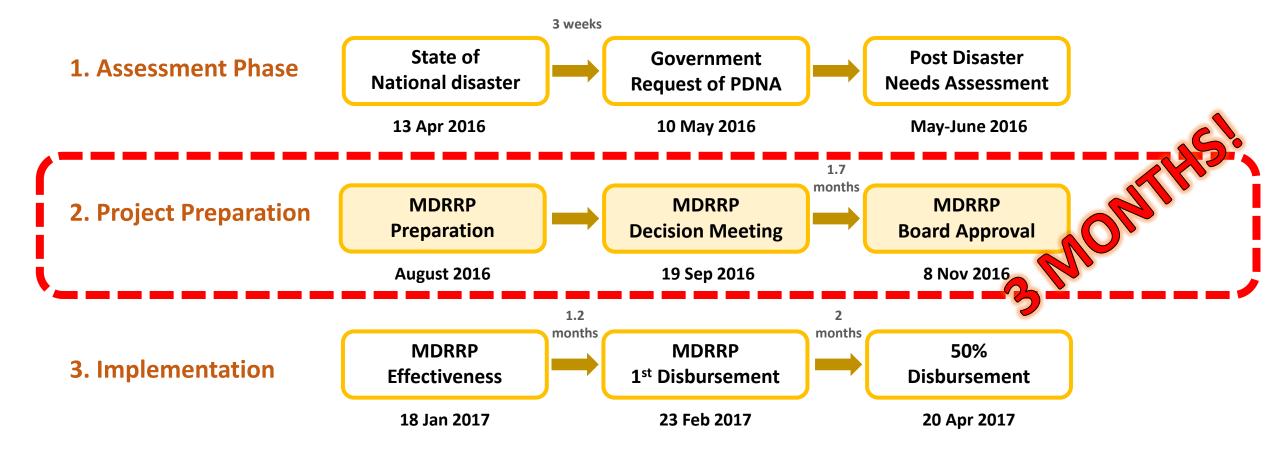
MULTI-SECTORAL DROUGHT RECOVERY STRATEGY

A risk-reduction and people-centric approach to strengthen resilience and promote sustainable development



Government-led Process Building on Flood Disaster Recovery Framework

Drought Response Milestone



Malawi Drought Recovery and Resilience Project - Challenges

Challenges

- Urgent response required to respond to food crisis
- Balance between short-term versus medium to longer term needs
- Harmonization of recovery interventions

Approach

- Collaboration across Government agencies, World Bank and Development Partners
- Innovative financing mechanisms
- Balanced approach to address immediate and medium term needs
- Introduction of Drought Recovery Framework

Malawi Drought Recovery and Resilience Project

- Approach: Innovative design bridges traditional humanitarian-development divide. Combination of urgent relief support and medium to longer term recovery and resilience building
- Project Development Objective: To support the Government of Malawi to meet the immediate food security and livelihoods restoration needs of the communities affected by drought and promote recovery and resilience in key affected sectors.

Project Components:

- Component 1. Improving food security and livelihoods (US\$80 million)
 - 1.1 Meeting urgent food security needs
 - 1.2 Improving livelihood and building resilience through input distribution
 - 1.3 Increasing agriculture productivity and resilience
 - 1.4 Climate smart irrigation
- Component 2. Enhancing Drought-Resilience and Preparedness (US\$19 million)
 - 2.1 Rehabilitating and development of critical water supply infrastructure
 - 2.2 Strengthening water resource and catchment management
 - 2.3 Strengthening drought resilience (Technical Assistance)
- Component 3. Contingent Emergency Response Component (CERC)

MDRRP Innovative Financing Mechanism

- Retroactive Financing: Project activated retroactive financing: using this instrument, the Government of Malawi and Development Partners could pre-finance (using their own resources) the procurement and distribution of maize. Standard limit for emergency operations of 40% of project budget was increased to 56% to meet the food needs.
- Crisis Response Window: Since the drought has put significant fiscal strains on Malawi, leading to expected losses in 2.2% of the country's GDP growth, the project includes a US\$9 million grant from the IDA's Crisis Response Window (CRW).
- Contingency Emergency Response Component (CERC): CERC allows for rapid reallocation of funds from other components in the event of a future eligible crisis.

MDRRP Results Achieved to Date & Next Steps

Results achieved over 6 months

- 50 million USD disbursement to address urgent food needs: Drought-affected communities in the 24 districts have access to maize. As a result of the increase in maize supplies, prices that were expected to skyrocket in the last quarter of 2016 have seen a more gradual rise. Most local markets in Malawi now have enough maize to last until the next harvest in April, according to assessments in January 2017. Systematic support from the World Bank, the GoM, and humanitarian agencies has contributed to these outcomes.
- Inputs for Asset: More than 20,000 people are expected to benefit from the public works program that will provide them with farm inputs
- 6,000 farmers in six affected districts will be provided 10,000 goats, and a seed diversification program will start benefitting smallholder farmers

Next Steps

- Mainstreaming long-term resilience building
 - Supporting Government in preparation of a Drought Recovery Framework, strategically aligned to the National Resilience Plan
- Leveraging more finance on longer-term resilience sector/activities
- Catastrophe Deferred Drawdown Option (CAT-DDO) consideration

MDRRP Lessons Learned- Incorporating Effective Solutions into Implementation

- Cross-sector and multi-sector disaster recovery deliver effective results, compared to single sector recovery, as the World Bank's extensive experience in responding to disasters indicates.
- Greater resource allocation for disaster preparation is essential, as recurring disasters in Malawi call for government systems to gradually invest greater resources towards preparedness and resilience building activities.
- Cross-sector and multi-sector programming require streamlined coordination across ministries and technical staff at district and national levels. Vertical coordination between district and national technical staff and horizontal coordination, flow of information, and progress in implementation should be regularly shared between technical staff. Effective guidance from a multisector Project Steering Committee (PSC) and a well-resourced Project Implementation Unit (PIU) is essential.
- Early consultations with communities and local leaders enable effective implementation of public works programs, as they identify the types of responses needed, according to the climate in specific locations. Consultations also establish the selection criteria and formula for the allocation of resources.

