Ref	Activity	Party	Source					
5.1	Develop methodology and conduct a comprehensive study in the 15 target districts to assess the adaptive capacities of selected sample communities (baseline)	MoECCM	TRAC	10,000		0	0	10,000
			GEF-LDCF	30,000	30,000	0	0	60,000
5.2	Carry out a Mid-Term Evaluation of the Programme	MoECCM	TRAC	0	0	20,000	0	20,000
			GEF-LDCF	0	0	40,000	0	40,000
5.3	Conduct an End of Programme Impact Evaluation	MoECCM	TRAC	0	0	0	30,000	30,000
			Gap				20,000	20,000
5.4	International Climate Change Advisor	MoECCM	TRAC	80,000	90,000	100,000		270,000
			GEF-LDCF	20,000	80,000	50,000	50,000	200,000
			Gap	30,000	30,000	50,000	50,000	130,000
5.5	Programme Manager	MoECCM	TRAC,	30,000	10,000	10,000	10,000	60,000
			GEF-LCDF	20,000	30,000	30,000	20,000	100,000
			Gap	0	10,000	10,000	10,000	30,000
5.6	Finance Analyst	MoECCM	TRAC	30,000	20,000	20,000	20,000	90,000
			GEF-LDCF		15,000	15,000	15,000	45,000
5.7	UNDP Programme Quality Assurance, Coordination and Management	UNDP	TRAC	70,000	60,000	60,000	60,000	250,000
			GEF-LCDF	50,000	60,000	60,000	60,000	230,000
TOTALS OUTPUT 5			**TRAC**	220,000	180,000	210,000	120,000	730,000
			GEF-LDCF	120,000	215,000	195,000	150,000	680,000
			Gap	0	40,000	60,000	80,000	180,000
			TOTAL	340,000	435,000	465,000	350,000	1,590,000

GRAND TOTALS					
TRAC	815,000	730,000	620,000	480,000	2,645,000
GEF-LDCF	535,000	1,910,000	2,195,000	2,305,000	6,945,000
Gap	765,000	1,455,000	1,515,000	1,525,000	5,260,000
TOTAL	2,115,000	4,095,000	4,330,000	4,310,000	14,850,000

IV.   MONITORING FRAMEWORK AND EVALUATION

In accordance with the programming policies and procedures outlined in the UNDP User Guide, the programme will be monitored through the following:

<u>Baseline</u>

> ➤ A baseline survey is required prior to commencement of work in selected districts, also a small number of comparable control districts (see framework below for details).

<u>Within the annual cycle</u>

> ➤ On a quarterly basis, a quality assessment shall record progress towards the completion of key results, based on quality criteria and methods captured in the Quality Management table below.

> ➤ An Issue Log shall be activated in Atlas and updated by the Programme Coordinator to facilitate tracking and resolution of potential problems or requests for change.

> ➤ Based on the initial risk analysis submitted (see annex 1), a risk log shall be activated in Atlas and regularly updated by reviewing the external environment that may affect the programme implementation.

> ➤ Based on the above information recorded in Atlas, a Programme Progress Reports (PPR) shall be submitted by the Programme Manager to the Coordinator through Programme Assurance, using the standard report format available in the Executive Snapshot.

> ➤ a programme Lesson-learned log shall be activated and regularly updated to ensure on-going learning and adaptation within the organization, and to facilitate the preparation of the Lessons-learned Report at the end of the programme

> ➤ a Monitoring Schedule Plan shall be activated in Atlas and updated to track key management actions/events

<u>Annually</u>

> ➤ **Annual Review Report**. An Annual Review Report shall be prepared by the Programme Coordinator and shared with the Programme Board and the Outcome Board. As minimum requirement, the Annual Review Report shall consist of the Atlas standard format for the QPR covering the whole year with updated information for each above element of the QPR as well as a summary of results achieved against pre-defined annual targets at the output level.

> ➤ **Annual Programme Review**. Based on the above report, an annual programme review shall be conducted during the fourth quarter of the year or soon after, to assess the performance of the programme and appraise the Annual Work Plan (AWP) for the following year. In the last year, this review will be a final assessment. This review is driven by the Programme Board and may involve other stakeholders as required. It shall focus on the extent to which progress is being made towards outputs, and that these remain aligned to appropriate outcomes.

<u>Programme Evaluations</u>

> ➤ A **Mid-Term Evaluation** will be undertaken in late 2014, following UNDP guidelines and the framework below. This is mandatory for UNDAF Outputs.

> ➤ The **End-term Evaluation** will be undertaken in late 2016, following UNDP guidelines and the framework below. This is mandatory for UNDAF Outputs.

Quality Management for Project Activity Results

OUTPUT 1: Climate change mainstreamed in policies and development plans		
Activity Result	CC Mainstreaming	Start Date: Jan 2013

(Atlas Activity ID)		End Date: December 2016
Purpose	To facilitate the mainstreaming of climate change into sustainable development policies and planning processes at national, sector and district level.	
Description	Planned actions include; • Finalise the National Climate Change Policy and develop associates Acts • Conduct a Public Expenditure Review for CC and policy reviews • Develop and implement a National Adaptation Plan (NAP) • Incorporate CC concerns Draft MGDS III for 2017 – 2022	

Quality Criteria	Quality Method	Date of Assessment
Number of key sector policies, development plans at national and district levels reflecting CC	• Evaluation reports • Sector plans, • Sector budgets • Sector policies • Survey reports • District Development Plans	
Number of strategies implemented from Climate Change Capacity Building, Investment Plan and NAP	• Survey reports • Policy briefs • Workshops and policy dialogue proceedings • Reports from government agencies, private companies, and CSOs	
Number of households adopting climate change adaptation and mitigation strategies	• Progress reports • Survey reports • Social Economic profiles • Evaluation reports	

OUTPUT 2: Data and knowledge on the impact of climate change collected and made accessible to decision makers in government, private sector, civil society and communities

Activity Result (Atlas Activity ID)	Data and knowledge management	Start Date: Jan 2013 End Date: December 2016
Purpose	To promote informed decision making and a culture of resilience amongst climate change management stakeholders and targeted communities	
Description	Planned actions include; • Establishment of a CC meta-database • Produce and disseminate vulnerability maps • Operationalize a CC and ENRM Communication Strategy • Scale-up of district climate change information centres • Improve data-collection for GHG inventories • Introduce CC into school curricula at primary, secondary and tertiary level • Catalyze development of annual meetings of scientists and stakeholders working on CC-related activities	

Quality Criteria	Quality Method	Date of Assessment
Number of strategies implemented from the communication strategy	• Survey reports • Policy briefs • Workshops and policy dialogue proceedings • Reports from government agencies, private companies, and CSOs	
Proportion of CC principles incorporated in school curricula	• School curricular review • Survey reports • Progress reports	
Number of districts with resource centers	• Reports from government agencies, private companies, and CSOs	

Number of CC related data bases that are linked and periodically updated	• Reports from government agencies, private companies, and CSOs • CC data bases	

OUTPUT 3: Coordination mechanisms and implementation arrangements for CC established and used at national level and in disaster-prone districts.

Activity Result (Atlas Activity ID)	Coordination	Start Date: Jan 2013 End Date: December 2016
Purpose	To develop an efficient and effective coordination system for comprehensive climate change management at all levels.	
Description	Planned actions to produce the activity result include: • Establishment of a more effective donor coordination mechanism on CC • Review institutional frameworks for CC at national and district level • Diagnostic assessment of a CC SWAp • Strengthen civil society advocacy on CC • Climate change and ENRM Commission established and operational	

Quality Criteria	Quality Method	Date of Assessment
Number of districts coordination plan on CC	• MoECCM Reports • District council reports • MGDS II monitoring reports • Sector reports	
Number of Sector Working Group, Steering Committees (SC)and Technical Committee (TC) and CC platform meetings	• Minutes of CC SWG meetings • MoECCM Reports • Steering and Technical committee minutes	
Number of advocacy initiatives on CC addressed to civil society	• MoECCM Reports • Reports from government agencies, private companies, and CSOs	
Number of partners coordinating in the CC donor platform	• UN Reports • Meetings reports	

Project Output 4: Implementation modalities and Financing mechanisms for National Climate Change Investment plan established and operationalized at national and district levels

Activity Result (Atlas Activity ID)	CC Financing	Start Date: Jan 2013 End Date: December 2016
Purpose	CC mitigation and adaptation financed at national and district level	
Description	Planned actions include; • Operationalize Climate Change Investment Plan • Develop high end CC investment portfolio • Establish National CC fund • Public expenditure framework • Establish a grant funding facility and implement demonstration CC adaptation and mitigation activities	

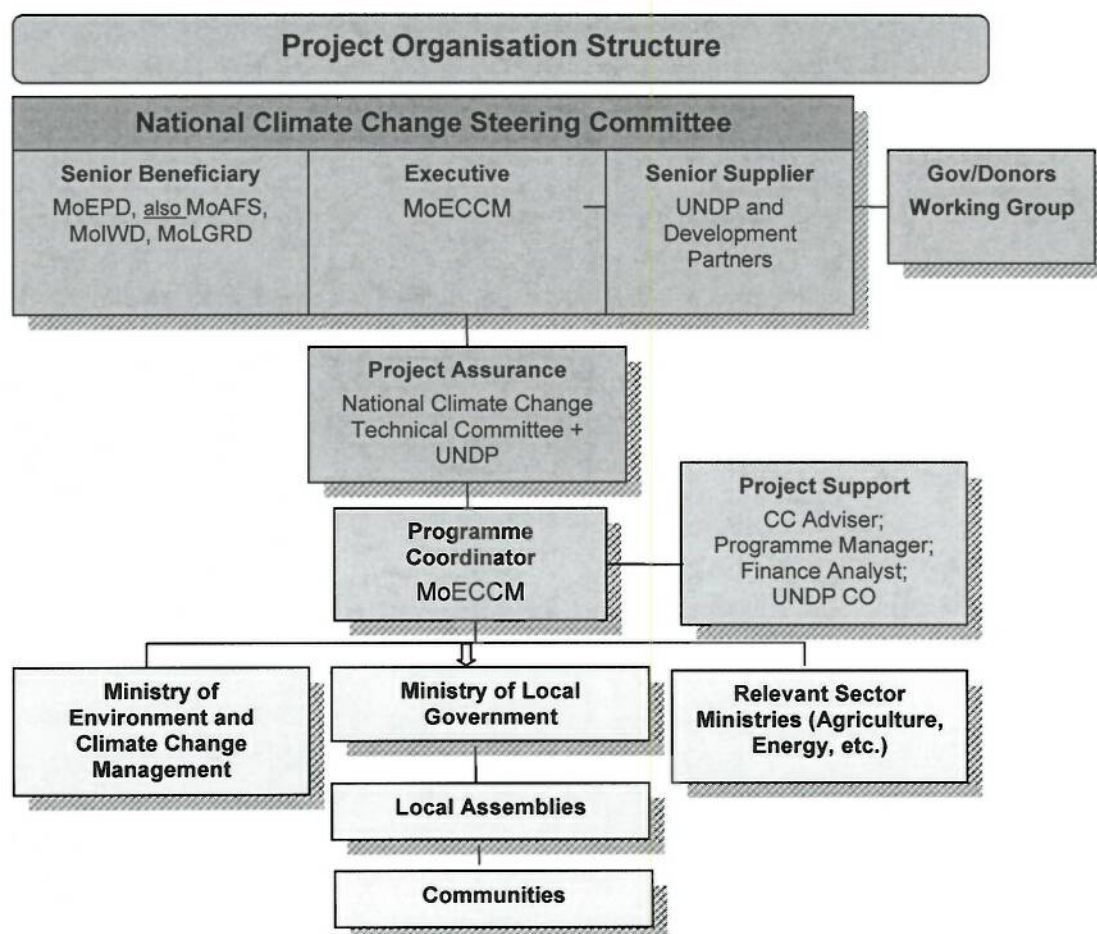| Quality Criteria	Quality Method	Date of Assessment
Total expenditure on programmes and actions for CC mitigation and adaptation at national and district levels	• Evaluation reports • Sector budgets • Expenditure reviews • Audits • Survey reports • District Development Plans	
% increase in budget allocation on CC	• Sector budgets, • Public Expenditure Reviews • District Development Plans	

| Number of strategies implemented from Climate Change Capacity Building, Investment Plan and NAP | • Survey reports
• Policy briefs
• Workshops and policy dialogue proceedings
• Reports from government agencies, private companies, and CSOs | |

OUTPUT 5: Programme Management and Advisory Support

Activity Result (Atlas Activity ID)	Monitoring and Evaluation	Start Date: Jan 2013 End Date: December 2016
Purpose	To monitor progress towards intended outcome.	
Description	Planned actions to produce the activity result include: • Carry out a Mid-Term Review of the Programme • Conduct an end of Programme Impact Evaluation	

Quality Criteria	Quality Method	Date of Assessment
Number of sector Ministries and assemblies that have established M&E systems that are operational	• Baseline study report • Mid-term review report • Impact evaluation report	Annual basis 2014 2016
% of trained sector staff using M&E skills in their work.	• Baseline study report • Mid-term review report • Impact evaluation report	Annual basis 2014 2016
Number of Assemblies who have gender-disaggregated information reflected in selected sector reports such as for education, health, gender and agriculture	• Baseline study report • Mid-term review report • Impact evaluation report	Annual basis 2014 2016

Monitoring and Evaluation Matrix

Outcome	Measurable indicators	Means of verification	Important assumptions and Risks
1.3: Targeted population in selected districts benefit from effective management of climate change adaptation and mitigation by 2016	• Yearly reduction in forest cover (2009L -2.8%, Dec 2016: 0%) [UNDAF Outcome Indicator] CC Programme Indicators • No. of sectoral policies revised to include clear CC considerations • Increased adaptive capacity of communities in target districts compared to control districts • Increased food security in target districts compared to control (quantified using GoM standard indicators and methodology)	• Government publications and reports. • Land cover assessments	• Government willing to put into practice what is reflected in the MGDS. • Continued donor financial and technical support • CC prioritized by communities **Risks:** • Political uncertainties • Political will and change in priority for CC.
Outputs			
Output 1: Climate change mainstreamed in policies, development plans and programmes at national level and implemented in 15 disaster-prone districts	• Number of District Development Plans clearly defining and including actions which contribute to adaptation to CC (2010: 3; 2016:15) • No of sectoral policies revised to include CC adaptations and / or mitigation actions (2010:0; 2016:5)	• Sector policies, plans and budgets • District Environment / land Use / Development Plans	• Government willing to put into practice what is reflected in the MGDS. • Continued donor financial and technical support • Capacity built is retained within the government system at the ministry and district levels **Risks:** • Political uncertainties • Political will and change in priority for CC
Output 2: Data and knowledge on the impacts of climate change collected and made accessible to decision makers in Government, Private Sector and Civil Society	• Number of district Climate Change information centres established in targeted districts (2010:7; 2016: 15) • Number of Climate Change centres of excellence in place and networked (2010:0; 2016: 2) • Number of community-based adaptation initiatives undertaken in targeted districts (2010:7; 2016: 15)	• Reports of field activities • Government reports • Interview- based monitoring (policy-makers, general public, communities)	• Government willing to put into practice what is reflected in the MGDS. • Continued donor financial and technical support • Capacity built is retained within the government system at the ministry and district levels **Risks:** • Political uncertainties • Political will and change in priority for CC

Output	Indicators (baseline; target)	Means of Verification	Assumptions / Risks
Output 3: Coordination mechanisms and implementation arrangements for CC established and used at national level and disaster-prone districts	• Number of Sector Working Group (SWG) on CC and ENRM meetings held on quarterly basis (2010:0; 2016: 1) • Number of target districts coordinating and implementing specific actions which address CC issues (2010:7; 2016: 15) • Number of coordinating initiatives undertaken under the CC ENRM SWAp(2010:0; 2016: 4)	• Government (national and district) reports • MGDS II monitoring reports • Programme evaluation reports	• Government willing to put into practice what is reflected in the MGDS. • Continued donor financial and technical support • Capacity built is retained within the government system at the ministry and district levels **Risks:** • Political uncertainties • Political will and change in priority for CC
Output 4: Implementation modalities and Financing mechanisms for National Climate Change Investment plan established and operationalized at national and district levels	• Total funds mobilized through CC Investment Plan: (2012: 0; 2016: 20 million USD) • Domestic resources allocated to CC (2010:$ 2.3 M; 2016: $3.5 M) • Functional National Climate Change fund	• CC Investment reports • Audits • Public expenditure reviews • National CC fund Annual reports	• Government willing to pursue CC as priority in MGDS. • Continued donor financial and technical support. • Stable and high enough international Carbon price or continued CC financing in LDCF **Risks:** • Change in International Political priorities, away from development aid and CC • International carbon price will fall below threshold for meaningful CC financing in LDCF
Output 5: Programme management and advisory support arrangements established	• Number of staff recruited and in place promptly (2010: 5; 2016:7) • Number of annual work-plans implemented by the Project Management Unit (2010:1; 2016: 4)	• Government (national and district) reports • Programme evaluation reports	• Continued Government commitment to CC • Continued donor financial and technical support

V. MANAGEMENT ARRANGEMENTS MANAGEMENT ARRANGEMENTS

Project Organisation Structure

National Climate Change Steering Committee			
Senior Beneficiary MoEPD, also MoAFS, MoIWD, MoLGRD	**Executive** MoECCM	**Senior Supplier** UNDP and Development Partners	**Gov/Donors Working Group**

Project Assurance
National Climate Change
Technical Committee +
UNDP

**Programme
Coordinator**
MoECCM

Project Support
CC Adviser;
Programme Manager;
Finance Analyst;
UNDP CO

Ministry of Environment and Climate Change Management	**Ministry of Local Government**	**Relevant Sector Ministries (Agriculture, Energy, etc.)**

Local Assemblies

Communities

The National Climate Change Steering Committee (SC) is the nationally accepted and existing group of executives responsible for making on a consensus basis management decisions for all matters related to Climate Change in Malawi. This SC will provide guidance when required by the Programme Coordinator, including recommendation for UNDP and approval of programme revisions. Project reviews by the SC are made at designated decision points during the running of the programme, or as necessary when raised by the Programme Co-ordinator or National Climate Change Technical Committee (see TORs in Annex 7). The SC is consulted by the Programme Coordinator for decisions when tolerances (i.e. constraints normally in terms of time and budget) have been exceeded.

This SC has three major roles:

1) Executive role. The MoECCM is the Implementing Partner and therefore takes up the Executive Role, though MoEPD remains the Chair of the Steering Committee (as they were before 2013) to ensure planning and monitoring oversight.

2) Senior Supplier (role represented by UNDP, and other partners) that provides guidance regarding the technical feasibility of the project, and use of project resources;

3) Senior Beneficiary role represented by sector ministries (e.g. MoEPD, MoAFS, Energy and Mining, Local Government, etc.) to ensure the realization of project benefits from the perspective of project beneficiaries.

The National Climate Change Steering Committee holds its sessions once every six months upon the initiative of the Programme Coordinator or the Chair of the SC.

Information sharing and guidance on overall Climate Change challenges and responses in Malawi, is also provided by the Government – Development Partners Working Group on Climate Change, which meets twice a year, and is a platform or interface between Government and Development Partners on Climate Change, and is co-chaired by the UN resident Coordinator and the Principal Secretary of Ministry of Economic Planning & Development. This Working Group does not report to, but may guide the Steering Committee.

Project implementation will be governed by provisions of the present Project Support Document, its annexes and UNDP Operations Manual. Governance of the Project will be supported through annual work planning as well as reporting and monitoring the delivery of results and impact on the basis of the results framework. The annual work plans as well as progress reporting will be the responsibility of the project management and will be approved by Programme Coordinator in close consultation with UNDP. The Project implementation shall ensure the Government ownership and active participation in Project activities, leaving the Programme Support Staff with the function of rendering expert support, but not substitution of the national structures/mechanisms.

The work plan will be implemented upon its endorsement by NIP and UNDP. The endorsed work plan will serve as an authorization to the Project Coordinator to disburse funds and project implementation. Implementation responsibility will be put on the Project Coordinator in close partnership with the NIP in terms of ownership and UNDP – in terms of advisory support. This will create an enabling environment for participatory decisions reached in the process of preparing the work plans to be implemented effectively and efficiently. The Project Coordinator will consistently inform the NIP of the progress.

When acting as representative of the NIP, the Programme Coordinator, together with national Responsible Parties, will ensure sound linkage of all decisions and experience of the programme with building the internal capacity of the Implementing Partner and Responsible Parties. The Programme Coordinator will ensure participatory consultations with the key managers of the NIP to ensure the integration of project decisions and experience into national and local policies.

Project Assurance is the responsibility of each SC member, but the role can be delegated to UNDP and the National Technical Committee. The Project Assurance role supports the SC by carrying out objective and independent project oversight and monitoring functions. This role ensures appropriate project management milestones are managed and completed.

The project organizational structure will be as follows:

Overall Management

The management of the project will be carried out by the MoECCM Project team in Lilongwe under direct supervision of the National Programme Coordinator, and supported by the Programme Staff, i.e. the Programme Manager, Adviser and Finance Analyst. UNDP will be closely involved in cooperating with national authorities and local authorities in the project micro units and respective communities.

Project Stakeholders

The stakeholders will consist of the UNDP as management organisation, the Ministry of Environment and Climate Change Management at national level and local government with local offices in the districts, the community members being empowered in risk reduction practices, the civil society and other local and international NGOs working in disaster risk management and reduction in particular, and the Government of Malawi.

Programme Support Team

The Programme Team will consist of the following local and international staff:
- International Climate Change Adviser;
- Programme Manager;
- Finance Analyst

Audit Arrangements

As per UNDP guidelines, if the annual expenditures of the project exceed US$ 100,000 then the programme will be subject to an annual audit exercise. The audit findings will be shared with the Government of Malawi and other stakeholders. IPs are required to provide appropriate management responses to all audit recommendations. All action plans emanating from the audit recommendations and findings must be implemented in the provided time period. If an IP has qualified audits for two consecutive years, UNDP will automatically change its cash transfer modality from Direct Cash Transfers to Direct Payment. This case will also warrant a HACT special audit to provide adequate assurances to UNDP in terms of financial accounting. UNDP reserves the right o conduct HACT special audits when in-depth analysis on financial accountability is required.The 2010 macro-assessment of the public financial management system pointed to limited capacity of the National Audit Office (NAO). Therefore, audits of UNDP-funded projects will be conducted by pre-qualified private audit firms until there is adequate capacity in NAO to carry out the audits. The NAO will be consulted in engaging the private audit firms and will be invited to sit on committees assessing proposals from audit firms to conduct scheduled audits and special audits. Audit reports shall be shared with NAO for their records and to ensure that they meet the required national/international standards.

Agreement on intellectual property rights and use of logo on the project's deliverables

Ownership of equipment, supplies and other properties financed from the contribution shall vest in UNDP. Matters relating to the transfer of ownership by UNDP shall be determined in accordance with the relevant policies and procedures of UNDP.

Roles and Responsibilities of Implementing Partners

There are two main institutions that will be heavily involved in the running of the project namely; UNDP Malawi, and the Ministry of Environment and Climate Change Management The roles of these institutions are as follows:

UNDP Malawi will be responsible for:

- Facilitating the development of annual work plans (AWPs);
- Making timely disbursements of quarterly advances to the implementing partners and other agencies that will be involved in the implementation with direct funding);
- Checking accuracy of financial reports and reviewing requests for advances with MoECCM;
- Ensuring quality control in project implementation including meeting technical and financial reporting requirements of all implementing partners in the project;
- Providing overall technical advice;
- Support Government in mobilizing more resources for the project;
- Organizing project audits as required;
- Monitoring progress in implementation of Annual Work Plans.

Government MoECCM will be responsible for:

- Developing annual work plans together with the District Councils of the 15 target districts;
- Ensuring overall coordination of the project following the agreed annual work plan including joint supervision with UNDP of activities implemented through NGOs;
- Supervision of the activities coordinated by the District Councils of the 15 target districts;
- Appropriate use of funds which will be advanced to MoECCM on a quarterly basis in line with the approved budget and annual work plan[22];
- Accurate accounting and timely reporting of the use of project funds;
- Monitoring the achievement of results and providing timely progress reports as indicated in the project document.

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[22] It has been agreed to advance the first Quarter advances to MoEPD, to ensure a smooth transition from the old management (at MoEPD) to the new Management (under MoECCM) arrangement

A Tripartite Review

An entry point to the CC project financing will be the tripartite arrangement comprising the UNDP represented by the Resident Representative; Ministry of Environment and Climate Change Management, The Ministry of Finance represented by the Secretary to Treasury and the Principal Secretary for Ministry of Environment and Climate Change Management.

Steering Committee

The existing National Climate Change Steering Committee (NCCSC) will constitute the Steering Committee (SC) for the Project. The SC will provide overall and strategic guidance during project implementation. This committee is chaired by the Principal Secretary of the Ministry Economic Planning and Development (MoEPD) and the Secretariat is with the Environment Affairs Department (EAD) under the Ministry of Environment and Climate Change Management. The SC further consists of Principal Secretaries (PS) of key Ministries: Ministry of Finance (MoF), Environment and Climate Change Management(MoECCM); Agricultureand Food Security (MoAFS), Irrigation and Water Development (MoIW); Local Government and Rural Development (MoLGRD), Health (MoH); Lands, Housing and Urban Development (MoLHUD); Education, Science and Technology (MoEST); and Office of the President and Cabinet (OPC); United Nations Development Programme (Environment Cluster Manager); and Civil Society Organizations (CSO) representatives. Other UN agencies particularly World Food Programme (WFP), Food and Agriculture Organization (FAO), United Nations Children's Fund (UNICEF) and United Nations Population Fund (UNFPA) and other donor agencies (DfID, EU, and AfDB) will be called upon to attend the Steering Committee meetings as required.

Technical Committee

The Technical Committee (TC) is chaired by the MoECCM (DoCCMS), with EAD as secretariat. See also ANNEX 6. Its members include Directors from the Ministries represented in the SC; UNDP (CC Programme Analyst and UNDP Technical Advisor); other UN agencies, non-governmental actors and donors. The TC meets as necessary – maximum is once quarterly. The TC will be responsible for providing technical guidance to implementing partners in the preparation of Annual Work Plans and in the implementation of project activities. The TC will also constitute thematic technical teams for overall monitoring of progress and to approve significant changes to the work plan and budget.

District level Coordination

District level coordination of project activities will be done through the Directorate of District Planning which is headed by the Director of Planning and Development (DPD). In view of the fact that the project seeks among others to mainstream CC issues into the District Development Planning process, the DPD will be the overall coordinator of the project at the district level. The executive body will be the District Executive Committee); chaired by the District Commissioner. The DPD, who is the secretary of the DEC, will also provide the necessary guidance to ensure that CC issues are adequately mainstreamed into the district development planning process.

The District Executive Committee (DEC), will prepare and present quarterly project progress reports which will also be shared with the Project Coordinator, MoECCM, DoCCMS, EAD, Economic Planning and Development, and UNDP.

Implementation modality

Based on approved Annual Work Plans (AWPs), UNDP will make cash transfers according to the National Implementation (NIM) modality and following the procedures of the UN Harmonised Approach to Cash Transfers (HACT).

Cash transfers for activities in AWPs can be made by UNDP using the following modalities:

a) Direct cash transfers whereby cash is transferred directly to the Implementing Partner prior to the start of activities based on agreed cost estimates, if the IP has qualified audit or has a rating warranting this modality depending on results of the IP micro-assessment;

b) Reimbursements whereby the Implementing Partner is reimbursed for expenditures agreed prior to the costs being incurred; and

c) Direct payments to vendors or third parties for obligations incurred by the Implementing Partners on the basis of requests signed by the designated official of the Implementing Partner.

Direct cash transfers shall be requested and released for programme implementation periods not exceeding three months. The National Project Coordinator/ Manager will be responsible for preparing and submitting monthly financial reports and requests for quarterly advance of funds to UNDP. The financial reports and requests are to be submitted according to the Funding Authorisation and Certificate of Expenditures (FACE) standard format due on the 10th day of the subsequent month. Delays in submission may negatively impact the access to future advances. No new direct cash transfers will be made until at least 80% of prior advances have been satisfactorily reported against. If the implementing partner does not fully liquidate any advances within 5 months from date of transfer, UNDP will suspend any further Direct Cash Transfer until the Implementing Partner clears all outstanding Direct Cash Transfer.

Reimbursements of previously authorized expenditures shall be requested and released quarterly or after the completion of activities. UNDP shall not be obligated to reimburse expenditures made by the implementing partner over and above the authorized amounts. Following the completion of any activity, any balance of funds shall be reprogrammed by mutual agreement between the implementing partner and UNDP, or refunded.

As per HACT procedures, UNDP will conduct HACT assurance activities including spot checks and onsite reviews on a regular basis based on the findings of HACT micro-assessments.

MoECCM will be responsible for the management of a project specific bank account where the advance of basket funds will be deposited by UNDP on a quarterly basis[23]. Based on the quarterly work plan prepared by MoECCM, UNDP will review the request for advance and disburse the appropriate amount. The National Project Coordinator will be accountable for the use of funds advanced to the project according to agreed upon work plans. MoECCM will be expected to maintain books of accounts in accordance with UNDP's NIM accounting and reporting guidelines.

In terms of the rates applied for Daily Subsistence Allowances (DSA), the harmonised DSA guidelines as stipulated in the guidance note effective 21st October, 2011 will be strictly applied. UNDP will make sure that the correct rates are applied and inform MoECCM accordingly whenever the rates are adjusted.

UNDP Support Services

Upon request by Government, UNDP may provide services in the following areas:

Identification, assistance with and/or recruitment of long-term or short-term technical personnel in accordance with UNDP rules and regulations.

Procurement of specific goods and services for the programme in cases where UNDP has a competitive advantage, e.g. import of specific goods or services from abroad. However, in general procurement will be done using national procurement systems and procedures where possible as long as key principles of competitiveness, accountability and transparency are followed.

Identification and facilitation of training activities.

Providing relevant information and technical advice obtained through UN global information systems, UN Knowledge Networks, Regional Centres and other UNDP Country Offices, e.g. rosters of consultants and providers of development services.

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[23] For the 1st Quarter in 2013, and until the accounts for MoECCM are ready, the MoEPD bank account will be used.

In case of specific implementation support services (ISS), including recruitment, procurement and other administrative matters provided upon request, the costs of UNDP's support will be charged according to the UNDP corporate Universal Price List.

VI.   LEGAL CONTEXT

This programme document shall be the instrument referred to as such in Article 1 of the SBAA between the Government of Malawi and UNDP, signed on 15 July 1977.

Consistent with the Article III of the Standard Basic Assistance Agreement, the responsibility for the safety and security of the executing agency and its personnel and property, and of UNDP's property in the executing agency's custody, rests with the executing agency.

The executing agency shall:

a) Put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the programme is being carried;

b) Assume all risks and liabilities related to the executing agency's security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

VII. ANNEXES

1. Risk Analysis
2. Terms of References
3. Capacity Assessment
4. Climate Change in Malawi
5. Summary of Key Priority Areas Related to Climate Change
6. Climate Change Technical Committee TORs

Annex 1: Risk Analysis

No.	Risk	Type	Description	Anticipated Impact	Mitigation Options
1	Staff turn-over in EAD / DoCCMS / MoAFS including in the 15 disaster-prone districts	Organisational	Staff leaving GoM national and / or districts posts for better paid jobs in other agencies such as NGOs.	Medium	Where key staff members resign from their positions for various reasons, measures will be taken through the programme to ensure that they are urgently replaced.
2	Delays in recruiting and retain human resources for programme management	Operational	Delays in developing ToRs, advertising, interviewing and staff induction.	Medium	Recruitment plan in place (TORs ready); training of more staff to improve availability. Where key staff members resign from their positions for various reasons, measures will be taken through the programme to ensure that they are urgently replaced.
3	Delays in funds disbursements	Operational	Delays in transfer and disbursement of funds from development partners may happen due to complex funding mechanisms	Medium	Timely pro-docs approval, clear funding and disbursing mechanisms
4	Political uncertainties and instability	Political	Recent reduction in donor support to Malawi may negatively affect financial leveraging efforts by UNDP. Possible risk of delays and change in level of commitment in IPs due to change in political leaderships Political shifts in key Ministries leadership due to political reasons with possible consequences on IP commitment and project implementation	Medium	Through UNDP, political developments and governance issues in the country will be monitored closely and discussed with donor partners; where appropriate, measures will be adopted that will not negatively affect the future of the programme.
5	Political commitment and will to prioritise CC	Strategic	Short-term issues may be prioritised over attention to the medium to longer-term CC issues.	Medium	Continued advocacy and awareness raising at all levels is required to ensure that there is commitment to mainstreaming CC into sector policies, plans and budgets.
6	Fragmented nature of institutional arrangements and structures for coordinating national response to climate change	Strategic	Lack of coherent structure between GoM Ministries / Departments to address CC, and also between donors	Medium	Improve the effectiveness of an existing co-ordination body or develop a new one

8	Major disasters occurring in the targeted districts	Strategic	A major disaster such as floods / drought might negatively affect district councils' focus on CC mainstreaming, shifting their attention to relief / emergency interventions.	Low	Through the synergies and partnerships that UNDP has within the UN agencies and other donors, it is expected that appropriate agencies will provide the necessary financial and technical support to these districts so as not to derail the programme interventions at all levels.
9	Carbon price	Financial	Current carbon price is at an all-time low ($5 per tonne)	Medium	In the short-term, focus on wider co-benefits of mitigation (ecosystem services) not monetary benefits.

Annex 2: Terms of Reference

Position 1: International Climate Change Adviser

Duties and Responsibilities

To facilitate the implementation of activities under the National Climate Change Programme (2013-2016).

Reporting to and under the direct supervision of the Programme Coordinator, the Advisor will:

- Provide technical advice and capacity building support on a range of climate change and mitigation issues;
- Coordinate technical support to enhance the awareness and capacity of concerned GoM agencies (Ministries and Departments) on climate change adaptation and mitigation issues / opportunities;
- Ensure that issues related to climate change adaptation and mitigation are systematically addressed in MoAFS and other sector-wide strategic planning and management policies, plans and budgets;
- Provide advice and guidance on policy and inter-ministerial processes related to climate change in Malawi;
- Develop national capacity to undertake sectoral CC risk analysis and oversee the strategic coherence, planning and impact of adaptation and mitigation strategies and programmes;
- Support active participation of non-governmental organizations and other agencies including the private sector in climate change adaptation and mitigation; identify the needs and roles of local non-governmental organizations and civil organizations; analyze conditions that support or hamper civil society development, and recommend strategies to improve current conditions;
- Facilitate the development of the climate change website (with the knowledge and information experts);
- Promote closer collaboration and partnership between and among GoM, donor and NGOs active in the field of CC in Malawi.
- Other task as they arise.

Required Qualifications, Skills and Experience

- An advanced degree in Environmental Sciences gained from a reputable institution;
- Good knowledge of climate change adaptation (particularly in agriculture) and mitigation;
- At least 8 years of experience dealing with wider environmental issues and challenges in sub-Saharan Africa;
- Experience in project / programme planning and management;
- An excellent command of English (both written and oral);
- Proficiency in standard computer applications;
- An ability to work successfully in multi-disciplinary teams;
- An ability to multi-task and work irregular and long hours;
- Availability to travel as required.

Position 2: National Climate Change Programme Manager

Duties and Responsibilities

To facilitate the implementation of the activities under the National Climate Change Programme (2013-2016). Programme Manager will report to the National Project Director.

- Provide overall leadership and management for the Programme;
- Take overall responsibility of the planning, implementation and monitoring of the CC Programme activities (under the supervision of UNDP, GoM and in coordination with the ENR, DRM and Sustainable Energy Programmes)
- Manage the programme in accordance with its annual work plans;
- With support from UNDP, coordinate programme activities on a regular basis, to ensure complementarities;

- Propose selection criteria and supervise consultants/ subcontractors, maintaining strong quality control and ensuring provision of advisory support as required;
- Maintain close coordination/linkages with technical implementation partners (other UN agencies, DPs, private service providers and NGOs);
- Oversee the implementation of the daily programme management activities;
- Maintain close coordination/linkages with the participating Ministries, donors and other collaborating agencies;
- Oversee the needs assessment and provision of required skills training and capacity building of involved government officials, districts officials and other key stakeholders;
- Lead responsibility for organizing and supporting the CC programme-related meetings;

Required Qualifications, Skills and Experience
- An advanced degree in Environmental Sciences gained from a reputable institution;
- Knowledge of climate change adaptation (particularly in agriculture) and mitigation;
- At least 8 years of experience dealing with wider environmental issues and challenges, ideally in sub-Saharan Africa;
- Experience in project / programme planning and management;
- An excellent command of English (both written and oral);
- Proficiency in standard computer applications;
- Proven ability to manage multi-disciplinary teams;
- An ability to multi-task and work irregular and long hours;
- Availability to travel as required.

Position 3: Terms of Reference for Finance Analyst (National- SC)

- The finance analyst will have dual reporting line to the Principal Accountant and the Programme Coordinator at MoECCM.

Duties and Responsibilities
- Spearheading fund mobilization for the UNDP/MoEPD/National Climate Change Programme (CCP)
- Concluding the Memorandum of Understanding with the Participating UN Organizations, and Standard Administrative Arraignments (SAAs) with donors;
- Receipt, administration and management of contributions received from Donors;
- Disbursement of funds to the Participating UN Organizations and others in accordance with the decisions of the Programme Manager and Project Board (as necessary) within 3-5 business days;
- Provision of periodic (annual and final) financial reports on the PSD Account to the Programme Manager , contributing donors and the Steering Committee
- Provide the Programme Manager, the Steering Committee and Participating UN Organizations with the statements of donor commitments, deposits and transfers to Participating UN Organizations and other financial information related to the Funds available in MoECCM;
- Provide communication on accounts and related issues and ensure information sharing with all stakeholders at different levels;
- Provide technical support for the finalization of project documents to NGO and UN agencies as required;
- Develop and manage the reporting system on PSD's funded projects on behalf of the UNDP;
- Act as secretariat for the Financial accountability of the CCP;
- Provide technical financial management and reporting support to all implementing partners within the framework of UNDP guidelines and government;
- Compile the consolidated annual report of financial operations;
- Receive and synthesize the narrative and financial reports from implementing partners for funded projects;

- Provide financial expenditure to the Programme Manager in accordance with the timetable indicated in the MOU;
- Provide adequate inputs for the Annual Report of the PSD fund operation, based on the information received from the NGOs and other implementing partners;
- Compile lessons learnt as necessary;

Required Qualifications, skills and Experience:

- Degree in Accountancy or economics at least at MSc. level or its equivalent;
- More than 7 years' experience in management large and multi-donor budgets;
- Knowledge of up-to date Accounting Computer Packages;
- Self-motivated and initiative
- Excellent command of English language, both written and oral;
- Ability to multi-task and work irregular and long hours;
- Strong personality and integrity
- Good Interpersonal skills
- Ability to travel as required.

Annex 3: Capacity Assessment

IMPLEMENTING PARTNER CHECKLIST:

AREAS FOR ASSESSMENT	ASSESSMENT QUESTIONS	REFERENCE DOCUMENTS AND INFORMATION SOURCES
PART I. BACKGROUND INFORMATION		
1. History	Date of establishment of the organization *EAD was established in 1994, but now it is under a new ministry called Ministry of Environment and Climate Change (MECC) which has been established in 2012*	Annual Reports, Media Kit, Website
2. Mandate and constituency	What is the current mandate or purpose of the organization? Who is the organization's primary constituency? *To oversee compliance and coordination of environment and natural resource in the country*	Annual Reports, Media Kit, Website
3. Legal status	What is the organization's legal status? Has it met the legal requirements for operation in the programme country? *EAD is a legal entity under the 1996 Environmental Management Act.*	Charter, legal registration
4. Funding	*What is the organization's main source (s) of funds?* *Government of Malawi, UNDP,UNEP*	Annual Reports
5. Certification	Is the organization certified in accordance with any international standards or certification procedure? *The EAD is not certified through any international ISO or project management standards.*	ISO, Project Management standard, other standards
6. Proscribed organizations	Is the organization listed in any UN reference list of proscribed organizations? *No*	http://www.un.org/sc/committees/1267/consolist.shtml
PART II. PROJECT MANAGEMENT CAPACITY		
2.1 Managerial Capacity		
1. Leadership Commitment	Are leaders of the organization ready and willing to implement the proposed project? *The leadership of EAD is willing to implement the proposed project.*	Interviews
2. Management experience and qualifications	Which managers in the organization would be concerned with the proposed project? What are their credentials and experience that relate to the proposed project? Do these managers have experience implementing UNDP or other donor-funded projects? *The managers that will be concerned include the Principle Secretary for MECC, The Director, The Assistant directors, and Environmental District Officers. The team has sufficient experience and credentials related to the proposed project. The team also been involved in managing UNDP or other donor supported programmes for more than 19 years.*	CVs of managers Interviews with managers Reports of past projects
3. Planning and budgeting	Does the organization apply a results-based management methodology? Are there measurable outputs or deliverables in the strategies, programmes and work plans? Are budgets commensurate with intended results? How do planners identify and accommodate risks? *The Programme applies the RBM methodology. Measurable indicators are clearly set out in the PSD as well as in the Annual Work-plans. Budgets are based on the various outputs which are designed to lead to the realization of the intended results. Planners identify risks at both the design and on-going monitoring*	Strategy documents Project and programme documents Sample proposals, work plans and budgets

AREAS FOR ASSESSMENT	ASSESSMENT QUESTIONS	REFERENCE DOCUMENTS AND INFORMATION SOURCES
	levels. Project activities are adjusted accordingly depending on the identified risks.	
4. Supervision, review, and reporting	How do managers supervise the implementation of work plans? How do they measure progress against targets?	Annual reports, presentation to stakeholders
	How does the organization document its performance, e.g., in annual or periodic reports? How are the organization's plans and achievements presented to stakeholders?	Internal reports
		Evaluation reports
	Does the organization hold regular programme or project review meetings? Are such meetings open to all stakeholders?	Lessons-Learned reports
	Are the organization's activities subject to external evaluation? How does the organization learn and adapt from its experience?	
	Managers supervise the implementation of work plans though continuous engagement and monitoring of activities against submitted quarterly work plans. Progress is measured through quarterly reports but concrete evidence towards progress is only obtained through evaluations.	
	The Programme documents its performance through quarterly, bi-annual and annual progress reports. The Programme's plans and achievements are presented to stakeholders through annual work plans and reports.	
	The Programme holds tripartite review meetings with its financing partners once a year and other stakeholders through stakeholder consultative forums. The meetings are open to implementing partners and cooperating organizations.	
5. Networking	What other organizations are critical for the successful functioning of this organization? How does the organization conduct relations with these organizations? Is the organization a party to knowledge networks, coordinating bodies, and other fora?	Descriptions of network and stakeholder fora
	Other organisations critical for successful functioning of EAD include but not limited to Ministry of Finance, Ministry of Environment and Climate Change, Ministry of Economic Planning and Development, Ministry of Local Government and Rural Development, District Assemblies, Department of Meteorology and Climate Change, UN agencies, development partners, NGOs and Faith Based organisations.	
	EAD manages its relations well and is part of the Steering and Technical Committees for Climate Change, annual national symposium of Disaster Risk Management, Climate Change, Environment and Energy.	
2.2 Technical Capacity		
1. Technical knowledge and skills	Do the skills and experience of the organization's technical professionals match those required for the project? Would these professionals be available to the project?	CVs of technical staff
		Knowledge network membership
	Does the organization have the necessary technical infrastructure (e.g., laboratories, equipment, software, technical data bases, etc.) to support the implementation of the project?	Technical library facilities
	How do staff members of the organization keep informed about the latest techniques and trends in their areas of expertise?	Reports from participation in international, regional, national or local meetings and conferences
	What external technical contacts and networks does the organization utilize?	
	What professional associations does the organization and/or its	

AREAS FOR ASSESSMENT	ASSESSMENT QUESTIONS	REFERENCE DOCUMENTS AND INFORMATION SOURCES
	professional staff belong to?	Facilities description
	The skills and experience of technical professionals match those required for the programme. There is adequate technical infrastructure.	
	The staff keep informed about latest developments in their specialist areas through continuous staff development programs, attending workshops and conferences.	
	The organization hires Consultants for some assignments to enhance objectivity, infuse new knowledge and techniques and bring in fresh perspectives.	

PART III. ADMINISTRATIVE AND FINANCIAL MANAGEMENT CAPACITIES

3.1 Administrative capacity. Note: Answer only questions that are relevant to the proposed project.

AREAS FOR ASSESSMENT	ASSESSMENT QUESTIONS	REFERENCE DOCUMENTS AND INFORMATION SOURCES
1. Facilities, infrastructure and equipment	Does the organization possess sufficient administrative facilities, infrastructure, equipment and budget to carry out its activities, particularly in relation to the requirements of the project?	Facilities and equipment available for project requirements
	Can the organization manage and maintain the administrative and technical equipment and infrastructure?	Maintenance personnel and budget
	The organization possesses sufficient administrative facilities, infrastructure and equipment but government budget allocations are at times not adequate.	
	The existing administrative and technical equipment can be managed and maintained professionally.	
2. Procurement and contracting	Does the organization have the legal authority to enter into contracts and agreements with other organizations? Does the organization have access to legal counsel to ensure that contracts are enforceable, meet performance standards, and protect the interests of the organization and UNDP?	Procurement manual
		Standard contracts
		Documentation on procurement processes, sample contracts
	Does the organization have dedicated procurement capacity? Do procurement personnel have skills and experience that are appropriate to the requirements of the project? Does the organization have written procurement procedures?	Supplier data base
		Audit reports
	Is there evidence that the organization conducts procurement on the basis of best value for money, transparency, and effective international competition?	Interview with legal counsel
		CVs of procurement personnel
	Does the organization have a system and procedures for asset management and inventory control?	
	The organization has legal authority. Being a Government Agency, the final resort in terms of legal matters is with the Attorney General's Office but this has never been invoked so far.	
	The organization has procurement capacity and also gets critical procurement support from the UNDP procurement section for high value external purchases. The project follows the Government of Malawi procurement guidelines. Yes there is evidence that procurement is guided by the stated values.	
	Yes there is a system of and procedures for asset management and inventory control.	
3. Recruitment and personnel management	Does the organization have the legal authority to enter into employment contracts with individuals?	Personnel manual
		Standard contracts and agreements
	Does the organization have dedicated personnel capacity? Do recruitment personnel have skills and experience that are appropriate to the requirements of the project? Does the organization have written recruitment procedures?	Job descriptions or terms of reference
		Documentation of recruitment processes
	Is there evidence that the organization conducts recruitment objectively on the basis of competition, fairness, and	Roster files of potential

AREAS FOR ASSESSMENT	ASSESSMENT QUESTIONS	REFERENCE DOCUMENTS AND INFORMATION SOURCES
	transparency?	job candidates
	Does the organization have a salary scale that would apply to project personnel? Would that scale inhibit the hiring of the best candidates?	CVs of recruitment personnel
	The organization has legal authority to enter into employment contracts. There is some personnel capacity within the organization but, if necessary, the organization can draw from the parent Department's Human Resources Section. The organization does not have its own written recruitment procedures but draws from both the GoM and UNDP best practices.	
3.2 Financial Management Capacity		
1. Financial management organization and personnel	Does the organization have written rules and regulations for financial management that are consistent with international standards? Does the organization have a dedicated finance unit?	CVs of financial personnel
	Do finance managers and personnel have skills and experience that are appropriate to the requirements of the project? Is the existing financial management capacity adequate to meets the additional requirements of the project?	A bank account or bank statements
	Do finance personnel have experience managing donor resources?	Interviews with financial management staff
	EAD has a finance unit with a recording system as follows: Books for Internal and external checks; book for banking check and book for budget check. These books are used by the Ministry of Finance to check the compliance accuracy of financial management. It is complemented with quarter and annual accountability report system For the Ministry of Finance that can be made available to donors upon request.	Finance manual
		Financial sector review report
	There is ongoing work to create the manual of procedure for financial regulation;	
	Annual audits carried out since Programme inception have consistently deemed the financial position of the programme to be in accordance with UNDP accounting requirements until 2010 when some challenges emerged. These have been largely attributed to high staff turn-over within the finance unit. Provisions were made to train all new accounts personnel on UNDP guidelines.	
	Most of the finance personnel have experience managing donor resources.	
2. Financial position	Does the organization have a sustainable financial position?	Financial statements
	What is the maximum amount of money the organization has ever managed? If the proposed project is implemented by this organization, what percentage of the organization's total funding would the project comprise?	
	EAD has for operational fund received from State Budge but for the implementation of projects EAD also depends on contributions from development partners i.e. UNDP, WB	
	So far the programme has managed a maximum of USD 500,000 per annum	
	The current project would represent 70% of the organization's total cumulative funding	
3. Internal control	Does the organization maintain a bank account? Does the organization have written rules and procedures on segregation of	Finance manual
		Financial rules and