

## Building Resilience and Adapting to Climate Change in Malawi (2018-2023)

### The Need

Malawi is one of the world's poorest countries, with some of the worst human development indicators for a country not in conflict. Entrenched poverty is exacerbated by natural resource degradation and frequent climate change shocks, particularly floods and drought which are estimated to cost Malawi around 2% of GDP each year on average. The political economy fosters poorly functioning food markets, especially the staple crop maize. Even in a good year, small weather variations can result in large numbers of people unable to meet their basic needs. This is a predictable and chronic problem, yet it is managed as a repeated 'crisis' by the government and development partners alike. Breaking this recurrent cycle of crises requires a transformative shift in policy response and development support, from costly humanitarian responses, to longer-term investments which address the root causes of chronic poverty and build sustainable strategies for adapting to climate change.

### Key aims of the programme

The long-term impact is to contribute to a reduction in extreme poverty and end the recurrent cycle of hunger and humanitarian assistance in Malawi. The programme aims to do this through taking market-based approaches to improving people's livelihoods; and developing scalable social safety net systems that respond more predictably and efficiently to weather and climate related shocks. The programme also addresses environmental degradation, a key long-term risk facing Malawi, by reducing urban demand for charcoal, the most significant driver of deforestation & degradation; and by supporting the protection of key national parks across Malawi.

### Key Facts

The UK is investing up to £90.5 million over five years (2018-2023) in the '*Building Resilience and Adapting to Climate Change (BRACC) programme*'. The programme is a key part of DFID Malawi's strategic shift on climate change in response to the Africa Strategy. Around 78% of the budget is International Climate Fund (ICF) eligible. The key components are:

- i. Climate resilient livelihoods: up to £52.5 million to reduce the impact of climate shocks on poor and vulnerable households through asset transfers; improved agricultural production; natural resource management; and access to more diverse income streams. This is being delivered through a joint Non-Government Organisation (NGO) and United Nations (UN) led consortium called Promoting Sustainable Partnerships for Empowered Resilience (PROSPER).
- ii. Provision of a scalable safety net 'crises modifier': up to £20million to respond to predictable seasonal food insecurity and climate shocks through an increase in safety net value per person and/or numbers of people covered in the face of shocks. This is also being delivered through the PROSPER consortium.
- iii. Strengthening social protection systems: up to £5million to strengthen national safety nets programmes so that in the longer term, they meet the basic needs of the poorest and respond to climate shocks when necessary. This is delivered through a Memorandum of Understanding (MOU) with Germany (BMZ/GIZ) and is co-financed by Germany and the European Union (EU).
- iv. Natural resource management: up to £1 million has been allocated to support Illegal Wildlife Trade (IWT) related activities in communities surrounding protected areas. This is being delivered through an Accountable Grant with African Parks. A further £4million has been allocated to co-finance USAID's Modern Cooking for Healthy Forests programme which aims to counter deforestation and forest degradation by tackling urban demand for charcoal - the most significant driver of forest degradation in Malawi.
- v. Evidence, knowledge and policy influence: up to £8million to generate evidence and learning to drive programme decisions and inform government policy. This will be complemented by targeted technical assistance to government on social protection, disaster risk management and climate change adaptation. An accountable grant is in place with IFPRI to provide this support on an interim basis, whilst we contract a 'Knowledge and Policy Manager' through commercial tender.

## Expected results and impacts

The programme will deliver the following high level objectives:

**Impact:** contribute to *“A reduction in extreme poverty and an end to the recurrent cycle of hunger and humanitarian assistance in Malawi”*.

Achieving this impact will require complementary long term investments and programmes that address the wider structural challenges in Malawi, including a weak economy that is failing to keep pace with population growth.

The programme aims to achieve the following outcome:

**Outcome:** *“Strengthened resilience of the targeted 300,000 poor and vulnerable households (around 1.7million people) to withstand current and future weather and climate related shocks and stresses”*

The expected **outputs** are:

1. Intensified and diversified agricultural production and improved nutrition for targeted vulnerable households
2. Enhanced and inclusive access to markets and the productive resources necessary to develop increased secure and predictable incomes for targeted households
3. Vulnerable households and communities in targeted areas have reduced exposure to drought and floods
4. Increased capacity of national, sub-national and non-state actors to prepare for, plan, monitor and respond to shocks.
5. A strengthened and more shock sensitive social protection system
6. Forest deforestation and degradation is reduced, and forest dependent communities have more sustainable livelihoods
7. More effective, coordinated and targeted, Government and donor investments

## Programme Activities

BRACC focuses on southern Malawi, targeting districts with the highest vulnerability to weather-related shocks, poverty, and chronic food insecurity. However, many activities focus on a wider set of districts or operate at the national level. Overall, the programme aims to target around 300,000 households with a set of integrated interventions designed to increase household and community resilience to weather and climate related shocks. Key activities include:

- Climate Smart Agriculture
- Nutrition sensitive interventions
- Integrated watershed management
- Forest landscape restoration
- Disaster Risk Reduction and Climate services
- Market systems development and inclusive business models
- Micro-finance and micro-insurance
- Shock-responsive social protection
- Lean season response
- District and national systems strengthening and coordination

### Theory of Change (see diagram below)

The DFID Resilience framework and learning from **global evidence** inform the approach and Theory of Change. These highlight that resilience is a product of interlinked capacities to anticipate, absorb, and adapt to shocks and stresses, underpinned by measures which reduce exposure to shocks and the governance mechanisms, market systems, policies/regulations, infrastructure, community networks, and formal and informal social protection mechanisms that constitute the enabling environment necessary for systemic change and transformation. The programme interventions are therefore designed to: increase the adaptive, absorptive and anticipatory capacities of targeted households and communities, alongside work to contribute to transformative systems strengthening.

Figure 1 – Theory of Change Diagram

