



USAID
FROM THE AMERICAN PEOPLE

Coastal City Adaptation Project (CCAP) Agreement No. AID-656-C-14-00001

FY2014 **1st Year of the Project**

Quarterly Progress Report: Start of Project through March 2014



May 20, 2014

This document was produced for review by the United States Agency for International Development. It was prepared by Chemonics International Inc. for the USAID Coastal City Adaptation Project, contract number AID-656-C-14-00001.

CONTENTS

Acronyms	ii
1. Project Duration	1
2. Starting Date.....	1
3. Life of Project Funding.....	1
4. Geographic Focus.....	1
5. Program/Project Objectives.....	1
6. Summary of the Reporting Period.....	3
7. Project Performance Indicators.....	4
8. Major Implementation Issues.....	5
9. Collaboration with other donor projects.....	5
10. Key Activities Planned for Next Quarter.....	5
11. Evaluation/Assessment Update.....	6
12. Administrative Update.....	7
13. Success Stories and Photos.....	7
14. Financial Information.....	7

ACRONYMS

CCA	climate change adaptation
CCAP	Coastal City Adaptation Project
CSO	civil society organization
DRR	disaster risk reduction
GOM	Government of Mozambique
HNI	Human Network International
INAM	National Institute of Meteorology (<i>Instituto Nacional de Meteorologia</i>)
INGC	National Disaster Management Institute (<i>Instituto Nacional de Gestão de Calamidades</i>)
M&E	monitoring and evaluation
NGO	nongovernmental organization
SMS	short message service
UEM	Eduardo Mondlane University (<i>Universidade Eduardo Mondlane</i>)

Cover Photo: Flooded road and tree grove outside of Pemba following the April rains.
Photo credit: Carlos E. Quintela.

- 1. **Project Duration:** 5 years
- 2. **Starting Date:** Contract signature - November 25, 2013
Start of operations - January 16, 2014
- 3. **Life of Project Funding:** US\$14,904,208
- 4. **Geographic Focus**

The Coastal City Adaptation Project (CCAP) will focus its intervention on the most vulnerable coastal cities that are not currently receiving significant support from other donors. We have started working in two cities: Pemba and Quelimane. Initially, the objective was to identify a third city, but in consultation with the project’s COR, we are proposing to postpone this decision until activities in these two cities are sufficiently advanced to allow us to determine which interventions hold the most potential for success. An option under consideration is to identify a few key, very successful interventions, and scale them in additional cities along the Mozambican coast.

5. Program/Project Objectives

Proactive investments in adaptation can cost-effectively avert a significant portion of the projected costs of climate change while yielding substantial co-benefits. To facilitate this process in vulnerable Mozambican coastal communities, CCAP is working with municipal governments to increase understanding of urban adaptation issues and increase the application of management options for urban adaptation. CCAP is also engaging with academia and an array of civic organizations to increase climate awareness and the technical expertise of future urban planners and municipal authorities, and to facilitate local adaptive measures.

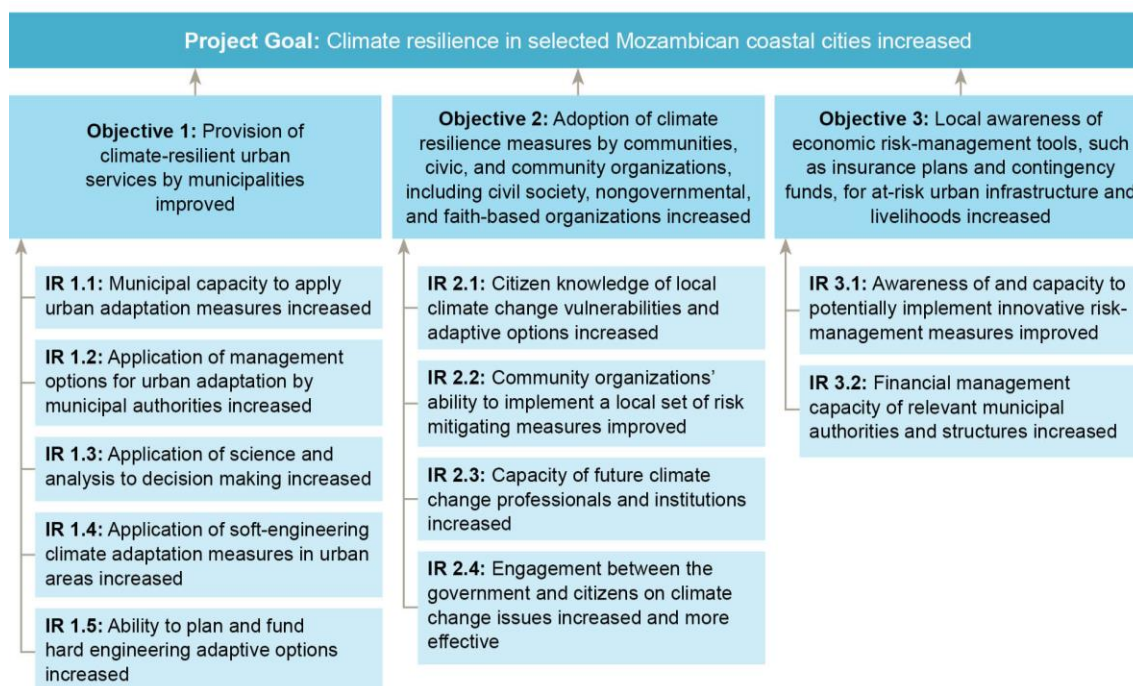


Figure 1. Results Framework of USAID's Coastal City Adaptation Project.

The results framework presented above guided the preparation of the first draft of the work plan. As discussed in Section 6 below, some adjustments will be made to the project following ground-truthing and consultations with stakeholders, particularly to highlight gender and youth as a priority crosscutting objective for all activities.

Objective 1: Improve the provision of climate-resilient urban services by municipalities

Pemba and Quelimane have unique challenges that require a flexible and tailored approach to assessing, preparing for, prioritizing, and implementing climate-resilient improvements to urban services. Pemba is in the early stages of vast economic expansion as international extractive industries prepare for intensified offshore operations. Quelimane has less immediate promise of foreign investment and will require significant community buy-in and engagement to improve its provision and sustainability of resilient urban services.

The activities under Objective 1 focus on upgrading the capacity and technical skills of municipal authorities to plan, manage, and lead the execution of climate change adaptation (CCA) and disaster risk reduction (DRR) strategies. We also will introduce participatory mechanisms for identifying and prioritizing adaptation options that combine technically credible and sound scientific analysis with engagement of vulnerable groups and communities in diagnosing problems and designing specific interventions. This will ensure that municipalities' CCA and DRR plans are technically reliable, responsive to local realities, and maximize the use of local resources for sustainability.

Objective 2: Increase adoption of climate resilience measures by communities, civic and community organizations, including civil society, NGOs, and faith-based organizations

Because climate change is a long-term issue whose consequences may not yet be fully visible or widely comprehended by coastal communities who are intimately familiar with challenges like inland flooding and storm surges, prompting them to take action will require significant investment in behavior change communications. This challenge is heightened among vulnerable populations whose more immediate needs, such as health, shelter, and food security, often trump activities that require longer planning horizons. Overcoming this obstacle requires both top-down (science and research-based expertise) and bottom-up (grassroots understanding of vulnerabilities, gender dynamics, and coping mechanisms) solutions that focus on "no-regret" measures and mainstream climate change into broader development programs.

The activities under Objective 2 aim to increase community resilience to climate change. It will involve assisting Mozambican institutions to establish enduring partnerships with centers of global climate change expertise; building networks and information platforms for climate change resilience knowledge and resource sharing; developing practical and cost-effective adaptation and disaster risk reduction options in cooperation with local communities; and delivering training that equips youth, both male- and female-led households (nearly one-third of Mozambique's households are female-led), and civil society with the skills to become champions for resiliency.

Objective 3: Increase local awareness of economic risk-management tools, such as insurance plans and contingency funds, for at-risk urban infrastructure and livelihoods

Disaster risk financing and insurance are components of the Hyogo Framework for Action, a 10-year plan to make the world safer from natural hazards, to which Mozambique is a signatory. Although they are valuable tools for disaster risk management, they can only be economically

viable in supporting risk reduction in an environment where the population is simultaneously working to reduce risk through the adaptation options identified under Objectives 1 and 2. Mozambique has taken concrete steps to improve disaster response and recovery in recent years, including the completion of a Systematic Inventory and Evaluation of Risk Assessments initiative, which identified a large amount of data on disaster risk spread several GOM institutions, and the creation of a disaster database collecting 30 years of data on human and economic disaster losses in Mozambique under support from the Global Risk Identification Program. Yet much work remains to be done to harness this valuable data for decision-making on fiscal transfers and insurance product development. This is particularly clear when examining the penetration of insurance in the local market — only 5.1 percent of Mozambicans use any form of insurance, and even fewer use insurance to cover catastrophe risks.

The activities under Objective 3 seek to increase awareness of and building capacity to implement risk management mechanisms. To this end we will provide targeted short-term expertise from leading risk and reinsurance specialists to engage the private sector and insurance industry in a dialogue to assess barriers to product development, and to empower national and municipal officials to make budgeting decisions that support improved disaster planning, response, and recovery.

6. Summary of the Reporting Period

Most of the activities during this reporting period were related to program start-up and are briefly summarized below.

Office setup. A significant portion of this reporting period of operations was used in setting up the office and managing the logistics of starting a new project. The contract was signed in late November 2013 and a start-up team was deployed in early December 2013. By the end of the first full quarter of operations (March 2014), we had a fully operational office and most of the start-up procurement done.

Staffing. Along with the office setup, a priority for this reporting period was confirming the availability of the proposed staff and recruiting to fill the positions for which they were no longer available. On the heels of the start-up team, the COP arrived the second week of January. Unfortunately, the proposed DCOP confirmed that she was no longer available when meeting with the COP in mid-January. However, as initial adjustments to the project were being made as a result of consultations with USAID and our main stakeholders, we decided that an alternative staffing structure may most effectively implement the project. This revision to the structure is currently under discussion with the COR. In the meantime, however, project activities started with the team available. At the end of the reporting period, candidates for all the main technical positions were identified and their documentation was being finalized for submission to USAID for approval.

Work Plan. We conducted a team building and work planning workshop February 4-6. We started with a full day team building activity, during which we reviewed the team composition, their roles, and conducted Chemonics' ethics and business conduct training. For the remaining two days, we invited representatives of the Eduardo Mondlane University (EMU), Vedor Lda - a firm with experience in municipal planning - COR Angela Hogg, and Natural Resource Officer Colin Quinn to join us in a review of the statement of work and the proposed activities. From the inputs received during this workshop we produced a first draft of the work plan, which was submitted to USAID as part of a three-phase process of developing our work plan and extending

its review and consultation with the municipalities (phase 2) and the national agencies (phase 3).

Monitoring and Evaluation (M&E) Plan. Based on the contract parameters and the draft work plan, we prepared the first draft of our M&E plan. This was done in consultation with the Mission's M&E officer. Next quarter, we will be able to report progress in the revision, setting of targets and consultation with partner and stakeholders.

Presentation of the Project to the Mayors of Pemba and Quelimane. During this reporting period, the CCAP team accompanied the Director of the Agriculture, Trade and Business Department, Tim Born, project COR, Angela Hogg, Natural Resource Officer, Colin Quinn, in a visit to the municipalities of Pemba and Quelimane for meetings with the Mayors and their senior staff, to present the project and to lay out the next steps for the consultation, work plan development, initial assessments and start-up activities.

Institutional and Gender and Youth Assessments. The most important programmatic activities launched this quarter were the institutional and gender and youth assessments, which will serve as the baseline for the work we will do for the rest of the project. During this reporting period, the consultants were identified, the scopes of work developed, and the preparation for the field work conducted.

- Institutional Assessment. This assessment consists of a rapid review of institutions either currently or potentially involved in activities related to CCA and DRR in the municipal governments and local communities in Pemba and Quelimane. The objective of the assessment is to provide CCAP with a snapshot of the institutional setting and the operating environment of the Municipality and relevant organizations that are currently or potentially could engage in planning, selecting, and/or implementing CCA and DRR activities. Additionally, the assessment will serve as a baseline for the project measurement of results. Information generated through this assessment will be further analyzed as necessary for future development of project activities.
- Gender & Youth Assessment. Based on the knowledge that climate change affects women and men differently due to their gendered roles and responsibilities, this assessment will clarify the needs and experiences of different groups of residents - men and women, girls and boys - in relation to climate change and how they can engage in preparations for and protection against extreme weather events caused by it, in the urban settings of Pemba and Quelimane. Furthermore, this analysis will seek to identify the age groups of young people most likely to become actors of change, as well as find effective means to improve their awareness and readiness to take on an active role of social engagement in urban adaptation in the project areas.

7. Project Performance Indicators

Considering that this is the first quarterly reporting period, many of the activities have focused on getting the project staffed, setting up operations, and developing some of the main project implementation instruments. Next quarter, with the work plan and M&E plan approved, and more substantive activities under implementation, we will be able to report progress against indicators and targets.

8. Major Implementation Issues

The implementation issues can be divided into operational and programmatic. The main operational challenge that we are encountering is the long and complicated process of obtaining work permits and resident status for our expatriate staff. We are proceeding with the support from a reputable local law firm, but the process is burdensome and slow. Staffing the project has also proven difficult. The search for qualified candidates is challenging. When competent candidates are identified, the competition with other donor-funded projects, international development agencies, and private companies is intense and we are sometimes not able to meet their salary expectations.

Programmatically, we are encountering very limited technical and operational capacity of our counterparts, which constraints the scope and pace of the activities that we can implement. Considering that sustainability is one of the main purposes of the project, we are conscious of the need to avoid recommending or proposing solutions that would only be viable with CCAP playing the lead role in their implementation. The upcoming presidential election is turning out to be a much greater issue than we had originally anticipated. In Quelimane, where the Mayor is from an opposition party, partisan politics are evident at all levels from the Municipality down to the neighborhood associations. Because of this reality, we are preparing to focus on activities more technical in nature as electoral politics demands the attention of the Mayors and their senior advisors with the pending election.

9. Collaboration with other donor projects

Collaboration with other donors is an important objective of this project. However, at this stage we are not ready to engage them on an intensive basis. Once the assessments have been completed, one of which has as one of its explicit objectives providing information about the role of other donors and implementers involved in climate change adaptation activities, we will be able to strategically seek and develop partnerships with other donor projects.

10. Key Activities Planned for Next Quarter

During the next quarter, CCAP will focus on the implementation of the following activities:

Institutional and Gender & Youth Assessments. The scope of these assessments was discussed in previous sections of this report. While the planning, preparation and definition of the SOW of this activity took place this reporting period, the field work will be conducted in the following quarter in close collaboration and extensive consultations with the Municipality, INGC, and other key stakeholders. The final report will be completed and submitted to USAID for review and subsequently to the Municipalities, INGC and the other stakeholders.

Training program on CCA and DRR for municipalities. We will partner with UEM to develop and deliver a seminar for municipal staff that will include terminology used in disaster risk management, options for climate change mitigation and adaptation measures (including management, soft-engineering, and hard-engineering options), analysis of national and regional early warning systems, simplified cost-benefit analysis, and an overview of building code standards and innovative construction options such as those developed by UN HABITAT. UEM is well suited to design this seminar, as it has recently developed a Master's degree curriculum for CCA and DRR and has been involved in the development of several other CCA and DRR

training initiatives for municipal staff in Mozambique, including the USAID Climate Infrastructure Resilient Services project in Nacala and UN HABITAT's municipal training program.

Rapid infrastructure assessment. In preparation for providing multidisciplinary technical assistance and "on-the-job" training plan for municipalities, this reporting period we prepared the SOW for a consultancy aimed at providing direct technical assistance and capacity building support to the municipalities of Pemba and Quelimane on the improvement of the resiliency of the public infrastructure to extreme weather events. This assignment is expected to start in mid-June and conclude in September. In May the SOW will be reviewed by the municipalities of Pemba and Quelimane in order to seek their input and adjust it to better respond to their needs. A priority for this assessment is to provide technical assistance to the municipality to improve their support of the temporary settlements and the establishment of the permanent resettlement operations, which is particularly important in Pemba due to the the torrential rains in March.

Design and implement SMS early warning system. Subcontractor Human Network International (HNI) will work with the provincial INGC and *Instituto Nacional de Meteorologia* (INAM) offices and the Municipalities of Pemba and Quelimane to identify and register the telephone numbers of local disaster management committee members and other community leaders as part of a mobile early warning system. We will ensure that women, youth, and traditional leaders are part of the mobile network to maximize coverage of the groups most vulnerable to disasters. Once registered, provincial INGC/INAM and municipal officials will be able to transmit messages with targeted SMS broadcasts. HNI will also develop an SMS reporting system for use in post-disaster situations to receive damage reports from community volunteers and local disaster committee members. The system will include custom dashboards, maps, and other visualizations that will enhance the ability of decision-makers to allocate resources more efficiently after a disaster. In close coordination with USAID, and with the participation of HNI, we will determine the interest of all three mobile network operators (mcel, Vodacom, Movitel) to establish public-private partnership for delivering all of these services at no cost to target communities.

Design a public awareness and behavior change strategy. We view every project activity as an opportunity to build awareness about CCA and DRR options among target communities; thus, every activity will have a communications component. This will also ensure that communications activities do not exist in a vacuum, but rather, are closely integrated with specific activities that yield tangible results. As the activities in the work plan become more defined, so will the communications components that will accompany them. The results from the municipal institutional, gender, and youth analyses will help us to determine the most appropriate channels (e.g. newspaper, radio, posters/brochures, and SMS/voice broadcasts) for reaching target audiences, including women, youth, CSOs, the private sector, and vulnerable populations living in peri-urban areas. All messages will be solution- and action-oriented, and will be guided by evidence-based behavior change strategies.

11. Evaluation/Assessment Update

There are no updates on evaluations or assessments at this time since this reporting period consisted primarily of startup-related activities.

12. Administrative Update

Our office setup was accomplished quickly and efficiently by subcontracting most office support services to a separate company that is responsible for the office space and services management (e.g., water, electricity, internet and office maintenance). This allows our small team to focus exclusively on project activities. The project initiated work on the grants manual, which will be finalized and submitted for USAID approval in the next reporting period. Suitable candidates were identified for all vacate positions as of the end of the reporting period.

13. Success Stories and Photos

We do not have any success stories to submit at this time due to the operational nature of initial activities.

14. Financial Information

Please see the corresponding Quarterly Financial Report for more detailed financial information.

Budget Item	Actual Expenditures (this reporting period)	Projected Expenditures (next quarter)
Salaries	\$94,100.34	\$192,709.03
Fringe	\$52,867.42	\$83,595.33
Overhead	\$88,802.26	\$160,020.48
Travel & Transportation	\$11,038.60	\$26,159.07
Allowances	\$48,792.59	\$49,435.09
Other Direct Costs	\$36,291.94	\$70,702.97
Equipment, Vehicles, & Freight	\$10,257.57	\$70,426.00
Training	\$3,012.00	\$0.00
Subcontractors	\$0.00	\$220,500.00
General and Administrative	\$17,499.71	\$44,288.88
Fees	\$27,199.67	\$68,237.76
Grand Total	\$389,862.10	\$986,074.61