



**GREEN
CLIMATE
FUND**

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Provisional agenda item 10

GCF/B.44/02/Add.02

4 March 2026

Consideration of funding proposals – Addendum II

Funding proposal package for SAP067

Summary

This addendum contains the following six parts:

- a) A funding proposal titled "Catalyzing a Climate Risk Protection Shield for Zambian Smallholder Farmers";
- b) No-objection letter issued by the national designated authority(ies) or focal point(s);
- c) Secretariat's assessment;
- d) Independent Technical Advisory Panel's assessment;
- e) Response from the project-specific assessment approach applicant to the independent Technical Advisory Panel's assessment; and
- f) Gender documentation.

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Disclaimer:

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Simplified Approval Process Funding Proposal

Project/Programme title:	Catalyzing a Climate Risk Protection Shield for Zambian Smallholder Farmers
Country(ies):	Zambia
National Designated Authority(ies):	National Designated Authority NDA - Zambia
Accredited Entity:	Government of the Republic of Zambia, acting through the Ministry of Finance and National Planning
Date of first submission:	2025/09/10
Date of current submission/ version number	2026/01/05 [V.5]



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Contents

Section A PROJECT / PROGRAMME SUMMARY

This section highlights some of the project's or programme's information for ease of access and concise explanation of the funding proposal.

Section B PROJECT / PROGRAMME DETAILS

This section focuses on describing the context of the project/programme, providing details of the project/programme including components, outputs and activities, and implementation arrangements.

Section C FINANCING INFORMATION

This section explains the financial instrument(s) and amount of funding requested from the GCF as well as co-financing leveraged for the project/programme. It also includes justification for requesting GCF funding and exit strategy.

Section D EXPECTED PERFORMANCE AGAINST INVESTMENT CRITERIA

This section provides an overview of the expected alignment of the projects/programme with the GCF investment criteria: impact potential, paradigm shift, sustainable development, needs of recipients, country ownership, and efficiency and effectiveness.

Section E ANNEXES

This section provides a list of mandatory documents that should be submitted with the funding proposal as well as optional documents and references as deemed necessary to supplement the information provided in the funding proposal.

Notes to accredited entities on the use of the SAP funding proposal template

- The Simplified Approval Process Pilot Scheme (SAP) supports projects and programmes with a GCF contribution of up to USD 25 million with minimal to no environmental and social risks. Projects and programmes are eligible for SAP if they are ready for scaling up and have the potential for transformation, promoting a paradigm shift to low-emission and climate-resilient development.
- This template is for the SAP funding proposals and is different from the funding proposal template under the standard project and programme cycle. Distinctive features of the SAP funding proposal template are:
 - *Simpler documents*: key documents have been simplified, and presented in a single, up-front list;
 - *Fewer pages*: A shorter form with significantly fewer pages. The total length of funding proposals should **not exceed 20 pages**, annexes can be used to provide details as necessary;
 - *Easier form-filling*: fewer questions and clearer guidance allows more concise and succinct responses for each sub-section, avoiding duplication of information.
- Accredited entities can either directly incorporate information into this proposal, or provide summary information in the proposal with cross-reference to other funding proposal documents such as project appraisal document, pre-feasibility studies, term sheet, legal due diligence report, etc.
- Submitted SAP Pilot Scheme funding proposals will be disclosed simultaneously with submission to the Board, subject to the redaction of any information which may not be disclosed pursuant to the [GCF Information Disclosure Policy](#).
- For more information on how to develop Funding Proposals under the SAP please refer to the [Simplified Approval Process \(SAP\) Funding proposal guidelines](#).

Please submit the completed form through the GCF Digital Proposal Submission Platform (DPS)¹

A. PROJECT/PROGRAMME SUMMARY					
A.1. Has this FP been submitted as a SAP CN before?		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>			
A.2. Is the Environmental and Social Safeguards Category C or I-3?		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>			
A.3. Project or programme	Indicate whether this FP refers to a combination of several projects (programme) or one project. <input checked="" type="checkbox"/> Project <input type="checkbox"/> Programme	A.4. Public or private sector	<input checked="" type="checkbox"/> Public sector <input type="checkbox"/> Private sector	A.5. RfP	Not applicable
Check the applicable <u>GCF result area(s)</u> that the overall proposed project/programme targets. For each checked result area(s), indicate the estimated percentage of GCF and Co-financers' budget devoted to it. The total of the percentages when summed should be 100% for GCF and Co-financers' contribution respectively.					
				GCF Contribution	Co-financers' contribution²
Mitigation total				0 %	0 %
<input type="checkbox"/> Energy generation and access				0 %	0 %
<input type="checkbox"/> Low emission transport				0 %	0 %
<input type="checkbox"/> Buildings, cities and industries and appliances				0 %	0 %
<input type="checkbox"/> Forestry and land use				0 %	0 %
Adaptation total				100 %	100 %
<input checked="" type="checkbox"/> Most vulnerable people and communities				48 %	70%
<input checked="" type="checkbox"/> Health and well-being, and food and water security				52 %	30%
<input type="checkbox"/> Infrastructure and built environment				0 %	0 %
<input type="checkbox"/> Ecosystem and ecosystem services				0 %	0 %
A.7.1. Expected mitigation outcome		A.7.2 Expected adaptation outcome		937,000 total beneficiaries	
N/A				840,000 direct beneficiaries	97,000 indirect beneficiaries
				4% of total population	<1% of total population

¹ See the [DPS user guide](#) for further information on how to access and submit proposals.

² Co-financer's contribution means the financial resources required, whether Public Finance or Private Finance, in addition to the GCF contribution (i.e. GCF financial resources requested by the Accredited Entity) to implement the project or programme described in the funding proposal.

A.8.1. Total investment (GCF + co-finance³)	Amount: \$30,261,554 USD	A.8.2 Total GCF funding requested (max USD 25M)	Amount: \$25,000,000 USD
A.9. Type of financial instrument requested for the GCF funding	<i>Mark all that apply.</i> <input checked="" type="checkbox"/> Grant <input type="checkbox"/> Loan ⁴ <input type="checkbox"/> Equity <input type="checkbox"/> Guarantees <input type="checkbox"/> Others:		
A.10. Implementation period (months)	60 months	A.11. Total project/ programme lifespan (years)	10 years
A.12. Expected date of internal approval	<i>The date that the Accredited Entity obtained/will obtain its own approval to implement the project/ programme, if available</i> 9/9/2025	A.13. Has Readiness or PPF support been used to prepare this FP?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
A.14. Is this FP included in the entity work programme?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	A.15. Is this FP included in the country programme?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
A.16. Executing Entity information	<ol style="list-style-type: none"> 1. Pensions and Insurance Authority, Ministry of Finance and National Planning, Government of the Republic of Zambia (PIA): Zambia, regulator and supervisor for the pensions and insurance industries 2. Forestry Department: Zambia, department within Ministry of Green Economy and Environment (MGEE) 3. One Acre Fund Limited (1AF): One Acre Fund Zambia is a private company limited by shares incorporated in the Republic of Zambia 		
A.17. Scalability and potential for transformation (max. 100 words)			
<p>This project will directly scale climate adaptation services to 840,000 individuals in 140,000 farmer households (9% of Zambia's smallholder population)⁵. By building the supply-side infrastructure for insurance (via insurance consortium coordination and increased underwriting, product development, and reinsurance capacity) and for tree seedlings (via a national seed certification system and quality database, and 1,000 tree nurseries), and aggregating demand of 65,000 farmer households receiving climate-smart farm inputs and tree seedlings, the project will catalyze market growth of climate adaptation systems to a critical mass, expanding climate-resilient development within and beyond the project's direct scope.</p>			
A.18. Project/Programme rationale, objectives and approach (max. 300 words)			
Zambia's 1.6 million smallholder families are uniquely vulnerable to the effects of climate change:			

³ Refer to the Policy on Co-financing of the GCF.

⁴ Senior loans and subordinated loans.

⁵ This estimate of total individual beneficiaries is based on 4 years of internal 1AF data, which found that average farmer household size consistently fell between 7.3 and 8.4 individuals; here that figure is further discounted to 6 individuals for additional conservatism. This estimate of the percentage of Zambia's smallholder population is based on [World Bank](#) data, which indicates 1.6 million smallholder farmer

- **Short-term climate shocks** are increasingly frequent, like the 2024/2025 drought that triggered a national emergency.⁶ Without safety nets, a single shock can decimate annual harvests and force costly coping mechanisms, perpetuating a poverty cycle.
- **Medium-term rainfall variability** makes crop yields more erratic, driving farmers to land conversion and deforestation.^{7,8} Without widespread farmer-led tree planting to bolster soil moisture and erosion control, Zambia risks a slide into desertification.
- **Long-term temperature increases** are projected to lower maize yields by up to 22% by 2050.⁹ Without climate-smart inputs and techniques, climate change threatens livelihoods and national food security.^{10,11}

The project will deliver climate adaptation and resilience-building services, and create the national structures to scale and sustain them:

- **Component 1: “Farmer First” Insurance Sector:** The project will insure 140,000 farmer households under smallholder-tailored agricultural insurance products, providing a safety net against climate shocks.
- **Component 2: National Tree Seedling Supply:** The project will produce 20 million tree seedlings (majority indigenous) via a strengthened seed supply chain, enabling 1,000 tree nurseries to serve 65,000 rural farmers (through Component 3) for accelerated farm-level tree planting.
- **Component 3: One Acre Fund Zambia Platform :** The project will supply 65,000 farmer households (of the 140,000) with financing for climate-smart inputs and tree seedlings, and training for sustainable, increased farm productivity. This group will function as an aggregated client base for the new insurance and tree seedling markets to scale.

The project structure aligns with GCF’s investment guidelines: the Government of Zambia is the project owner (“country ownership”), and public/private partnerships will create self-sustaining models for the new markets (“paradigm shift potential”).

GCF grant funding will enable future sustainable financing both by de-risking the insurance market until other actors are attracted to invest, and by filling seedling supply-chain gaps to spur market-driven demand.

households in Zambia. When multiplied by the average of 6 individuals per household, this indicates there are 9.6 million individuals in smallholder farmer households in Zambia. 840,000 individuals is 9% of 9.6 million.

⁶ [Siatwiinda et al 2021](#)

⁷ [Ngoma et al 2023](#)

⁸ [International Food Policy Research Institute et al 2023](#)

⁹ [International Food Policy Research Institute et al 2023](#)

¹⁰ [Mwanamwenge et al 2019](#)

¹¹ [Kumwenda et al 1995](#)





Climate Vulnerabilities, Impacts, and Baseline Scenario

Zambia is highly vulnerable to climate change, which threatens the livelihoods of its 1.6 million smallholder farm families and exacerbates food insecurity. The country's Greenhouse Gas (GHG) profile is primarily dominated by the Agriculture, Forestry, and Other Land Use (AFOLU) sector, driven by the expansion of agriculture. The proposed project addresses the urgency of climate change adaptation by tackling key climate challenges. A full analysis of climate risk can be found in Annex 2.

Short-term climate shocks like droughts (caused by lower annual precipitation and fewer total wet days) and floods (especially seasonal and flash floods) are becoming more frequent and severe.¹² Rising temperatures have already contributed to increased frequency and severity of these extreme weather events.¹³ Zambian smallholders have minimal safety nets, with little savings and few assets to absorb these shocks. A single climate event can trap families in long-term poverty by forcing them to sell productive assets, borrow at high interest rates, or withdraw children from school. Currently, agricultural insurance is largely unavailable or unaffordable, leaving them exposed. Evidence shows that agricultural insurance helps farmers build resilience and invest in higher-value, climate-smart crops.¹⁴

Medium-term rainfall variability in Zambia is making crop yields more erratic. Already, over the last three decades, Zambia has seen an increase in rainfall variability alongside an increase in consecutive dry days. As rainfall patterns change, farmers are no longer able to gauge when best to plant and harvest, exacerbating volatile crop yields.¹⁵ This uncertainty drives farmers to land conversion and deforestation for agricultural expansion.¹⁶ When trees are cut down to make more space for arable lands, farmers lose a key resource for farm-level resilience, as trees retain soil moisture, control erosion, and provide diversified income.^{17,18} Moreover, agroforestry adoption (which could counter this deforestation trend) is severely constrained by a fragmented supply chain of low-quality tree seedlings.

Long-term changes in temperature and rainfall are devastating to crop yields in Zambia. Temperature increases are projected to reach 1.8-1.9°C by 2050, and as a result, maize yields are projected to decrease by up to 22%.^{19,20} This would be disastrous for a country where already 35% of children suffer from stunting.²¹ Rainfall variability is projected to be most extreme in AER II and AER III, which would disproportionately affect crop growth and food production.²² Smallholders lack the financial resources and climate-resilient inputs to ensure food security, and reduced yields would lead to further widespread hunger. Moreover, hot days could increase by up to 29% by 2060, while hot nights increase by up to 54% by the same year.²³ Other hazards, such as soil erosion and degradation are exacerbated by sustained temperature increases as well.²⁴

Findings from the [IPCC AR6 Working Group II](#) reflect the above key risks, specifically noting ecosystem disruption, loss of food production, reduced economic output and increased poverty, and more.

Barriers to Address

The primary barrier the project will address is a market failure to provide accessible climate adaptation tools for smallholders. Key challenges include:

- Financial & Market: Commercial and international reinsurers view Zambian agricultural risk as too high and unpredictable due to climate shocks. This makes them either unwilling to offer coverage or leads to prohibitively high pricing. Without a mechanism to offload risk, local insurers cannot realistically provide coverage to a large number of farmers. Further, the tree seedling market lacks commercial incentives on both the supply and demand side. This results in dependence on short-term, aid-based interventions.
- Technological & Institutional: Scalable, smallholder-centric models for insurance and indigenous tree seedling supply are unproven in Zambia. Existing efforts are fragmented and lack standardized methodologies, limiting replication and private sector investment.
- Social: Smallholders lack the financial resources, training, and access to climate-resilient inputs and techniques needed to adapt effectively.

¹² [Ngoma et al 2023](#)

¹³ [Allan et al 2021](#)

¹⁴ [Timu et al 2023](#)

¹⁵ [Ngoma et al 2023](#)

¹⁶ [Ordóñez et al 2025](#)

¹⁷ [Veldkamp et al 2020](#)

Alignment with Other Projects

This project complements FP072, specifically its work on Climate Information Services and resilient livelihoods (soil health, agroforestry). With FP072 ending in 2026, this project will ensure continuity in building smallholder resilience. It also aligns with a recently approved GCF grant for post-harvest loss (through the Alliance for a Green Revolution in Africa (AGRA)), which is directly linked to climate adaptation inputs and services.²⁵

B.2.1. Project/Programme description (max. 1,000 words)

This project is designed to build the climate resilience of 840,000 individuals in Zambian smallholder households by developing sustainable, market-based systems for critical adaptation services.²⁶ By addressing key barriers in the insurance, tree seedling, and farm input sectors, the project will catalyze a market-wide transformation, shifting from short-term, aid-based interventions to long-term, self-sustaining solutions. The project's interventions are organized into three interconnected components.

Component 1: “Farmer First” Insurance Sector

This component will increase the financial resilience of vulnerable smallholder farming households against climate-related shocks and income losses through the adoption of agricultural insurance by fundamentally restructuring the market. The primary beneficiaries are 140,000 farming households (840,000 individuals) who will gain access to improved insurance products.

- **Outputs & Activities:** The PIA, as an Executing Entity, will establish a **consortium of local underwriters, aggregators, reinsurers, and (Insurance Technology) InsurTechs** to develop and launch new, innovative insurance products.²⁷ These products will be more **spatially and temporally accurate**, ensuring they provide real value to farmers. The consortium itself will build local **actuarial and product development capacity**, ensuring the market can independently serve smallholders long-term. One Acre Fund, as a co-Executing Entity for this component, will act as the facility manager for a **not-for-profit reinsurance cell** — a reinsurance account that ensures farmers receive sufficient payouts to manage shocks — de-risking the market and attracting private capital. This facility will enable **higher-loss-ratio products** to enter the market (meaning a higher percentage of farmers' premiums are paid back to them as claims). These new insurance products will be bundled into wider services for the 65,000 farmer households being served under Component 3; other market actors will serve an additional 75,000 farmer households. See Annex 2, Section 4.2 for more details on how GCF's concessionality will flow to farmers as the final beneficiaries.

Component 2: Strengthened Tree Seedling Supply

This component will build a robust, market-driven supply chain for indigenous tree seedlings to support widespread agroforestry adoption. This will benefit the 65,000 farmer households being served under Component 3. In addition, this component will help serve tree-related projects that are in-progress and under development.

¹⁸ [Sambo et al 2021](#)

¹⁹ [International Food Policy Research Institute 2023](#)

²⁰ [International Food Policy Research Institute 2023](#)

²¹ [World Bank Group 2018](#)

²² [Mweshi 2022](#)

²³ [Heath 2010](#)

²⁴ [Winthrop et al 2018](#)

²⁵ This project complements the AGRA project by tackling different stages of the agricultural value chain to build comprehensive climate resilience. While this project focuses on pre-harvest solutions — like climate-smart inputs and insurance — to ensure farmers can produce more resilient harvests, the AGRA project focuses on post-harvest solutions to reduce the loss of harvest through improved market systems and infrastructure.

²⁶ Market-based mechanisms can help bridge Africa's estimated [\\$41.3 billion annual climate adaptation finance gap](#) that aid-based models have not yet filled.

²⁷ MoUs and participation agreements will be formalized for the consortium. No new legal entities will be established.

- **Outputs & Activities:** The Forestry Department will improve the systems, regulations, and infrastructure related to indigenous tree seeds to **improve the quantity, quality, and diversity of indigenous tree seed**. This involves mapping seed collection areas and establishing a national seed certification and quality database (see Annex 2 for full list of activities). With this improved seed supply, the Forestry Department and 1AF will enable 1,000 tree nurseries to supply tree seedlings close to rural farmers. Multi-stakeholder policy workshops will help co-develop a more supportive regulatory environment for the tree seed sector to thrive. Ample evidence suggests that successfully developing a seedling supply requires building networks of trained community seed collectors and smallholder nurseries, linked to national or regional seed centers that ensure quality control, tracking, and species diversity, supported by national policies and regulatory frameworks.^{28,29,30,31}

Component 3: One Acre Fund Zambia Platform

This component ensures farmers have access to the necessary farm inputs, tree seedlings, and training to strengthen their livelihoods through climate-responsive improvements in their farm productivity (via yield increases and additional financial assets from trees) . This component also creates the aggregated demand needed to sustain the markets developed in Components 1 and 2. The target beneficiaries are 65,000 smallholder farmer households.

- **Outputs & Activities:** 1AF will provide a suite of **climate-resilient farm inputs and a foundational agroforestry package** and deliver them to hard-to-reach rural locations. This is paired with **climate-smart training** focused on soil health and crop diversification. The platform uses a sustainable financing model, where farmers contribute to input and tree seedling costs, allowing the capital to be revolved for subsequent seasons. Crucially, this component creates a **guaranteed customer base** for the improved insurance products (Component 1) and tree seedling markets (Component 2), providing the critical mass of demand needed for these markets to thrive.

Overall Project Impact

This project's three interventions are designed to overlap for even greater smallholder climate resilience. When a severe climate shock strikes, agricultural insurance (Component 1) prevents a catastrophic backslide into poverty by providing a financial safety net. With a stronger tree seedling supply and delivery model (Component 2), more farmers can adopt tree seedlings for agroforestry, adding a layer of on-farm ecological defense to protect their assets against droughts and floods and improve the health of their soil. With some financial and ecological safeguards in place, farmers are more confident to invest in and fully leverage climate-resilient inputs, tree seedlings, and training (Component 3) to maximize farm productivity. . This integrated approach creates a virtuous cycle where insurance gives farmers the confidence to invest in inputs and tree seedlings, building a multi-layered and robust climate risk protection shield.

Overlap of Beneficiaries

The figure below demonstrates the overlap between the farmers benefiting from each component.

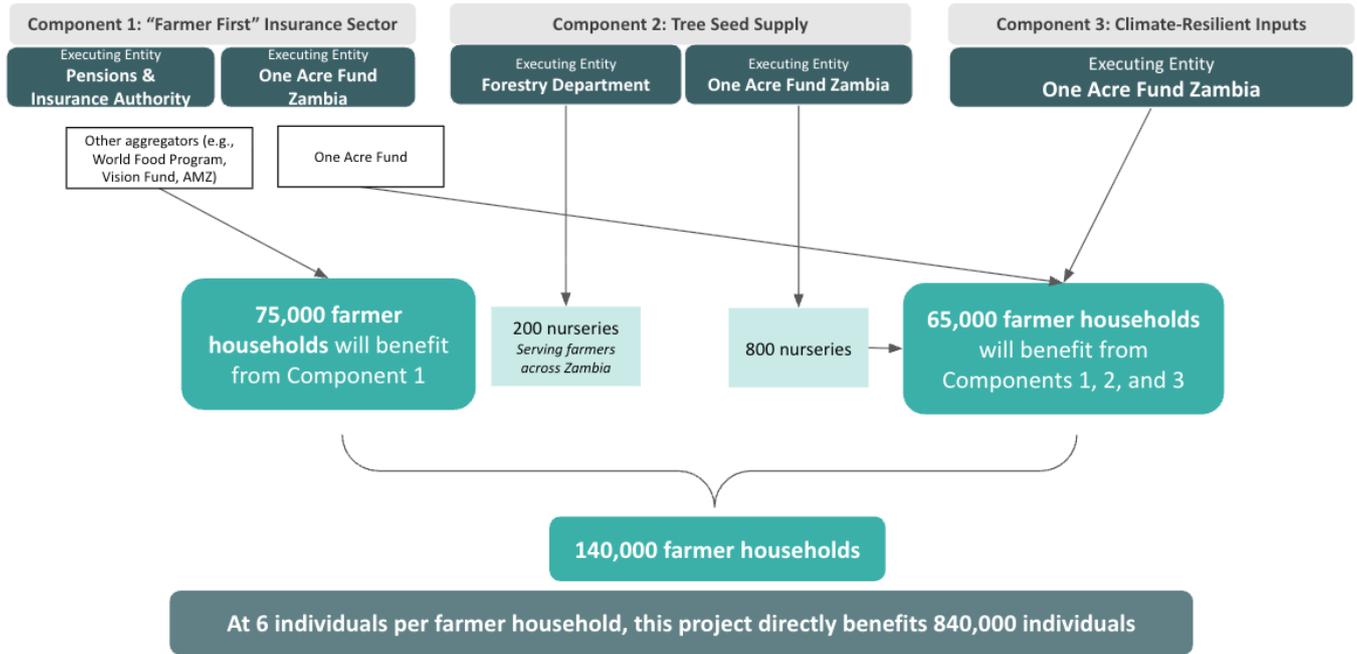
²⁸ [Mansourian et al 2021](#)

²⁹ [Graudal et al 2021](#)

³⁰ [Carsan et al 2021](#)

³¹ [Giacomini et al 2023](#)

Overlap of Beneficiaries



B.2.2. Outcome mapping to GCF results areas and co-benefits categorization

Fill in the GCF results area table below to map each project/programme outcome identified in section B.2.1 to the contributing GCF results area(s) by referring to the description of eight results areas provided in the guidance note.

Outcome number	GCF Mitigation Results Area (MRA 1-4)				GCF Adaptation Results Area (ARA 1-4)			
	MRA 1 Energy generation and access	MRA 2 Low-emission transport	MRA 3 Building, cities, industries, appliances	MRA 4 Forestry and land use	ARA 1 Most vulnerable people and communities	ARA 2 Health, well-being, food and water security	ARA 3 Infrastructure and built environment	ARA 4 Ecosystems and ecosystem services
Outcome 1: Increased financial resilience of vulnerable smallholder farming households against climate-related shocks and income losses	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Outcome 2: Increased adoption of indigenous tree seedlings for smallholder farmer tree-planting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Outcome 3: Strengthened livelihoods	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

through climate-responsive improvements in smallholder farm productivity								
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If any co-benefits have been identified in section D.3, fill in the co-benefit table below to map each co-benefit to the corresponding category as defined in the FP guidance note.

Co-benefit number	Co-benefit					
	Environmental	Social	Economic	Gender	Adaptation	Mitigation
Co-benefit 1: Women's Empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Co-benefit 2.2: Sustainable job creation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

B.3. Implementation / institutional arrangements (max. 750 words)

Overall Implementation Structure

This project will be implemented through a multi-stakeholder structure that leverages the strengths of government bodies and specialized non-governmental organizations to ensure effective delivery and long-term sustainability. The Government of the Republic of Zambia, acting through the Ministry of Finance and National Planning (MoFNP) will serve as the Accredited Entity (AE), holding ultimate responsibility for financial management, oversight, and reporting to GCF.

The project's three components will be managed by distinct Executing Entities (EEs):

1. **Component 1 ("Farmer First" Insurance Sector):** The **Pensions and Insurance Authority (PIA)**, a statutory body under the MoFNP, will serve as one of the EEs. The MoFNP, as the AE and PSAA Applicant, will engage the PIA directly through a subsidiary agreement. The PIA is uniquely positioned to coordinate the diverse actors in the insurance sector, including private insurance companies, aggregators, InsurTechs (e.g., Agriculture and Climate Risk Enterprise (ACRE Africa)), and reinsurance actors (e.g., African Risk Capacity Group (ARC), Compagnie de Réassurance de la Zone Préférentielle (ZEP-RE)) who will act as Implementing Partners (IPs) for product development and risk management. Insurance companies will sell agricultural insurance primarily to aggregators (e.g., World Food Program), who will then insure 140,000 smallholders. The relationship between insurer and insured will be legally arranged in one of two ways: (1) group policy documents, in which the insurer issues a single policy document to the aggregator (acting as the policyholder) covering the collective risk of the enrolled farmers, or, in limited cases, (2) direct contracts, in which individual farmers engaging insurers *without* an aggregator holds individual insurance contracts directly. Engagement with InsurTechs will be governed by performance-based service agreements, which will serve as the mechanism to keep InsurTechs accountable to the project's strict standards regarding cost, quality, and turnaround time. One Acre Fund Zambia, as co-EE on Component 1, will act as the facility manager for the reinsurance cell. In this role, 1AF will ultimately remain accountable for the successful execution of the project objectives deriving from the reinsurance cell. See Annex 2, Section 4.5.4

Governance, Legal Structures and Contractual Arrangements for more detail on PIA oversight of the reinsurance cell.

2. **Component 2 (Tree Seedling Supply):** The **Forestry Department (FD)**, under the Ministry of Green Economy and Environment (MGEE), will be one of the EEs for this component. The MoFNP will engage the FD directly through a Subsidiary Agreement. The FD will oversee the development of the national tree seed supply chain, working with technical IPs like the International Center for Tropical Agriculture (CIAT)³². One Acre Fund Zambia will be another EE for this component but will not receive GCF proceeds for this work. The project will leverage the FD's experience, and 1AF's proven, decentralized tree nursery model and projected nursery infrastructure to support the delivery of Outcome 2.³³ By leveraging 1AF's projected nursery infrastructure, MoFNP ensures that the 65,000 farmers served under Component 3 are well integrated into Component 2 to benefit from the improved tree seed supply, and that seed suppliers have a ready demand for their product.
3. **Component 3 (One Acre Fund Zambia Platform):** **One Acre Fund Zambia (1AF)**, a non-profit with extensive experience in last-mile service delivery to smallholders in Zambia, will be the EE. 1AF will enter into a subsidiary agreement with the MoFNP, and will enter into legal agreements with the farmer beneficiaries. 1AF will manage the direct distribution of farm inputs and training to 50,000 farmer households, provide a foundational agroforestry package to 65,000 farmer households (via cofinancing) and play a critical role in aggregating demand to activate the markets developed under Components 1 and 2.

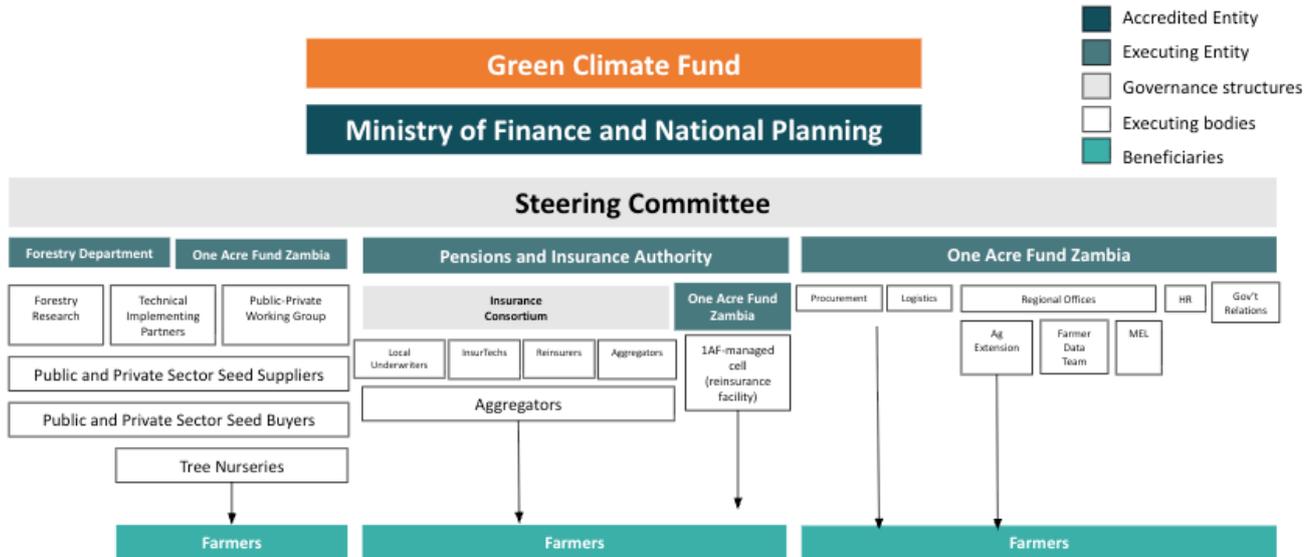
A project Steering Committee, co-chaired by the MoFNP, will be established to provide strategic guidance and ensure seamless coordination among the EEs (which will also be members), promoting synergies and adaptive management throughout the project lifecycle. More details on the Steering Committee can be found in Annex 2.

Governance and Implementation Diagram

The diagram below illustrates the governance structure, outlining the relationships between GCF, the AE, the EEs, the IPs, and the ultimate beneficiaries.

³² The International Center for Tropical Agriculture (CIAT), part of the Alliance Biodiversity International, has extensive experience in tree, restoration, agroforestry, and conservation work. CIAT works across the entire supply chain via their [MyFarmTrees](#) digital platform, which trains local seed collectors and nurseries to become self-sufficient in sourcing and production. This practical implementation is supported by deep technical expertise in modeling species suitability and mapping seed sourcing zones. Examples of CIAT's work include [Diversity For Restoration](#), [Conservation For Restoration](#), and [Seed to Tree workshops](#). The MoFNP will apply lessons learned from CIAT's work to this project, including the necessity of a bottom-up approach to foster local ownership; the importance of monitoring and verification from "seed to tree" to ensure high-quality materials; and the understanding that collaborative policy work (between governments, private sectors, NGOs, researchers, and community groups) can drive both enforcement and social inclusion. Other IPs may provide technical assistance to the Forestry Department as it enables the 1,000 nurseries.

³³ The FD will own activities 2.1.1, 2.1.2, and 2.1.3, although implementing entities will help with 2.1.3. Both FD and 1AF are in charge of activity 2.2.1. The FD will establish 200 of the 1000 nurseries with direct GCF budget to both improve on existing FD nurseries and establish new ones. Meanwhile, 1AF will establish and oversee the remaining 800 nurseries run by independent entrepreneurs but, as above, will **not** receive GCF proceeds for this work. These nurseries undergird 1AF's foundational agroforestry program and therefore all associated costs are fully covered by co-financing (see budget for more details). All 1000 nurseries will benefit from the improved tree seed availability and reduced tree seed cost to produce final seedlings at cost effective rates.



Flow of Funds

As the AE, the MoFNP will manage all financial aspects of the project in accordance with its fiduciary standards. The MoFNP will receive funds directly from the GCF into a dedicated project account.

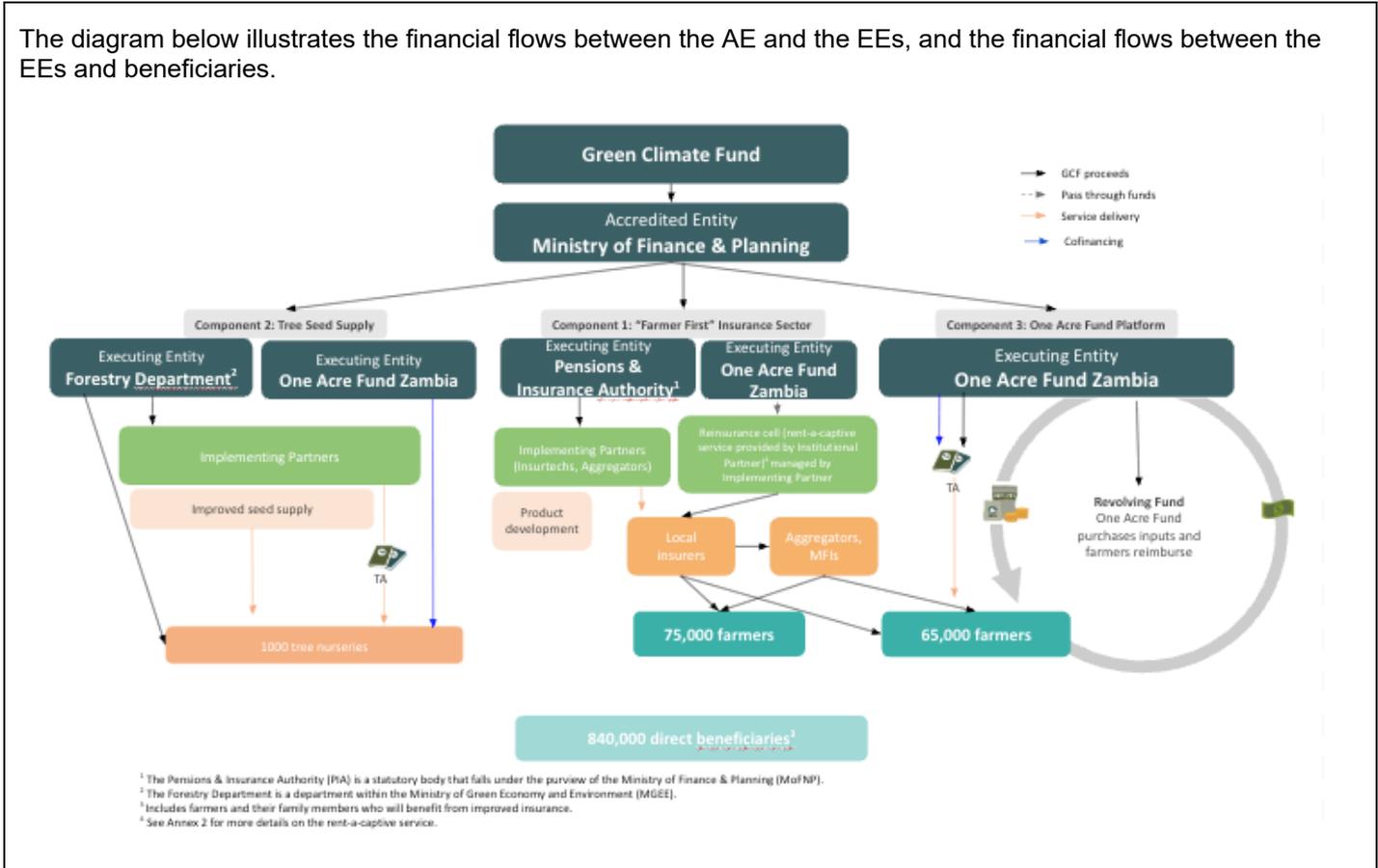
From this central account, the MoFNP will disburse funds to the three EEs based on approved annual work plans and budgets. Each EE will be contractually responsible for the financial management and reporting of its respective component. The financial flows are structured as follows:

- **Component 1:** The MoFNP will channel funds to the PIA. The PIA will then disburse these funds to the implementing insurance partners to support product development of smallholder-tailored agricultural insurance. The PIA will channel a portion of funds to pass through to an account run by a long-term institutional partner, managed by 1AF, in order to capitalize the not-for-profit reinsurance pool, which is a critical element for de-risking the market and making it more attractive and responsive to smallholders.
- **Component 2:** Funds will be disbursed from the MoFNP to the Forestry Department. These funds will be used to contract technical assistance from partners like CIAT to improve the quantity, quality, and species diversity of indigenous tree and to finance the establishment of 200 (of the 1,000) tree nurseries. 1AF co-financing will establish the other 800 entrepreneur-run nurseries.
- **Component 3:** The MoFNP will disburse funds to 1AF. These funds will be used to capitalize a revolving fund. 1AF will use this capital to procure climate-resilient inputs for farmers. As farmers reimburse the cost of these inputs, a majority of the capital is replenished, allowing for the procurement of inputs for the following season and ensuring the financial sustainability of the model beyond the project's lifespan. A portion of the funds will also support 1AF's technical assistance and service delivery operations. 1AF cofinancing will be used to procure tree seedlings from the 800 co-finance-funded nurseries for the 1AF foundational agroforestry package. Farmers will provide a down payment for the foundational agroforestry package, then reimburse the remaining cost of the tree seedlings within 9 months.

This structure ensures clear lines of accountability and leverages the specialized financial and operational systems of each EE to effectively reach the 840,000 direct beneficiaries. See Annex 2, Section 6.2 for more details on the financial management and flow of funds.

Financial Flow Diagram

The diagram below illustrates the financial flows between the AE and the EEs, and the financial flows between the EEs and beneficiaries.



C. FINANCING INFORMATION

C.1. Total financing

(a) Requested GCF funding (i + ii + iii + iv + v + vi)		Total Amount: 25,000,000		Currency: USD (\$)	
GCF Financial Instrument		Amount	Currency	Tenor & grace	Pricing
(i)	Senior loans	n/a	n/a	n/a	n/a
(ii)	Subordinated loans	n/a	n/a	n/a	n/a
(iii)	Equity	n/a	n/a	n/a	n/a
(iv)	Guarantees	n/a	n/a	n/a	n/a
(v)	Reimbursable grants	n/a	n/a	n/a	n/a
(vi)	Grants	25,000,000	USD (\$)	n/a	n/a
Total amount			Currency		

(b) Co-financing information³⁴		\$5,261,554		USD (\$)		
Name of institution	Financial instrument	Amount	Currency	Tenor & Grace	Pricing	Seniority
1AF	_Grants	\$5,261,554	USD (\$)	n/a	n/a	n/a
(c) Total investment (c) = (a)+(b)		Amount 30,261,554		Currency USD (\$)		
(d) Co-financing ratio (d) = (b)/(a)		0.21				
(e) Other financing arrangements for the project/programme (max ½ page)		<p>As detailed in Annex 2, 1AF is a non-profit. However, its programmatic model includes a farmer contribution for services that they receive. This approach will be applied via this GCF-funded project. Farmer contributions towards the cost of services will be paid slowly over the course of agricultural seasons from 2027-2031, with expected low levels of leakage (i.e. <5%; estimated based on historical performance data). This farmer contribution, which will create an opportunity for project beneficiaries to have 'skin in the game' (and thereby generate a more ownership of farming outcomes) lowers the amount of funding needed to cover the project's operational expenses. This makes the model more sustainable and equipped to deliver services in the long-term, even beyond 2031. The farmers' contributions will be received into 1AF's account (see the Financial Flow Diagram in section B.3 above for the complete funding flow arrangement).</p>				

C.2. Financing by component

Please provide an estimate of the cost per component (in line with Components described in Section B.2.1 above) and disaggregate by sources of financing as Annex 3. Also, ensure consistency with the Logical Framework (Annex 2a) and Timetable (Annex 2b) of the project/programme.

Component	Output	Indicative cost Options	GCF financing		Co-financing		
			Amount Options	Financial Instrument	Amount Options	Financial Instrument	Name of Institutions
Component 1: "Farmer First" Insurance Sector	Output 1.1: Increased actuarial and product development capacity in Zambian insurance market	\$794,040	\$794,040	Grant	n/a	n/a	n/a
	Output 1.2: More spatially and temporally accurate products enter the market.	\$3,186,159	\$3,186,159	Grant	n/a	n/a	n/a

³⁴ If the co-financing is provided in different currency other than the GCF requested, please provide detailed financing information and a converted figure in the GCF requested currency in the comment box. Please refer to the date when the currency conversion was performed and the reference source.

	Output 1.3: Higher-loss-ratio products enter the market	\$5,040,000	\$5,040,000	Grant	n/a	n/a	n/a
Component 2: Tree Seedling Supply	Output 2.1: Improved enabling environment for increased indigenous tree seed quantity, quality, and species diversity	\$1,187,134	\$1,337,572	Grant	n/a	n/a	n/a
	Output 2.2: Increased number of tree nurseries located in proximity to smallholder farmers	\$3,434,059	\$678,631	Grant	1AF	In-kind contribution	\$2,755,429
Component 3: One Acre Fund Zambia Platform	Output 3.1: Increased affordability and availability of climate-resilient inputs and climate-smart training techniques through a sustainable, long-term model	\$3,990,966	\$3,013,922	Grant	1AF	In-kind contribution	977,044
	Output 3.2: Consolidated group of farmers for the strengthened insurance and tree seedling markets to thrive	\$10,531,719	\$9,554,675	Grant	1AF	n-kind contribution	977,044
	Monitoring and evaluation costs	\$1,241,612	\$934,553	Grant	1AF	In-kind contribution	\$307,059
	Project management costs	\$818,097	\$610,886	Grant	1AF	In-kind contribution	\$207,211
Indicative total cost (USD)		\$30,223,787	\$25,000,000		5,223,787		
C.3 Capacity Building and Technology development/transfer							
<i>If the project/programme is envisaged to support capacity building and technology development/transfer, please specify the total requested GCF amount for these activities respectively in this section.</i>							
C.3.1 Does GCF funding finance Capacity building activities?		Total Amount: \$1,341,656*					
		*This is the cost of GCF-funded staff-related line items for activity 3.2.2					

<p>C.3.2. Does GCF funding finance Technology development/transfer?</p>	<p>Total Amount: \$168,000*</p> <p>*This is the cost of staff-related line items for activities 1.1.1, 2.1.1, and 2.1.2.</p>
<p>C.4. Justification for GCF funding request (max. 500 words)</p>	
<p>Appropriateness of GCF Funding GCF is the only suitable donor for this project due to its unique mandate to finance paradigm-shifting, country-driven climate action. This proposal is not a request for short-term aid; it is a strategic intervention designed to permanently restructure and create functional, self-sustaining markets for climate adaptation services in Zambia. The project’s core objective — to catalyze a systemic shift from fragmented, aid-dependent solutions to a private sector-led ecosystem — aligns with GCF’s goal of fostering scalable, replicable, and sustainable models for climate resilience.</p> <p>Financial Gaps and Barriers Zambia’s smallholder farmers face a critical adaptation finance gap that conventional public and private funding has failed to address. Despite clear demand for essential adaptation tools like agricultural insurance and indigenous tree seedlings, no adequate market-driven solutions have emerged at scale.</p> <p>Key financial barriers that this project will overcome include:</p> <ul style="list-style-type: none"> • High Perceived Risk: The primary barrier to private investment is the perception that serving smallholders is too risky and commercially unviable. Private insurers and global reinsurers lack the data, product designs, and risk-sharing mechanisms to enter this market. Meanwhile, without a reliable source of high-quality indigenous tree seeds or a professional network to grow and sell them, private actors stay clear of the tree seedling market. • Lack of Catalytic Capital: There is no available financing to cover the initial high costs of building the necessary market infrastructure. This includes capitalizing a reinsurance pool to absorb systemic risk, developing open-source actuarial models, and establishing a national seed certification system. Without this foundational investment, the private sector will not engage. • Fragmented, Unsustainable Efforts: Previous and ongoing support from other donors for agricultural insurance, tree seedlings, and climate-resilient inputs has focused on smaller-scale, short-term, and aid-based interventions. These projects have not addressed the underlying systemic market failures, leaving smallholders vulnerable once project funding ends. <p>Necessity of GCF Intervention In the absence of GCF financing, these financial barriers will persist, and the markets for smallholder adaptation services will not develop. GCF funding is essential to fill this financial gap and de-risk the initial stages of market creation. See section D.6.3 for more detail on why grant funding, specifically, is necessary for this project.</p> <p>The project employs a carefully designed public-private risk-sharing structure. GCF funds will serve as catalytic public investment to absorb the initial investment risk and build the necessary foundational infrastructure (e.g., the reinsurance pool, the seed certification system, the aggregated farmer network). This de-risking action and proof of a viable business model at scale is designed to unlock and crowd-in long-term private sector investment, creating markets that are financially viable without continuous grant funding. This intervention is the critical missing piece to transition Zambia’s smallholder adaptation capacity from dependency to sustainable, market-driven resilience.</p>	
<p>C.5. Exit strategy (max. 300 words)</p>	
<p>This project’s exit strategy is embedded in its core design: the deliberate transition from grant-funded interventions to self-sustaining, market-based systems that build smallholder climate resilience. Upon</p>	

completion, the project will leave behind permanent market infrastructure and commercial incentives that ensure the long-term continuation of climate adaptation benefits and maintain the intended paradigm shift.

Long-term ownership and sustainability are ensured through three primary mechanisms:

1. **Commercially Viable Insurance Market:** The established not-for-profit reinsurance facility will become a permanent market utility, managed by a long-term institutional partner (to be determined). Having de-risked the market, proven the business case, and built local actuarial capacity, private insurance companies will continue to develop and offer smallholder products driven by commercial viability. The PIA will provide permanent regulatory ownership and oversight of this newly functional market to ensure the market serves the needs of farmers after the project. See Annex 2 for details.
2. **Privatized Tree Seedling Supply Chain:** The mapping of seed collection areas will be openly published and shared to permanently increase the supply of indigenous tree seeds. The Forestry Department will assume permanent ownership and operational management of the national seed certification system, a critical public good that underpins the quality of the entire private market. Meanwhile, the network of 800 tree nursery entrepreneurs will own and operate their businesses, sustained by ongoing market demand from farmers, the private sector, and carbon projects.
3. **Self-Sustaining Financing Model:** One Acre Fund Zambia's climate-resilient input and tree seedling delivery model is built for long-term impact. Most input costs will continue to be recouped annually and re-used for 1AF's upfront purchase of inventory the following year, at low annual levels of 'leakage' (i.e. <5%).

These established market systems, strengthened institutional capacities, and empowered private sector actors are the project's enduring legacy. They guarantee the paradigm shift towards market-driven climate resilience, ensuring Zambia's smallholders have permanent access to the tools they need to adapt to climate change.

Long-term farmer impact

In addition to the long-term systems change, this project will result in long-term impact at the farmer level. Insurance incentivizes long-term investments in farmland resilience. Trees can be cyclically planted for enduring impact, and provide asset value in the form of fodder, firewood, fruit sales, and medicinal sales — all of which can be financially quantified. After a few years of trainings, farmers not only internalize the techniques themselves for the long-term, but also pass the knowledge along to family and community members, creating long-term spillover effects. All of these factors help drive generational change in emerging from chronic poverty.

C.6. Financial management/procurement (max. 300 words)

The project will implement strong governance and controls around financial management and procurement. As stated in section B.3., the MoFNP, acting as the AE, will serve as the central hub for all project finances. Following its own strict fiduciary standards and GCF's rules, the MoFNP will receive all funds directly from the GCF into a dedicated project account.

From this central account, the MoFNP will disburse funds to three Executing Entities (EEs), each of which is contractually responsible for its own component's financial management. This structure ensures clear lines of accountability and leverages the specialized systems of each partner to efficiently reach the project's 840,000 direct beneficiaries.

The procuring entity and procurement policies will vary depending on the inputs/products being procured as follows (please see Annex 8 for more details):

- Non-consultancy services will be procured using the methods of Request for Quotation (RFQ), Tender, and Sole Source (SS).
- Consultancy services will be procured using the methods of RFQ, Request for Proposal (RFP), and Tender.
Individual consultants will be procured using the methods of RFQ, RFP, and SS.
- Goods will be procured using the methods of RFQ, Tender, (Long-Term Agreement) LTA, and SS.
- Works will be procured using the methods of RFQ, RFP, and Tender.

Periodic financial reviews of the project will be conducted and verified by independent third-parties with no financial and operational interests in related markets.

D. EXPECTED PERFORMANCE AGAINST INVESTMENT CRITERIA

D.1. Impact potential (max. 300 words)

This project will deliver significant adaptation benefits by directly increasing the climate resilience of **840,000 individuals** in Zambia's most vulnerable smallholder farming communities. Its primary impact is building a sustainable development pathway for rural households by improving smallholders' capacity to withstand and recover from climate-related shocks, rainfall variability, and long-term temperature increases.

Component 1's intended outcomes are directly aligned with the GCF's **ARA1 Most Vulnerable People and Communities**. By establishing a functional, accessible insurance market, the project provides financial resilience and a critical safety net against climate-induced crop failure. This prevents households from having to sell critical assets after a shock and increases farmers' confidence to invest in more productive, climate-resilient agricultural practices, thereby strengthening their overall adaptive capacity.

Component 2's intended outcomes are also aligned with GCF's ARA1 Most Vulnerable People and Communities. By creating a national supply chain for indigenous tree seedlings, the project will enable 1,000 tree nurseries in vulnerable rural farming communities. Trees improve soil health, water retention, and biodiversity, creating a more resilient agricultural landscape that is less susceptible to droughts and floods.

Component 3's intended outcomes are directly aligned with the GCF's **ARA2 Health, Food, and Water Security**. The provision of climate-resilient inputs, tree seedlings, and training will lead to improved farm productivity (e.g., increases in farm yields and financially quantifiable assets of tree seedlings) and diversification away from climate-vulnerable monocultures (e.g., via legumes). This directly protects farmer livelihoods and food security in the face of rising temperatures and erratic rainfall.

Collectively, these interventions move beyond isolated activities to build a holistic, resilient ecosystem. By establishing permanent, market-based systems, the project ensures that these adaptation benefits are sustained long after GCF's intervention, locking in a more climate-resilient future for Zambia's smallholder farmers.

D.2. Paradigm shift potential (max. 300 words)

This project is designed to catalyze a fundamental paradigm shift in Zambia, moving from a cycle of climate vulnerability and aid dependency to a self-sustaining, market-driven ecosystem for smallholder resilience. The project's theory of change posits that by systematically addressing market failures in the insurance, tree seedling, and farm input sectors, we can unlock a permanent transition towards a climate-resilient development pathway.

The results chain begins with targeted activities — such as capitalizing a reinsurance pool and establishing a national seed certification system — that create critical market infrastructure (outputs). This enables the private sector to offer accessible insurance and quality tree seedlings, leading to widespread smallholder adoption (outcomes). The ultimate goal is a systemic shift where climate adaptation is no longer a short-term intervention but an embedded feature of the rural economy.

The potential for impact beyond this one-off investment is significant:

- **Scaling Up and Replication:** The project is explicitly designed for replication. By creating and open-sourcing new models — including a transparent reinsurance facility and a national protocol for indigenous tree seed supply — it provides a clear, documented pathway for public and private actors to directly benefit from and replicate these systems across Zambia and in other countries.
- **Knowledge Sharing and Learning:** The project will generate and disseminate critical knowledge products, including climate-responsive insurance designs and best practices for private sector-led tree seedling production and distribution. For example, the creation of the insurance consortium will inform future policy and investment, fostering sector-wide improvement.

- **Enabling Environment:** The project's primary contribution is the creation of a new enabling environment. It replaces fragmented, high-risk markets with coordinated, de-risked systems where the private sector can thrive. This directly supports Zambia's national climate change strategies by building the foundational market structures necessary for long-term, nationwide adaptation.

D.3. Sustainable development (max. 300 words)

This project will deliver significant wider benefits for Zambian smallholders, aligned with the Sustainable Development Goals (SDGs). Explicitly stated as co-benefits :

- **SDG 5 - Gender Equality (Social):** This project targets systemic social and structural change by focusing on improving women's engagement with the insurance market. The emphasis on addressing GBV, creating gender-informed products, and promoting women's leadership within the insurance consortium demonstrates the classification of co-benefit 1 as women's empowerment.³⁵
- **SDG 8 - Decent Work (Economic):** This project will support the creation of 800 sustainable tree nursery entrepreneur jobs. The Government of Zambia's pipeline of carbon-related projects provides a ready demand for these nursery entrepreneurs long after the project's end date.

Additionally, this project is expected to contribute to a range of SDGs not designated as official co-benefits:

- **SDG 1 - No Poverty (Economic):** This project will insure 140,000 farmer households under smallholder-tailored insurance, providing a swift safety net to the farmers most affected by climate shocks, when the crisis is deepest. Farmers are able to replace destroyed crops or purchase food they would have otherwise grown themselves. Moreover, research shows that insurance coverage both reduces risk aversion and incentivizes new investments in productive capacity.
- **SDG 13 - Climate Action (Environmental):** Tree planting offers farmers benefits like soil fertility, drought and flood resistance and enables progress towards the 33 tree-related carbon projects in the MGEE pipeline.
- **SDG 15 - Life on Land (Environmental):** Increased tree seed varieties enhances biodiversity and tree planting enables progress towards Zambia's AFR100 target of restoring 2 million hectares of degraded land by 2030.

D.4. Needs of recipient (max. 300 words)

Zambia's 1.6 million smallholder farmer households are acutely vulnerable, with livelihoods entirely dependent on rain-fed agriculture and exposed to escalating climate shocks like droughts and floods. Over 70% of Zambia's population live under the new international extreme poverty line.³⁶ These beneficiary groups have minimal income, negligible safety nets, and face chronic food insecurity, with 35% of children suffering from stunting. A single climate event can trap a family in a cycle of poverty. This project directly addresses their vulnerability by providing an integrated adaptation toolkit: climate insurance to protect assets and on-farm investments, tree seedlings to support agroforestry and build farm-level ecological resilience, and climate-smart inputs to stabilize and increase food production.

This project addresses critical national needs that cannot be met through other means:

³⁵ The Gender Action Plan (GAP) for Component 1 includes activities to (a) train local organizations engaging potential insurers about gender-based violence (GBV) prevention strategies for women purchasing insurance products and (b) integrate social norm change activities when training local organizations about insurance product sales. This directly addresses the deeply rooted patriarchal tendencies and social norms that undermine women's decision-making power and safety, as highlighted in the gender analysis. Further, Component 1 defines and measures success through specific, targeted indicators for women's empowerment: (a) The project targets a final value of 71,400 women accessing improved insurance. This is a direct, quantitative measure of successful women's financial inclusion and empowerment. (b) Key output indicators require the consortium of underwriters, aggregators, reinsurers, and InsurTechs to ensure 100% of insurance products are gender-informed; ensure 100% of insurance marketing materials are gender-informed; and ensure 50% of insurance products address the needs of women farmers. Finally, Component 1 considers representation in program implementation by setting a target for 30% of consortium members to be women, promoting women's leadership and influence in the development and delivery of financial products. Furthermore, the component's initial activities include conducting data collection and analysis about the obstacles, motivations, and factors affecting the purchasing of insurance products, which will be disaggregated by sex, age, disability, and marital status, ensuring the design is tailored to the needs of different groups of women.

³⁶ [World Bank 2021](#)

- **Economic and Social Development:** The project supports the agricultural sector — the foundation of Zambia's economy — directly tackling the deep-rooted poverty and social vulnerability that hinder national development. By building the resilience of the country's primary food producers, it underpins national food security.
- **Absence of Alternative Financing:** There is a clear absence of alternative financing for this systemic intervention. The local capital market lacks the depth to provide the necessary catalytic funding, and private investors are deterred by the high perceived risks and initial costs of creating new markets to serve the smallholder sector. GCF funding is essential to de-risk the market and bridge this financial gap.
- **Need for Institutional Strengthening:** The project is designed to build lasting institutional capacity. It will strengthen the capabilities of the PIA and the Forestry Department to effectively regulate and enable the new, sustainable climate adaptation markets.

D.5. Country ownership (max. 500 words)

Alignment with National Priorities

This project is deeply rooted in Zambia's national climate and development priorities. It directly supports the country's Nationally Determined Contribution (NDC), which identifies agriculture as a priority sector for adaptation and emphasizes the need to build the resilience of smallholder farmers against climate shocks. The project's focus on climate-smart agriculture, insurance, and tree seedlings aligns with Zambia's National Adaptation Plan (NAP) process and its sectoral policies aimed at enhancing food security and sustainable natural resource management. By creating market-based systems for adaptation, the project provides a tangible pathway to achieving these national strategic goals, moving from policy to implementation.

Country Ownership and Institutional Arrangements

Country ownership is the foundational principle of this project, demonstrated by the leadership role of the MoFNP as both the National Designated Authority (NDA) and the AE. The MoFNP has driven the proposal's design from its inception, ensuring it addresses the specific needs of Zambia. The selection of key government bodies — the PIA and the Forestry Department — as EEs embeds the project within the national institutional framework, guaranteeing long-term ownership and regulatory oversight.

The MoFNP, as the AE, has a proven track record of managing large-scale national and international financing and is uniquely positioned to oversee this project. The PIA has the regulatory mandate and expertise to guide the transformation of the insurance sector. The Forestry Department is the national authority on forest resources, making it the ideal entity to lead the establishment of a national tree seed system. 1AF brings unparalleled experience in the region, with a long track record of successfully delivering farm inputs and training to tens of thousands of smallholders in Zambia.

Stakeholder Engagement

This proposal is the product of extensive multi-stakeholder consultations led by the MoFNP. Several formal engagements were held with the PIA, the Forestry Department, and 1AF. In these meetings, the project's Concept Note, Theory of Change, implementation structure, and Funding Proposal were thoroughly discussed and validated by all executing entities. This collaborative process ensured the project design is technically sound, contextually appropriate, and has the full support of the institutions responsible for its implementation. The criteria for selecting activities focused on addressing the most critical market failures preventing smallholder adaptation. Throughout the consultations, a strong emphasis was placed on ensuring the project would reach vulnerable populations, with gender-disaggregated targets integrated into the project's core design. The No-Objection Letter provided by the MoFNP is a formal confirmation of this deep and comprehensive country-led process.

D.6. Efficiency and effectiveness

<p>D.6.1. Estimated cost per t CO₂ eq, defined as total investment cost / expected lifetime emission reductions (Mitigation and Cross-cutting)</p>	<p>(a) Total project financing</p> <p>(b) Requested GCF amount</p> <p>(c) Expected lifetime emission reductions</p> <p>(d) Estimated cost per tCO₂eq (d = a / c)</p> <p>(e) Estimated GCF cost per tCO₂eq removed (e = b / c)</p>	<p>n/a</p> <p>n/a</p> <p>n/a</p> <p>n/a</p> <p>n/a</p>
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<p>D.6.2. Expected volume of finance to be leveraged by the proposed project/programme and as a result of the Fund's financing, disaggregated by public and private sources (Mitigation and Cross-cutting)</p>	<p>(f) Total finance leveraged (g) Public source finance leveraged (h) Private source finance leveraged (i) Total Leverage ratio (i = f / b) (j) Public source leverage ratio (j = g / b) (k) Private source leverage ratio (k = h / b)</p>	<p>n/a n/a n/a n/a n/a n/a</p>
<p>D.6.3. Describe how the financial structure is adequate and reasonable in order to achieve the proposal's objective(s), including addressing existing bottlenecks and/or barriers; providing the minimum concessionality; and without crowding out private and other public investment. (max. 500 words)</p>		
<p>This project requires grant funding — not concessional loans — because it is a market creation intervention, not a commercial financing one. Zambia's smallholder insurance and tree seedling markets are ineffectual and fragmented, with perceived risks and setup costs prohibitively high for private investors. GCF grant funding will serve as essential catalytic capital to de-risk these markets by building foundational infrastructure, including a non-profit reinsurance facility and a national seedling supply chain. This public investment is a prerequisite to unlock future private capital and create the self-sustaining markets that can eventually support commercial financing.</p> <p>The reinsurance pool (per Component 1) is not meant to replace the global reinsurance market but to strategically intervene in it. The cell's not-for-profit status is key. Unlike commercial reinsurers, its purpose isn't to generate profit. Instead, any gains are reinvested back into the pool, which allows it to offer more favorable terms, lower prices, and higher loss ratios. This makes insurance more affordable for smallholder farmers and more sustainable for the entire system. It also enables other reinsurers to join in risk-sharing with terms similarly favorable to smallholder farmers. See Annex 2 for details.</p> <p>The revolving fund (per Component 3) allows for a sustainable flow of critical climate-smart inputs to reach farmers until well past the end of the project. Initial grant funding is spent on farm inputs and other products, those inputs and products are delivered to farmers, and then reimbursements are collected for those inputs and products to allow for purchases in the next season. With a minimal leakage rate (~5%), this allows for long-term climate adaptation services to farmer households.</p>		

E. ANNEXES

E.1. Mandatory annexes

- Annex 1 NDA No-objection Letter(s) ([Template](#))
- Annex 2 Pre-feasibility (or feasibility) study ([Guidance](#))
- Annex 2a Logical Framework ([Template](#))
- Annex 2b Timetable ([Template](#))
- Annex 3 Budget plan that provides breakdown by type of expense including AE fees ([Template](#))
- Annex 4 Gender assessment and action plan ([Template](#))
- Annex 5 Co-financing commitment letter if applicable ([Template](#))
- Annex 6 Term sheet including a detailed disbursement schedule and, if applicable, repayment schedule
- Annex 7 Risk assessment and management ([Template](#))
- Annex 8 Procurement plan model ([Template](#))
- Annex 9a Legal Due Diligence (regulation, taxation and insurance) ([Template](#))

- Annex 9b Legal Opinion/Certificate of Internal Approvals ([Template](#))

E.2. Other annexes to be submitted when applicable/requested

- Annex 10 Economic and/or financial analysis ([Guidance](#))
(mandatory for private-sector proposals)
- Annex 11 Appraisal, due diligence or evaluation report for proposals based on up-scaling or replicating a pilot project
- Annex 12 Environmental and Social Action Plan (ESAP) ([Template](#))
- Annex 13 Operations manual for EDA projects ([guidance](#))
- Annex 14 Assessment of GHG emission reductions and their monitoring and reporting (for mitigation and cross cutting-projects)³⁷
- Annex 15 Acronym List
- Annex 16 NOL
- Annex 17 Institutional and fund flow diagram for Component 1

***** Please note that a funding proposal will be considered complete only upon receipt of all the applicable supporting documents. *****

³⁷Guidance on GHG emission reduction calculations for GCF projects/programmes is available on the GCF Programming Guidance (<https://www.greenclimate.fund/sites/default/files/document/gcf-programming-manual.pdf>), Box 12 "How to estimate greenhouse gas emission reductions for GCF". This annex is mandatory for Mitigation and Cross-cutting projects

No-objection letter issued by the national designated authority(ies) or focal point(s)

All correspondence should be addressed to the
Permanent Secretary
Telephone: 0211 -252395
0211 -252394
0211 -252391



REPUBLIC OF ZAMBIA

In reply please quote

No.:.....
NDA/71/21/2

MINISTRY OF GREEN ECONOMY AND ENVIRONMENT

OFFICE OF THE PERMANENTS SECRETARY

Corner of John Mbita & Nationalist Road

P.O BOX 30147

Lusaka-Zambia

5th January, 2026

Ms. Mafalda Duarte
Executive Director
Secretariat of the Green Climate Fund
175 Art Center-daero
Yeonsu-gu, Incheon
REPUBLIC OF KOREA

Dear Madam,

**EXPRESSION OF NOMINATION AND NO OBJECTION FOR FUNDING
PROPOSAL TITLED “CATALYZING A CLIMATE RISK PROTECTION SHIELD
FOR ZAMBIA SMALLHOLDER FARMERS” SUBMITTED BY THE MINISTRY OF
FINANCE AND NATIONAL PLANNING OF THE REPUBLIC OF ZAMBIA UNDER
THE PROJECT –SPECIFIC ASSESSMENT APPROACH (PSAA)**

We refer to the funding proposal titled Catalysing a Climate Risk Protection Shield for Zambian Smallholder farmers in the Republic of Zambia submitted by the Ministry of Finance and National Planning to us on 18th August 2025 under the project specific assessment approach (the “Proposal”).

The undersigned is the duly authorised representative of the Ministry of Green Economy and Environment (MGEE), and the National Designated Authority for Zambia.

Pursuant to the GCF Board decision B.08/10, B37/22, and B.41/02, the content of which we acknowledge to have reviewed, in my capacity as representative of National Designated Authority, we hereby communicate our no- objection to the proposal.

Additionally, pursuant to paragraph 47 of the Governing Instrument for the Green Climate Fund and the GCF Board decision B.31/06 on the implementation of the PSAA, in my capacity as representative of the National Designated Authority, for Zambia, I hereby nominate the entity below in connection with the Proposal:

Ministry of Finance and National Planning
Mr. Kabaso F. Kabwe:
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The Climate Risk Protection Shield for Zambian Smallholder Farmers advances a practical, systems-level adaptation solution that aligns with Zambia's climate priorities. By de-risking farm livelihoods through responsive agricultural insurance, scaling indigenous tree seedling supply, and delivering climate-resilient inputs and advisory services, the project strengthens household resilience, stabilizes production, and supports food security. This approach is consistent with Zambia's NDC, NAP, and 8NDP priorities on climate – smart agriculture, risk protection, and land restoration, while reinforcing GCF Strategic Plan targets for food systems and country-driven delivery. The programme's market-shifting focus improves affordability and access to risk management and agroforestry services, builds local enterprise capacity, and anchors long-term resilience in rural economies.

By communicating our no-objection, it is implied that:

- a) The government of the Republic of Zambia has no- objection to the proposal; and
- b) The proposal is in conformity with the national priorities, strategies and plans of Zambia.

We also confirm that our national process for ascertaining no-objection to the proposal has been duly followed.

Notwithstanding the foregoing, we expect the Ministry of Finance and National planning to take the necessary measures to ensure that the project as described in the Proposal is implemented in a manner consistent with applicable national laws.

We acknowledge that this letter will be made publicly available on the GCF website.

Sincerely,



Mr. Billy Katontoka
NATIONAL COORDINATOR
NATIONAL DESIGNATED AUTHORITY

Secretariat's assessment of the project-specific assessment approach applicant and SAP067

The Secretariat's assessment is presented in two (2) sections:

Section 1: Secretariat's assessment of the project-specific assessment approach applicant.

Section 2: Secretariat's assessment of the funding proposal (SAP067).

Section 1: Secretariat’s assessment of the project-specific assessment approach applicant

1. The Secretariat has assessed the document titled “PSAA Accreditation: Application and Review Checklist” submitted by the Ministry of Finance and National Planning of Zambia (MoFNP) against the GCF accreditation standards. The results of the project-specific assessment approach (PSAA) applicant capacity assessment and the Secretariat’s endorsement and recommendations for GCF PSAA accreditation are as follows:

Overall capacity	<p>Medium</p> <p>The entity has a developed governance and financial management system, a functioning control framework, including risk management, and systems and policies in place to prevent money-laundering and the financing of terrorism and other prohibited practices, such as fraud and corruption, and with scope to manage environmental and social risks and impacts with a moderate likelihood of a potential negative impact on the entity’s ability to undertake the project as designed</p> <p>The entity operates under laws and policies of the Zambian Government, which are not fully aligned with GCF policies and standards. The entity has demonstrated readiness in past interventions to apply project- and donor-specific policies and requirements. In some areas MoFNP relies on the capacity and processes of other government institutions and partners</p>
Fiduciary functions	Basic fiduciary standards
	Specialized fiduciary standard for project management
Maximum environmental and social risk category	Low risk (category C)
Conditions	None

2. In line with the PSAA accreditation pilot framework approved by the Board (decision B.31/06), the Secretariat has augmented its capacity by using external experts, third-party organizations and/or service providers to support it in undertaking the applicant’s entity capacity assessment review.

I. Applicant capacity assessment summary

1.1 Introduction and institutional assessment

3. MoFNP, the PSAA applicant, is the principal government institution responsible for the formulation, implementation and oversight of Zambia’s macroeconomic, fiscal and development planning policies. Its mandate, as established under the Government Gazette Notice (No. 1123 of 2021) and the Public Finance Management Act 2018, is to promote prudent management of public resources, sustainable economic growth and efficient allocation of national resources towards the country’s development priorities.

4. The proposed PSAA project, titled “Catalyzing a Climate Risk Protection Shield for Zambian Smallholder Farmers”, expects to drive climate adaptation for Zambian smallholder farmers and their families through providing climate risk reduction and resilience-building services and creating the national structures necessary to scale and sustain them. MoFNP requests USD 25 million grant funding from GCF, which will be distributed to activities under three components led by three executing entities (EEs). Component 1, implemented by the Zambian Pensions and Insurance Authority (PIA) and One Acre Fund, will insure farmers under new types of agricultural insurance products. Component 2, implemented by the Forestry Department under the Ministry of Green Economy and Environment, will establish a tree seed system, including training of tree nursery micro-entrepreneurs. Component 3, implemented by the international non-profit One Acre Fund (PSAA applicant of the project SAP045 approved at the fortieth meeting of the Board), will deliver immediate climate-smart input financing and training to farmers and provide a client base for the new insurance and tree seedling markets to scale via One Acre Fund’s farmer service platform.

5. MoFNP will serve as the AE, holding ultimate responsibility for financial management, disbursement of funds and oversight of the EEs, and reporting to GCF.

1.2 Methodology

6. The concept note was approved in the investment screening stage by the Secretariat on 25 August 2025 and MoFNP submitted the first set of accreditation materials for the initial review round (completeness check) on 17 October 2025 based on the customized application form and materials request. The two following review rounds took place from October to November 2025. The external review team conducted a comprehensive review of the submitted materials and assessment of the policies, procedures, capacities, track record and human resources of MoFNP against the GCF accreditation standards and checklist.

7. Reference check interviews were conducted with international financiers, the International Fund for Agricultural Development and the World Bank, that have supported several larger programmes led by MoFNP. The interviews indicated that no significant issues related to the fiduciary role or other capacities of MoFNP were identified during the long-term partnership.

8. In addition to the desk review, the external review team conducted a site visit in Lusaka, during which the desk review findings were validated, walk-throughs of processes were conducted, and interviews and presentations across all areas of the assessment were completed. Representatives from different units of MoFNP and other government institutions and EEs participated in the discussions, which provided further evidence of the applicant’s and its key partners’ capacity and procedures.

9. The applicant was assessed in accordance with the GCF policies and standards to the extent applicable to accreditation below:

- (a) “Updated Strategic Plan for the GCF 2024–2027” (B.36/13);
- (b) “Matters related to the accreditation framework” regarding the accreditation process (decisions B.24/13 and B.26/01);
- (c) “Guiding framework and procedures for accrediting national, regional and international implementing entities and intermediaries, including the Fund’s fiduciary principles and standards and environmental and social safeguards” (decision B.07/02);
- (d) “Policy on Prohibited Practices” (decision B.22/19);
- (e) “Anti-Money Laundering and Countering the Financing of Terrorism Policy” (AML/CFT Policy) (decision B.18/10);
- (f) “Policy on the Protection of Whistle-blowers and Witnesses” (decision B.BM-2018/21);
- (g) “Environmental and Social Management System: Environmental and Social Policy” (decision B.19/10);
- (h) “Comprehensive Information Disclosure Policy of the Fund” (decision B.12/35) regarding the disclosure of environmental and social (E&S) information;
- (i) “Updated Gender Policy and Gender Action Plan 2020–2023” (decision B.24/12);
- (j) “Revised Environmental and Social Policy” (decision B.BM-2021/18);
- (k) “Evaluation Policy” (decision B.BM 2021/07); and
- (l) “Updates to the Accreditation Framework” (decision B.31/06).

1.3 Contribution to the mandate of GCF

10. The proposed PSAA project focuses on increasing the climate resilience of Zambian smallholder farmers and contributes to the GCF adaptation results area most vulnerable people and communities. The objectives of MoFNP in the field of climate adaptation are anchored in Zambia’s national adaptation plan (NAP) and aligned with the National Policy on Climate Change (2016) and the National Climate Change Response Strategy (2010), which together align with the updated Strategic Plan for the GCF 2024–2027 and contribute to the GCF mandate.

1.4 Track record and implementation of similar projects

11. MoFNP has a track record of managing, coordinating (as a fund coordinator and/or intermediary) and implementing donor-funded projects and programmes, including climate-related initiatives, and has a record of applying environmental and social safeguards and gender considerations. Such projects and programmes include the following:

- (a) Zambia Devolution Support Program: over USD 150 million (with funding from the World Bank);
- (b) Zambia Growth Opportunities Program: over USD 300 million (with funding from the World Bank);
- (c) Rural Finance Expansion Programme: USD 26 million (with funding from the International Fund for Agricultural Development); and
- (d) Zambia Integrated Forest Landscape Project: USD 32 million (with funding from the World Bank and the Global Environment Facility).

1.5 Legal status, registration, permits and licences

12. MoFNP is a government ministry established by statute in 1958, operating as a public sector institution of the Government of Zambia. Its legal status and mandate are derived from the Constitution of Zambia and further defined in acts of Parliament and government gazettes.

II. Accreditation assessment

2.1 Basic fiduciary standards

2.1.1. Key administrative and financial capacities

13. MoFNP is a government institution in Zambia responsible for the formulation, implementation and oversight of the country's macroeconomic, fiscal and development planning policies. Its mandate is anchored in national legislation and is central to the prudent management of public resources. MoFNP has established internal oversight bodies, including the Human Resource Management Committee, the Human Resource Development Committee, the Integrity Committee and the Disciplinary Committee, in accordance with the Public Service Management Division guidelines and Public Service Commission regulations.

14. MoFNP defines its strategic and operational objectives through a five-year Strategic Plan and corresponding annual workplans, aligned with the Eighth National Development Plan (2022–2026) and the MoFNP statutory mandate. Each department prepares annual objectives through a consultative planning process coordinated by the Planning and Policy Department, ensuring alignment with the MoFNP mission. The process is governed by internal strategic planning and performance management guidelines, which outline the annual planning calendar, approval process and reporting templates.

15. Performance against key performance indicators at MoFNP is monitored through strategic documents and departmental reporting. Indicators are drawn from the national development framework and measure progress on fiscal performance, macroeconomic stability, budget execution, debt management and policy implementation. Data are compiled into an institutional performance review report shared with senior management and the Public Service Management Division.

16. The financial management of MoFNP is overseen by the Office of the Accountant General and is supported by automated processes through the Integrated Financial Management Information System (IFMIS). MoFNP maintains a fiduciary structure with segregation of duties for authorization, payment and verification, ensuring integrity in fund management. Financial controls and reporting are aligned with national legislation and, where applicable, international standards, providing a foundation for the accountable management of public funds. MoFNP will be responsible for the oversight of financial management and disbursement of funds in the proposed GCF project. Each EE will be contractually responsible for the financial management and reporting of its respective component.

17. MoFNP prepares and consolidates financial statements in accordance with the International Public Sector Accounting Standards. External audit of MoFNP is conducted by the Office of the Auditor General, an independent constitutional body. The external audit is carried out in accordance with, and guided by, the International Standards of Supreme Audit Institutions. The resulting audit opinions are submitted to Parliament and relevant oversight committees for review and follow-up.

18. The internal audit function at MoFNP is established in line with the Public Finance Management Act and operates under a documented Internal Audit Charter. Internal audit activities follow a risk-based methodology and are aligned with international standards issued by the Institute of Internal Auditors. The function is independent, having a reporting line to the Audit Committee. Findings are formally communicated and tracked for implementation.

19. The MoFNP internal control framework is anchored in national legislation and compliance with laws. The framework defines roles and responsibilities and includes documented procedures for budgeting, accounting, funds flow, reporting and auditing. IFMIS enables segregation of duties, and accountability for fiscal agents is established through treasury and fund management directives. Risk assessment processes are in place at multiple levels, but MoFNP plans to further formalize its approach by introducing a consolidated institutional control framework and an enterprise risk register.

20. Procurement at MoFNP is governed by the Public Procurement Act and Regulations, which establish procedures, accountability and approval authorities for all procurement activities. The legal framework distinguishes between different procurement categories and incorporates principles of non-discrimination, value for money and open competition. Oversight is maintained through mandatory reporting, post-procurement reviews and regular monitoring by the Procurement Unit. In externally funded projects, both donor and national policies are followed, and typically a procurement officer is appointed to the Project Management Unit (PMU). However, past reports from externally funded MoFNP-led projects have indicated some deficiencies in adhering to procurement policies and guidelines.

21. The assessment indicates that MoFNP has key administrative and financial systems, capacities and human resources to manage external funds. MoFNP has general management capacities, financial management and accounting processes. Procurement practices are governed by the public procurement framework. Internal audit function focuses on compliance and internal controls while the Office of the Auditor General performs an independent external audit of MoFNP.

2.1.2. Transparency and accountability

22. MoFNP has established ethical standards at the institutional level through adherence to the national Public Service Code of Ethics and Conduct, which also applies to consultants and seconded officers. Oversight of ethical conduct is delegated to the Integrity Committee, which operates under Anti-Corruption Commission (ACC) guidelines and includes senior officers from relevant departments.

23. MoFNP implements the Public Service (Conflict of Interest) Regulations, providing a framework for mandatory disclosures. The policy defines prohibited financial interests, sets principles for reviewing conflicts and specifies sanctions for non-disclosure, with the Integrity Committee responsible for oversight.

24. At policy level, a zero-tolerance stance on fraud and financial mismanagement is supported by the legal framework established under the Public Finance Management Act and the Whistleblowers Act. Policies promote transparency and accountability, and reporting channels, including anonymous mechanisms and protection of whistle-blowers.

25. MoFNP has mechanisms in place to investigate and address financial malpractice as required by law, with procedures for reporting, investigation and disciplinary action. The investigation function has an independent reporting structure, with the Controller of Internal Audit reporting functionally to the Ministerial Audit Committee. Although the function is guided by publicly available treasury instruction circulars, the Internal Audit Manual does not provide detailed guidance for non-audit investigations, and no documented practical examples or evidence of investigative procedures were presented to demonstrate full compliance with investigation requirements.

26. MoFNP has procedures for know-your-customer and due diligence, supported by the Financial Intelligence Centre Act and the Bank of Zambia anti-money-laundering and countering the financing of terrorism directives. The Financial Intelligence Centre acts as Zambia's financial intelligence authority, ensuring that institutions implement know-your-customer and anti-

money-laundering and countering the financing of terrorism controls, and serves as the link between reporting entities and law enforcement.

2.2 Specialized fiduciary standards

2.2.1. Project management

27. The public investment management appraisal process in Zambia is coordinated by the Public Investment Planning Department under MoFNP. The comprehensive General Appraisal Manual for Public Investment Projects includes templates and detailed guidance for project identification, project concept note (contents, methodology, logical framework, procurement, environmental impact assessment, review process), (pre-)feasibility studies, etc. The applicant's track record in leading the identification, design and appraisal of national projects or programmes is evidenced through sample project design documents which incorporate technical, financial, economic and legal aspects, as well as possible environmental, social and climate change aspects. Fiduciary oversight and monitoring processes are considered in the appraisal of public investments.

28. In terms of general project oversight, MoFNP has operational systems, procedures and overall capacity to prepare project implementation plans, including project budgets. The framework is provided by the public investment management guidelines but, in externally funded interventions, project- or donor-specific guidance and templates are applied. There is capacity for oversight within the ministry but typically a monitoring, evaluation and learning (MEL) expert is appointed to the PMU to lead the MEL activities. The PMU staff can be recruited from the open market or appointed through a secondment contract internally or from other government institutions.

29. The National Monitoring and Evaluation Policy and the associated Implementation Plan (2019–2023) provides a government-wide monitoring and evaluation (M&E) framework for measuring the results of development plans and programmes. It requires ministries, provinces and spending agencies to report on development results and share lessons learned to improve planning and accountability. A new digital M&E management information system for collecting and consolidating data on development goals from public projects has been introduced in recent years. The system is operational but not yet fully functional or optimized nationwide.

30. In terms of distribution of results, project reports are rarely publicly distributed through government channels. Some donor-funded projects in Zambia report results annually, or share summaries and case studies, but public dissemination is not systematic. According to the M&E policy, external evaluators are commissioned for national-level evaluation of development plan programmes. Project- and donor-specific requirements for MEL are followed in externally funded interventions.

31. At the policy level, the public investment management guidelines establish a system for early identification of project risks (through oversight, M&E, regular risk assessments and reporting requirements) and require structured responses to address those challenges, aiming to ensure that projects remain aligned with their objectives and deliver value for money.

32. The assessment indicates that the applicant operates under comprehensive national policies for public project preparation, management, M&E, and the implementation is guided by standardized processes and templates. Sample documents indicate that donor-specific guidance and requirements are typically adhered to, complementing the government procedures.

2.2.2. Grant award and/or funding allocation mechanisms

33. The applicant did not apply for accreditation for the specialized fiduciary standard for grant award and/or funding allocation mechanism. MoFNP will disburse the GCF funds to the three EEs according to the approved annual budgets and plans but will not award grants to beneficiaries or other third parties.

2.2.3. On-lending and/or blending for loans and equity

34. The applicant did not apply for accreditation for the specialized fiduciary standard for on-lending and/or blending for loans and equity. The GCF contribution will be in the form of a grant and MoFNP will not be engaged in on-lending or investing the funds.

2.3 Environmental and social safeguards

35. MoFNP operates within the national E&S management system and the Environmental Management Act of 2011, under which it seeks to address E&S safeguarding. The management system aligns with the GCF Environmental and Social Policy in terms of impact assessments, stakeholder engagement, grievance redress and specific standards, such as those related to pollution control and biodiversity. The policy has limited provisions on labour conditions, workers' rights and health and safety. These are addressed in the National Labor & Occupational Health Framework in Zambia (Act and Policy, which align with International Labour Organization conventions). The MoFNP E&S management system was subject to an external E&S systems assessment by the World Bank in 2022 in relation to the Zambia Devolution Support Program.

36. MoFNP does not have an institutional policy or mechanism to screen risks and impacts to Indigenous Peoples because the Government of Zambia does not recognize the existence of Indigenous Peoples in the country. The Environmental Management Act refers to the possibility of prescribing "guidelines on methods to respect, preserve and maintain knowledge, innovations and practices of indigenous and local communities". In the project-specific context, the funding proposal annexes indicate capacity to identify and address issues related to Indigenous Peoples. According to the pre-feasibility study, the project acknowledges the marginalization of certain communities and commits to inclusive outreach in relevant locations by partnering with civil society and local advocates to ensure equitable access and prevent social exclusion.

37. The national policies and procedures to identify and assess E&S risks and impacts are described in the General Appraisal Manual for Public Investment Projects. It outlines the steps from initial environmental analysis to the assessment of Zambia Environmental Management Agency (ZEMA) with respect to whether the project is subject to undertaking an environmental impact assessment, based on classification. The concept note typically requires determination of the direct and indirect E&S impacts as well as proposed mitigation measures. While higher-risk projects with significant impacts will require a full environmental impact assessment, for lower-risk projects, a more concise environmental and social management plan is sufficient.

38. In the proposed project, the E&S management system is built on an integrated framework that combines Zambian national laws and policies, the NAP, international standards such as those of the International Finance Corporation and the International Labour Organization, and project-level screening and exclusion tools. MoFNP will be channelling funding to the three EEs, overseeing the process and ensuring that they have appropriate E&S safeguards in place. The two governmental EEs (the Forestry Department under the Ministry of Green Economy and Environment and PIA), follow the same national regulatory guidelines as MoFNP. The third EE, One Acre Fund, has its own E&S management programme, which has been previously assessed in alignment with GCF requirements. One Acre Fund's environmental and

social risk mitigation innovations assessment tool will be used by the EEs to assess different products, services and field interventions introduced during the project.

39. In terms of external communications, there are ministry-specific and ZEMA-level feedback and reporting channels for E&S-related complaints and inquiries from the general public. In addition, the new Citizen Support Portal enables any Zambian citizen to lodge complaints, report issues, request assistance and track requests submitted to any government institution, including MoFNP. It offers multiple communication channels (web portal, email, text messaging, WhatsApp and a chatbot) along with a ticket-tracking system and performance surveys for ministries. MoFNP will require all EEs and partners under its oversight to establish a project-level grievance redress mechanism consistent with national legislation and the donor-specific standards. The grievance redress mechanism arrangements for the proposed project build on the existing redress channels of the EEs and a beneficiary-level pathway.

40. The applicant's track record of implementation of the screening and permitting process in higher-risk projects is demonstrated through environmental impact assessments approvals, indicating environmental clearance and compliance with national E&S standards. In general, the oversight of E&S management and monitoring of compliance lies with ZEMA but, based on samples from externally funded projects coordinated by MoFNP, donor-specific assessment procedures have been applied.

41. In terms of organisational capacity and competency, there is a structure for E&S management at the national level, and the roles and responsibilities of different key institutions are described in the relevant Acts. Further project specific frameworks (E&S management framework (ESMF)) in larger projects detail implementation roles for line ministries, local councils, ZEMA, community organisations, and monitoring agencies. MoFNP has limited internal capacity for E&S matter, but it relies on the capacity of ZEMA, Executing Entities and project specific staff in the PMU. The environmental and social action plan for the proposed project has been drafted jointly by the project consortium, including experts from One Acre Fund, development partners and PIA that have specific E&S knowledge. Evidence of this practice has been provided from other past projects (including the terms of reference of the Environment and Climate Change Adaptation Specialist in a sample project).

42. The assessment indicates that MoFNP has national-level policies and procedures for identifying, managing and monitoring E&S risks and impacts, although not fully consistent with the GCF Environmental and Social Policy. However, in practice, in externally funded interventions, donor guidance and templates are commonly applied. There are government-wide and project-specific communication channels for reporting complaints and grievances.

2.4 Gender

43. MoFNP operates under the revised National Gender Policy (2023) and the Gender Equity and Equality Act (2015), which provides the legal framework. The Gender Policy integrates a multisectoral approach for gender mainstreaming, aiming to improve outcomes in areas like education, health, economic participation, political representation and the elimination of gender-based violence. The policy is supported by the National Gender Policy Implementation Plan (2023–2028), which details specific activities, strategies and resources required to achieve the policy's goals. In 2016, a Climate Change Gender Action Plan was designed as a sector-specific action plan integrating gender considerations into Zambia's climate change policies and programmes. At the institutional level in MoFNP, provisions on gender equality, non-discrimination and zero tolerance for sexual exploitation, abuse and harassment are stipulated in the human resources policies.

44. The Gender Division within the Cabinet Office has a legal mandate to lead and coordinate gender mainstreaming across all government functions in Zambia, as outlined in the

Gender Equity and Equality Act and the National Gender Policy. The government aims to have a gender focal point in all ministries and at other levels of government administration and to build the capacities through training of trainers. Currently there is no gender focal point within MoFNP. Samples of past projects indicate that the MoFNP-led PMU has been staffed with a Gender, Targeting and Social Inclusion Specialist.

45. The gender mainstreaming guidelines provide the operational reference for all government institutions. In the context of the MoFNP mandate, Zambia is advancing gender integration in public financial management through efforts such as strengthening gender-responsive planning and budgeting requirements in the budget call circular. A comprehensive Public Expenditure and Financial Accountability gender-responsive assessment on gender-focused budgeting and financial management was conducted by the Deutsche Gesellschaft für Internationale Zusammenarbeit in 2024, demonstrating the government's commitment to the topic. There are donor-funded gender-responsive projects coordinated by MoFNP focused on, for example, narrowing the gender gap in access to financial services and water management and livelihood improvement. The gender assessment and action plan annexed to the GCF funding proposal indicate the capacity of the project planning team (including EEs) to design gender-responsive activities and set relevant targets and indicators.

46. The assessment indicates that the applicant has national-level policies and an organizational structure for managing gender topics largely aligned with the GCF Gender Policy. The institution-specific guidance and staff capacity are limited within MoFNP but the applicant is expected to recruit an expert for the proposed project to implement gender considerations in line with the GCF principles and requirements.

III. Conclusions and recommendations

3.1 Conclusions

47. MoFNP is assessed as demonstrating a medium level of capacity to implement the proposed project and manage the GCF-funded activities in alignment with the relevant GCF policies. In relation to the PSAA pilot framework requirements, MoFNP is considered to have the legal status needed to implement the proposed project.

48. With respect to the assessed GCF standards, MoFNP is considered to meet most of the assessed GCF basic fiduciary standards, specialized fiduciary standards, environmental and social standards and gender policies. The assessment identified some divergence from the GCF standards, as follows:

- (a) The applicant partly meets the requirements of the GCF basic fiduciary standards, and the GCF Policy on the Protection of Whistle-blowers and Witnesses. The applicant meets the requirements of the GCF Policy on Prohibited Practices, the GCF AML/CFT Policy and the specialized fiduciary standards for project management to the extent applicable to PSAA and the funding proposal;
- (b) The applicant partly meets the requirements of the GCF Revised Environmental and Social Policy, the GCF interim environmental and social safeguards standards and the GCF Information Disclosure Policy on disclosure of E&S risk information in relation to the E&S risk category C/I-3 (activities with potential limited adverse environmental and/or social risks and impacts that, individually or cumulatively, are few, generally site-specific, largely reversible, and readily addressed through mitigation measures) and to the extent applicable to PSAA accreditation and the funding proposal; and
- (c) The applicant has demonstrated that it has national-level policies and procedures to implement its gender approach, and some track record of implementation which is

found to be consistent with the GCF Gender Policy to the extent applicable to PSAA and the funding proposal.

- (d) In order to address the matters arising out of the Secretariat's assessment of the Applicant, the Secretariat and the Applicant have agreed the following provisions in the term sheet, which will be included in the funded activity agreement:
- Establish and maintain a dedicated cost center within IFMIS to track GCF funds separately and enable distinct project-specific reporting.
 - Engage an external provider to conduct a quality review of the internal audit function after the first year of implementation.
 - Ensure adequate capacity to monitor procurement activities and enforce compliance with established policies and procedures by hiring dedicated procurement staff.
 - Ensure adequate expertise and capacity to manage environmental and social matters within the Project Management Unit by hiring an Environmental and Social Specialist.
 - Ensure adequate expertise to manage gender and social inclusion matters within the Project Management Unit by hiring a Gender and Social Inclusion (GESI) Specialist.

3.2 Recommendations on project-specific accreditation

49. **Accreditation type:** PSAA.
50. **Fiduciary functions:** basic fiduciary standards; specialized fiduciary standards for project management; and specialized fiduciary standard for grant award and/or funding allocation mechanisms.
51. **Maximum E&S risk category:** C.
52. **Conditions:** None.

Section 2: Secretariat's assessment of SAP067

Proposal name:	Catalyzing a Climate Risk Protection Shield for Zambian Smallholder Farmers
Project-specific assessment approach applicant:	Ministry of Finance and National Planning of Zambia (MoFNP_ZMB)
Country(ies):	Zambia
Project/programme size:	Small

1. The Secretariat has assessed this funding proposal against the GCF investment criteria and its consistency with GCF safeguards and policies. This proposal is recommended to the Board for approval. The Board may wish to consider approving this funding proposal in accordance with the term sheet agreed between the Secretariat and Ministry of Finance and National Planning of Zambia (AE), and, if considered appropriate, subject to the conditions set out in annex II to document GCF/B.44/02.

I. Secretariat's assessment of the funding proposal against the investment criteria

Investment criteria	Does the proposal meet the requirements of the GCF investment criteria?	Strengths/Main points of caution (optional)
Impact potential	Yes	The proposed project is designed to directly benefit 840,000 individuals belonging to the most vulnerable smallholder farming communities to the impact of climate change, representing approximately 8% of the rural population in Zambia. Through the spillover effect the project will also indirectly benefit 97,000 individuals indirectly, which is 25% of the 65,000 farmer households being served under all key interventions.

Investment criteria	Does the proposal meet the requirements of the GCF investment criteria?	Strengths/Main points of caution (optional)
		<p>The project will build a sustainable development pathway for rural households by improving smallholders' capacity to withstand and recover from climate-related shocks, rainfall variability and long-term temperature increases by creating a functional, accessible insurance market and a national supply chain for indigenous tree seedlings. Through these key interventions, financial resilience and a critical safety net against climate-induced crop failure will be strengthened and 1,000 tree nurseries in vulnerable rural farming communities will create a more resilient agricultural landscape that is less susceptible to droughts and floods. These efforts will be complemented by providing climate-resilient inputs, tree seedlings and training, leading to improved farm productivity and diversification of crops. This will directly protect farmer livelihoods and food security in the face of rising temperatures and erratic rainfall.</p> <p>Moving beyond isolated activities to build a holistic, resilient ecosystem, these adaptation benefits are sustained long after project completion, locking in a more climate-resilient future for smallholder farmers in Zambia with established permanent, market-based systems.</p> <p>Under the updated Strategic Plan for the GCF 2024–2027, the project will contribute to target 2 (direct access), target 4 (food) and target 9 (national adaptation plan (NAP) implementation and focus on adaptation).</p>
Paradigm shift potential	Yes	<p>The project demonstrates the strong paradigm shift potential in its design by moving from a cycle of climate vulnerability and aid dependency to a self-sustaining, market-driven ecosystem for smallholder resilience to unlock a permanent transition towards a climate-resilient development pathway.</p>

Investment criteria	Does the proposal meet the requirements of the GCF investment criteria?	Strengths/Main points of caution (optional)
		<p>The project holds significant potential for impact beyond its initial investment, as it is designed for scaling up and replication. By open-sourcing new models, such as a transparent reinsurance facility and a national protocol for indigenous tree seed supply, it offers documented pathways for public and private actors to replicate these systems across Zambia and other countries. Additionally, the project will facilitate knowledge-sharing and learning by generating critical knowledge products, including climate-responsive insurance designs and best practices for private sector led tree seedling production and distribution. The establishment of an insurance consortium will inform future policy and investment, fostering sector-wide improvement.</p> <p>Moreover, the project contributes to creating a new enabling environment by replacing fragmented, high-risk markets with coordinated, de-risked systems, allowing the private sector to thrive. This initiative aligns with Zambia's national climate change strategies by establishing foundational market structures essential for long-term, nationwide adaptation.</p>
<p>Sustainable development potential</p>	<p>Yes</p>	<p>The proposed project contributes to five Sustainable Development Goals (SDGs): 1 (No poverty), 5 (Gender equality), 8 (Decent work and economic growth), 13 (Climate action) and 15 (Life on land).</p> <p>The project will support women's equal access to insurance (SDG 5). It will create 800 sustainable tree nursery entrepreneur jobs (SDG 8) and provide a swift safety net for the farmers most affected by climate shocks in the form of smallholder-tailored insurance (SDG 1).</p> <p>Environmental benefits include increased soil fertility, drought and flood resistance through tree planting by enabling progress towards tree-related</p>

Investment criteria	Does the proposal meet the requirements of the GCF investment criteria?	Strengths/Main points of caution (optional)
		carbon projects in the pipeline of the Ministry of Green Economy and Environment (SDG 13) and enhanced biodiversity and contribution to the restoration of degraded land through a wider variety of tree seedlings and tree planting (SDG 15).
Needs of the recipient	Yes	Zambia has a population of approximately 20 million people and remains largely agrarian, with around half of the population of Zambia living in smallholder farming households. Among them, 1.6 million such households are acutely vulnerable, with livelihoods entirely dependent on rain-fed agriculture and exposed to escalating climate shocks like droughts and floods. The beneficiary groups have minimal income and negligible safety nets, and face chronic food insecurity, with 35% of children suffering from stunting. The project directly addresses such vulnerability by providing an integrated adaptation toolkit comprising climate insurance, tree seedlings and climate-smart inputs to stabilize and increase food production.
Country ownership	Yes	<p>The project aligns with key national strategies of Zambia, including the NAP, the revised nationally determined contribution and sectoral policies. Specifically, the NAP submitted to the United Nations Framework Convention on Climate Change secretariat in 2023 highlights that agricultural insurance, income diversification, tree planting to increase tree cover and promotion of agroforestry are listed as adaptation actions in relation to droughts. In this regard, key interventions in the proposal speak directly to the implementation of the NAP.</p> <p>Additionally, the implementation arrangements ensure country ownership and sustainability after the project lifespan. As AE, the Ministry of Finance and</p>

Investment criteria	Does the proposal meet the requirements of the GCF investment criteria?	Strengths/Main points of caution (optional)
		<p>National Planning (MoFNP) has driven the proposal's design from its inception, ensuring that it addresses the specific needs of Zambia. The selection of key government bodies as executing entities (EEs) – the Pensions and Insurance Authority (PIA) and the Forestry Department under the Ministry of Green Economy and Environment – also embeds the project within the national institutional framework, guaranteeing long-term ownership and regulatory oversight.</p>
<p>Efficiency and effectiveness</p>	<p>Yes</p>	<p>To ensure that its impact lasts well beyond its lifespan, the project works on a market creation intervention rather than a commercial financing one. To address ineffectuality and fragmentation of Zambia's smallholder insurance and tree seedling markets, with perceived risks and set-up costs prohibitively high for private investors, GCF grant funding serves as essential catalytic capital to de-risk these markets by building a foundational infrastructure, including a non-profit reinsurance facility and a national seedling supply chain. This public investment is a prerequisite to unlocking future private capital and creating the self-sustaining markets that can eventually support commercial financing.</p> <p>The reinsurance pool in component 1 is designed to strategically intervene in the global reinsurance market rather than replace it. Its not-for-profit status enables it to reinvest gains back into the pool, offering more favourable terms, lower prices and higher loss ratios, making insurance more affordable and sustainable for smallholder farmers. This approach also encourages other reinsurers to participate in risk-sharing under similarly favourable terms. Meanwhile, the revolving fund detailed in component 3 facilitates a sustainable flow of climate-smart inputs to farmers beyond the project's duration. Initial grant funding is used for farm inputs, which are delivered to farmers, and reimbursements are collected to enable future purchases, maintaining long-</p>

Investment criteria	Does the proposal meet the requirements of the GCF investment criteria?	Strengths/Main points of caution (optional)
		term climate adaptation services with a minimal leakage rate of approximately 5%.

II. Secretariat’s assessment of the funding proposal’s consistency with GCF safeguards and policies

Consistency with GCF safeguards and policies	Secretariat’s assessment of the proposal	Remarks (Strengths/Points of caution)
<p>Environmental and social safeguards, including the Indigenous Peoples Policy</p>	<p>Consistent</p>	<p>Environmental and social (E&S) risk category: the AE has assigned an E&S risk categorization C based on the screening of proposed project activities. Initial and envisaged screening has been achieved by applying an environmental and social risk mitigation innovations assessment. Relevant project activities involve strengthening of market systems for insurance, tree seedlings for agroforestry and climate agricultural support to build the climate resilience of smallholder farmers. Subsistence farmers living below the poverty line and farming with an average of 3 hectares of land will be encouraged to embrace agroforestry and scale up production. All eligible community-level activities are likely to have low E&S impacts, and mitigation measures have been proposed in the environmental and social action plan (ESAP) shared by the AE. The Secretariat agrees with this categorization and confirms that the risk category is within the safeguards risk accreditation level of the AE and consistent with the requirement of the GCF Environment and Social Policy. ESAP implementation oversight will be the responsibility of MoFNP with the support of lead project partners PIA, the Department of Forestry and One Acre Fund.</p>

Consistency with GCF safeguards and policies	Secretariat's assessment of the proposal	Remarks (Strengths/Points of caution)
		<p>Labour and working conditions: risks associated with labour and working conditions are expected to be low, as beneficiary farmers tend to work through farmer groups within their communities in peak season, reducing the need for external labour. Incidences of child labour are envisaged to be low; there is a lower risk of child labour abuse in subsistence production on smallholder farms than in large-scale production that are household driven.</p> <p>Resource efficiency and pollution prevention: planting of trees and increased agroproduction are likely to result in a higher rate of erosion and soil nutrient losses. The risk is, however, low considering that the beneficiaries are smallholders with a small footprint. The project will support climate-smart agriculture and the ESAP has proposed interventions such as agroecological practices like lime application, composting, crop rotation and tree planting as part of project integrated approach, with a view to protecting and boosting soil health. Additionally, two of the project tree seedlings are indigenous plants – <i>Faidherbia albida</i> (known locally as Musangu) and <i>Sesbania sesban</i> – which can make a meaningful contribute to soil health. Musangu is uniquely valued for its "reverse phenology", dropping its leaves during the rainy season, making it the ideal intercropping tree (low maintenance). One Acre Fund, one of the project partners, is already providing indigenous tree seedlings like Musangu to smallholders in Zambia, with strong adoption, planting and survival rates.</p> <p>Land acquisition and involuntary resettlement: land disputes on the project are expected to be low as the project will target owners of smallholdings. However, to eliminate or reduce the chances of exacerbating existing land disputes, the project will continuously track any potential disputes and will rely</p>

Consistency with GCF safeguards and policies	Secretariat's assessment of the proposal	Remarks (Strengths/Points of caution)
		<p>on the experience and track record of the implementing partner, One Acre Fund, which has over 10 years of experience in conflict resolution for areas where land rights are ambiguous or contested.</p> <p>Biodiversity conservation and sustainable management of living natural resources: potential risk to biodiversity and the ecosystem is envisaged to be low as the project will focus on indigenous varieties as part of a broader push to develop a formalized national system for indigenous tree seed sourcing, certification and distribution through micro-entrepreneurs. Some indigenous fruit tree species have been grafted to speed up growth and fruiting, in line with commercial non-indigenous varieties, and these will be included. The risks associated with the introduction of invasive species are expected to be low.</p> <p>GCF Indigenous Peoples Policy and environmental and social safeguard 7 (Indigenous Peoples). Consistent with the project's categorization, the funding proposal activities are low risk for Indigenous Peoples as per the Indigenous Peoples Policy. No project activities will overlap with areas where Indigenous Peoples live or conduct their traditional livelihoods, and during implementation the project will make a specific effort to reach out to Indigenous Peoples who may live in proximity to project sites to provide equitable access and strengthen safeguards against exclusion. In accordance with their roles and functions, the Indigenous Peoples Advisory Group is available to provide advice to the AE and EEs. In line with the GCF Indigenous Peoples Policy, the GCF Indigenous Peoples focal point will be available for assistance at any stage, including before a claim has been made.</p>

Consistency with GCF safeguards and policies	Secretariat's assessment of the proposal	Remarks (Strengths/Points of caution)
		<p>Sexual exploitation, abuse and harassment (SEAH). The revised GCF Environmental and Social Policy adopted by decision B.BM-2021/18 requires safeguarding from SEAH in GCF-financed activities. The AE included SEAH safeguarding in its submission to this funding proposal. Although the applicant considers that the nature of the project does not inherently present major risks for increased SEAH incidents, it recognizes that the broader national context remains challenging, particularly for women, due to persistent gender inequalities and barriers to protection and justice. While the project activities are designed to advance gender equality and economic resilience, they may also create situations in which SEAH risks could arise. For example, women's engagement with intermediaries, trainers or resource distributors could expose them to harassment, exploitation or abuse, particularly in contexts where power imbalances and harmful social norms persist. As such, it is recommended that the applicant ensure that the planning and delivery of the project activities such as these have SEAH and/or its equivalent protection and prevention aspects integrated. Likewise at the EE level, the management of specific SEAH risks should be looked at during project inception phases and it should be ensured that mitigation measures are able to address any potential project and context risks.</p> <p>The applicant confirms that One Acre Fund will train and resource its staff to safeguard against SEAH and ensure that any SEAH or gender-based violence allegations are addressed promptly and appropriately. The organization has a Global Staff Welfare Lead within its Global Human Resource team, focusing on health, human safety and upholding social safeguards, particularly in relation to SEAH. This role works across country teams to support SEAH prevention and</p>

Consistency with GCF safeguards and policies	Secretariat's assessment of the proposal	Remarks (Strengths/Points of caution)
		<p>response, in coordination with departments such as legal and local human resources. Additionally, it operates an Ombuds Office, a seven-member team providing impartial, confidential conflict-resolution and problem-solving services for staff at all levels. The Ombuds Office independently reviews cases of sexual misconduct, harassment, abuse or exploitation, and escalates them as appropriate. By contrast, the Department of Forestry and PIA (the other EEs) do not have a stand-alone SEAH policy. They will therefore be guided by Zambia's robust national legal and policy frameworks which contain explicit provisions to prevent SEAH in the workplace, strengthen protections, enhance prevention measures and improve reporting and response mechanisms – however, the operationalization of these provisions needs to be clear during the inception phases.</p>
<p>Gender policy</p>	<p>Consistent</p>	<p>In compliance with the GCF Gender Policy, the AE prepared and submitted a gender assessment accompanied by its gender action plan (GAP). The project integrates gender equality primarily by promoting equal access for women to insurance products, agroforestry opportunities and climate-smart agricultural inputs. It explicitly supports women's entrepreneurship through the establishment of 1,000 micro-entrepreneur-owned tree nurseries, where women are expected to participate as business owners and decision-makers.</p> <p>Training activities and input delivery mechanisms through One Acre Fund Zambia also include a commitment to ensure that women farmers benefit equally from financial literacy, insurance education and technical support. The project will insure 140,000 smallholder farmer households through tailored insurance products, providing a safety net to those most affected by climate shocks when</p>

Consistency with GCF safeguards and policies	Secretariat's assessment of the proposal	Remarks (Strengths/Points of caution)
		<p>needs are most acute. In addition, it will promote women's equal access to insurance through targeted education, support women's participation as tree nursery entrepreneurs via entrepreneurial and financial literacy training, and ensure that women have equal access to tree seedlings, diverse crop inputs and technical training. The project aims to have 100% gender-informed insurance products and insurance marketing materials; improve knowledge with a view to overcoming barriers to women tree nursery entrepreneurs and entrepreneurial and financial literacy skills training; and facilitate gender analyses in the sector and factors affecting entrepreneurship. The majority of the activities on purchasing insurance products will be determined by the baseline data, which will be collected in the first year of implementation.</p> <p>While the GAP presents relevant activities and targets aligned with the project's three components, the operationalization plan of the same could have been strengthened further. In addition, the responsibility of the GAP depends heavily on an EE, namely i.e. One Acre Fund, which has the institutional capacity to implement the plan, vis-à-vis the limited capacity of the AE in implementing gender-related and/or mainstreaming projects. The AE will need to ensure that the accountability of the gender embedded in its gender architecture while the EE provides the technical backstopping on some of the proposed gender activities. This can be done during the implementation phase and any changes to the GAP should be shared with GCF for further assessment.</p>
Risks	Consistent	The project's proposed not-for-profit reinsurance facility introduces fiduciary and concessionality related risks due to its multi-layered structure involving insurers, aggregators, a GCF-capitalized reinsurance pool and commercial

Consistency with GCF safeguards and policies	Secretariat's assessment of the proposal	Remarks (Strengths/Points of caution)
		<p>reinsurers. There is a potential risk for GCF grant resources could indirectly benefit intermediaries, or be used for purposes other than farmer payouts, if the reinsurance capital is not clearly ring-fenced and governed through binding legal arrangements. In addition, there are risks related to ensuring any remaining balances in Component 1 and 3 at project completion are used in line with the initial purpose of GCF proceeds. To mitigate these risks, the term sheet includes covenants ensuring that GCF proceeds are used solely for eligible farmer payouts, supported by clear reporting, verification and audit mechanisms. The Applicant will also be required, following the completion date, to seek the Fund's written instructions on the treatment of any remaining reinsurance funds, with the Fund retaining the right to determine their final application, including reflow to the Fund where appropriate.</p> <p>The AE has assessed inherent risks of money laundering, terrorist financing, and other prohibited practices, as well as reputational risks as low to medium on the basis of factors including the specific project activities and the use of implementing partners for project execution. The AE determined that residual risks are low due to controls such as its due diligence on implementing partners and other stakeholders, including verification of the existence of the requisite policies and systems. The AE will conduct screening for risks, including political exposure and adverse media on implementing partners, vendors, and beneficiaries, and will also refresh screening prior to disbursements. Due diligence also will be refreshed annually for high-risk counterparties, as well as prior to material amendments.</p>

Consistency with GCF safeguards and policies	Secretariat's assessment of the proposal	Remarks (Strengths/Points of caution)
Fiduciary	Consistent	<p>MoFNP will serve as the AE, holding ultimate responsibility for financial management, oversight and reporting to GCF. PIA, a statutory body under MoFNP, will serve as the EE for component 1 ("Farmer First" insurance sector). Component 2 will be jointly executed by the Forestry Department under the Ministry of Green Economy and Environment, and One Acre Fund Zambia. Finally, One Acre Fund Zambia will fully be responsible for the execution of component 3. A project steering committee, co-chaired by MoFNP, will be established to provide strategic guidance and ensure seamless coordination among the EEs (which will also be members).</p> <p>As the AE, MoFNP will manage all financial aspects of the project in accordance with its fiduciary standards. MoFNP will receive funds directly from GCF into a dedicated project account. From this central account, MoFNP will disburse funds to the three EEs based on approved annual workplans and budgets. Each EE will be contractually responsible for the financial management and reporting of its respective component.</p> <p>Based on the fiduciary review, the following condition precedents are recommended to be included in the term sheet/funded activity agreement:</p> <ul style="list-style-type: none"> (a) Delivery to GCF by the applicant of a financial management capacity assessment of each EE; (b) After the completion date, seek written approval from GCF on the steps to be taken in relation to the remaining balance of the capitalization pool for the reinsurance facility under component 1; and

Consistency with GCF safeguards and policies	Secretariat's assessment of the proposal	Remarks (Strengths/Points of caution)
		(c) After the completion date, seek written approval from GCF on the steps to be taken in respect of the remaining balance in the revolving fund under component 3, after which GCF shall be entitled to determine the application of such remaining balance.
Results monitoring and reporting	Consistent	<p>The project targets two adaptation result areas: vulnerable people and communities; and health, food, and water security. It is expected to benefit a total of 937,000 people, including 840,000 direct beneficiaries (equivalent to 140,000 households) and 97,000 indirect beneficiaries, with gender-disaggregated estimates provided. The logical framework includes indicators aligned with the GCF Integrated Results Management Framework.</p> <p>The proposal outlines two co-benefits: women's empowerment, with an estimated target of 71,400 beneficiaries by project completion; and economic co-benefits through green job creation. These co-benefits will be monitored through dedicated indicators.</p> <p>A preliminary monitoring and evaluation plan has been submitted and will be further developed during the inception period. It identifies key data sources, reporting tools and a budget for tracking GCF indicators and conducting monitoring and evaluation activities, including independent evaluations. The monitoring and evaluation budget of USD 1,241,612 (approximately 4.11% of the total project amount) aligns with the GCF Evaluation Policy.</p>
Legal assessment	Not applicable	This funding proposal is being presented under the project-specific assessment approach (PSAA). If the funding proposal is approved by the Board, the GCF

Consistency with GCF safeguards and policies	Secretariat's assessment of the proposal	Remarks (Strengths/Points of caution)
		<p>Secretariat and the Applicant will negotiate a funded activity agreement for the proposed project.</p> <p>The Applicant has provided a legal opinion/certificate confirming that it has obtained all internal approvals and it has the capacity and authority to implement the project.</p> <p>The proposed project will be implemented in the Republic of Zambia the “Host Country”. The GCF has been granted privileges and immunities in the Republic of Zambia.</p> <p>GCF does not hold industrial property protection for its combined logo (sphere with the words “Green Climate Fund”) in the Host Country. This means that, while industrial property protection is pending, (i) GCF’s combined logo could be used by other entities or individuals (including those seeking to impersonate GCF) and (ii) there could be legal claims by entities or individuals asserting their protected trademark, opposing GCF using its combined logo in the country. In both cases, this may lead to reputational risk.</p> <p>To facilitate prompt implementation of the project, it is recommended that any approval by the Board is made subject to the following conditions:</p> <ul style="list-style-type: none"> (a) Signature of the funded activity agreement in a form and substance satisfactory to the GCF Secretariat within 180 days from the date of Board approval; and (b) Completion of the legal due diligence to the satisfaction of the GCF Secretariat prior to the signature of the funded activity agreement.

Independent Technical Advisory Panel's assessment of SAP067

Proposal name:	Catalyzing a Climate Risk Protection Shield for Zambian Smallholder Farmers
Project-specific assessment approach applicant:	Ministry of Finance and National Planning of Zambia (MoFNP_ZMB)
Country(ies):	Zambia
Project/programme size:	Small

I. Assessment of the independent Technical Advisory Panel

1.1 Overview

- The development problem.** The 1.6 million smallholder farmer households in Zambia are acutely vulnerable to climate change, with livelihoods almost entirely dependent on rain-fed agriculture. These communities face a critical market failure where essential climate adaptation tools, such as agricultural insurance and high-quality indigenous tree seedlings, are unavailable, unaffordable or lacking the necessary market infrastructure to be scaled. Over 70 per cent of the population lives in extreme poverty, and the lack of financial safety nets means a single climate shock can trap families in a cycle of long-term poverty and chronic food insecurity.
- Climate change impact.** In Zambia, climate risks are transmitted through localized and highly specific biophysical pathways that directly affect smallholder agriculture. These include (a) extreme hydrological events, such as the 2024–2025 drought and recurrent flash floods, that wipe out harvests and income; (b) disrupted rainfall patterns, including consecutive dry days and unpredictable onset of rains, which undermine planting decisions and reduce yields; (c) rising temperatures, which are projected to increase by 1.8–1.9 °C by 2050, lowering maize yields by up to 22 per cent and accelerating soil erosion and land degradation; and (d) spatially differentiated impacts, with Agroecological Region (AER) II and AER III experiencing the most severe rainfall variability and crop stress. These climate hazards exacerbate existing development challenges by reducing productivity, increasing hunger and malnutrition, and pushing farmers towards deforestation and unsustainable land expansion.
- Proposed project.** The project, Catalyzing a Climate Risk Protection Shield for Zambian Smallholder Farmers, aims to fundamentally restructure market systems to enhance climate adaptation and agricultural resilience across vulnerable farming communities in Zambia. This initiative is deeply aligned with the Zambian nationally determined contribution (NDC) and national adaptation plan (NAP), targeting the systemic market failures that prevent smallholders from accessing essential protection against climate shocks. With a strategy focusing on financial safety nets and ecological defence, the project will directly support 840,000 beneficiaries, representing 9 per cent of the country's smallholder population.
- The project will improve resilience through a multilayered approach that combines financial de-risking with nature-based solutions. It will facilitate the creation of a not-for-profit reinsurance cell to make agricultural insurance affordable for rural households. The initiative will also bolster on-farm ecological defence by establishing a national supply chain for indigenous tree seedlings and supporting a network of 1,000 tree nurseries to foster widespread agroforestry adoption.

5. Through the integration of public-private partnerships and institutional governance, the project aims to drive a transformational paradigm shift from aid dependency to a self-sustaining market ecosystem. The project will link the Ministry of Finance and National Planning with private sector insurers and non-profit delivery platforms to ensure adaptation tools remain available long after its conclusion. The project is divided into three interconnected components: a “farmer first” insurance sector, a new national tree-seedling supply and the new One Acre Fund platform.
6. The expected outcomes and outputs are as follows:
- (a) **Outcome 1:** increased financial resilience of vulnerable smallholder farming households against climate-related shocks and income losses. This will be accomplished via (i) increased actuarial and product development capacity to launch innovative, smallholder-tailored insurance products (output 1.1) and (ii) the creation of a derisked insurance market through a higher-loss-ratio reinsurance facility (output 1.2);
 - (b) **Outcome 2:** increased adoption of indigenous tree seedlings for smallholder farmer tree-planting. This will be accomplished via (i) an improved enabling environment for indigenous tree seed quantity, quality and species diversity (output 2.1) and (ii) the establishment of 1,000 tree nurseries located in close proximity to rural smallholders to ensure seedling availability (output 2.2); and
 - (c) **Outcome 3:** strengthened livelihoods through climate-responsive improvements in smallholder farm productivity. This will be accomplished via (i) increased affordability of climate-resilient inputs and training delivered through a sustainable, revolving financing model (output 3.1) and (ii) consolidation of an aggregated farmer base to provide the critical mass of demand needed for these new markets to thrive (output 3.2).

1.2 Impact potential

Scale: N/A

7. The project will deliver significant adaptation benefits by directly increasing the climate resilience of 840,000 individuals in the most vulnerable smallholder farming communities in Zambia. Its primary impact will be building a sustainable development pathway by improving capacity to withstand and recover from climate-related shocks, rainfall variability and long-term temperature increases.
8. **Financial resilience.** Through the establishment of a functional and affordable insurance market, the project will provide a critical safety net against climate-induced crop failure. This will prevent households from selling productive assets after a shock and hopefully increase confidence to invest in climate-resilient practices.
9. **Ecological defence.** The creation of a national supply chain for indigenous tree seedlings will enable 1,000 tree nurseries in rural communities. Trees improve soil health, water retention and biodiversity, making the agricultural landscape less susceptible to droughts and floods. However, the realization of these co-benefits may take a period of time as the trees will need to grow to maturity.
10. **Food and water security.** Provision of climate-resilient inputs and training seeks to improve farm productivity and diversify crops away from vulnerable monocultures. This will directly protect farmer livelihoods and national food security in the face of erratic rainfall.
11. The proposal seeks to demonstrate high impact potential by focusing on adaptation for 140,000 smallholder households. While the accredited entity (AE) opted not to quantify mitigation via carbon sequestration to maintain conservative attribution boundaries, it provides a clear logic for adaptation impact by measuring annual harvest improvements during climate shocks (droughts or floods) compared to control groups. Additionally, physical risk is addressed

by using forward-looking climate scenarios (Representative Concentration Pathways 4.5 and 8.5) and annual forecasting (El Niño) to design insurance triggers that protect farmer livelihoods.¹

1.2.1. Risk to impact potential

12. **Proxy logic for adaptation.** Instead of measuring biophysical metrics such as soil moisture or erosion, the project relies on “annual harvest improvement” as a proxy. The independent Technical Advisory Panel (iTAP) notes that this is not the same as direct biophysical measurement, and this may weaken the technical soundness of the impact claim.

13. The impact potential of this project is assessed as medium to high.

1.3 Paradigm shift potential

Scale: N/A

14. The project is designed to catalyse a fundamental shift from a cycle of climate vulnerability and aid dependency to a self-sustaining, market-driven ecosystem. It aims to systematically address market failures in the insurance, seedling and farm input sectors to unlock a permanent transition towards a climate-resilient development pathway.

15. **Scaling and replication.** To achieve systemic change and a novel market transformation for agricultural risk, the project will establish an open-source insurance consortium where transparent modelling and pricing are shared publicly to incentivize participation by all Zambian insurance players. This initiative will be bolstered by the creation of a transparent reinsurance facility and a national protocol for indigenous tree seed supply, providing a documented pathway for both public and private actors to replicate these systems domestically and regionally. To ensure broad scalability and replicability, the project will leverage a strategic partnership with FSD Africa to disseminate knowledge products and actuarial models across the continent via BimaLab, ultimately aiming to diversify the risk portfolio across Africa and transition towards sustainable commercial capital markets.

16. **Knowledge and learning.** Critical knowledge products, such as climate-responsive insurance designs and best practices for private-sector-led tree-seedling production, will be disseminated to inform future policy and investment.

17. **Market infrastructure.** The capitalization of a reinsurance pool and establishment of a national seed certification system will enable the project to build the foundational infrastructure necessary for the private sector to thrive independently. This has the potential to unlock private sector interest and participation in crop insurance.

1.3.2. Risk to paradigm shift potential²

18. **Undefined resilience metrics.** While the AE claims the project is forward-looking, the AE also states that exact metrics, key performance indicators and indexes are yet to be determined for resilience outcomes.

19. **Vague scaling timelines.** The AE has mentioned a partnership for knowledge dissemination, but this response lacks the specific “budgeted activities and timelines” requested by the iTAP to ensure the model can actually scale to the full 140,000 households.

20. The paradigm shift potential of this project is assessed to be medium to high.

¹ AE responses to independent Technical Advisory Panel questionnaires.

² AE response to iTAP questionnaires.

1.4 Sustainable development potential

Scale: N/A

21. The proposal aims to contribute to the achievements of the following Sustainable Development Goals (SDGs): SDG 1 (No Poverty) and SDG 13 (Climate Action). Other relevant SDGs that are supported include SDG 2 (Zero Hunger), SDG 5 (Gender Equality), SDG 8 (Decent Work and Economic Growth) and SDG 15 (Life on Land).
22. The project, through its integrated adaptation toolkit, aims to bring about the following co-benefits:
 - (a) **Socioeconomic co-benefits.** The initiative will support the creation of 800 sustainable tree nursery entrepreneur jobs or green jobs. This will provide a safety net for 140,000 farmer households to prevent catastrophic backslides into poverty following climate shocks or create another income-generating opportunity during the off-season, beyond traditional maize cultivation.
 - (b) **Environmental co-benefits.** Increased tree-planting will enable progress towards restoring 2 million hectares of degraded land by 2030. This will enhance biodiversity through a wider variety of indigenous tree seeds.
 - (c) **Gender co-benefits.** The project seeks to target systemic change by ensuring 71,400 women access improved insurance. This also requires that 100 per cent of insurance products and marketing materials are gender-informed.
23. The sustainable development potential of this project is assessed as high.

1.5 Needs of the recipient

Scale: N/A

24. The project will directly address the acute climate vulnerabilities of Zambian smallholder farmer households, which are uniquely exposed to escalating shocks such as the 2024–2025 national drought emergency. With over 70 per cent of the population living below the international extreme poverty line and 35 per cent of children experiencing stunting, there is an urgent need for stabilized food production and income security.
25. **Unlocking additionality and addressing market gaps.** The provision of an integrated adaptation toolkit to 840,000 direct beneficiaries will enable the project to remove structural barriers to resilience. The project will target specific market failures in the insurance and tree-seedling sectors where the local capital market lacks the depth to provide catalytic funding. GCF grant financing will be essential to de-risk the entry of private insurers and establish a national seedling supply chain. This will ensure that economically disadvantaged farmers can access adaptation measures that traditional commercial debt – typically hampered by high leakage and foreign exchange risks – cannot currently support.
26. **Nature-based solutions and ecological defence.** The agroforestry initiatives will enable vulnerable families to build on-farm ecological defence layers. By adopting trees as a proven adaptation tool, farmers will be able to improve soil health and water retention to mitigate losses from erratic rainfall and flooding.
27. **Gender inclusion and sustainable ecosystems.** The project will proactively address gender-based barriers, thus ensuring 71,400 women access improved, tailored insurance products to overcome social norms that undermine financial independence. The transition from fragmented, aid-based interventions to a self-sustaining market ecosystem will enable the project to provide the most vulnerable populations, including those facing extreme poverty and marginalized groups, with permanent access to the resources required to withstand climate volatility.
28. The needs of the recipient in this project are assessed as high.

1.6 Country ownership

Scale: N/A

29. The project's objectives are fully aligned with the country's NDC and NAP process.
30. The NDC identifies agriculture as a priority sector for adaptation and emphasizes the urgent need to build the resilience of smallholder farmers against escalating climate shocks. It specifically encourages the creation of market-based systems to move from policy to tangible implementation. The project will directly support these goals by establishing a sustainable, smallholder-tailored insurance market and a national indigenous tree-seedling supply chain. Furthermore, the project aligns with sectoral policies aimed at enhancing food security and sustainable natural resource management as outlined in the NAP.
31. The Ministry of Finance and National Planning will serve as both the national designated authority and the AE, which means the proposal has been country-led from its inception. The selection of the Pensions and Insurance Authority and the Forestry Department as executing entities (EEs) will embed the project within the national institutional framework, guaranteeing long-term regulatory oversight. One Acre Fund, acting as a co-EE, will bring demonstrated regional experience in delivering farm inputs and training to tens of thousands of smallholders in Zambia.
32. The project design is the result of extensive multi-stakeholder consultations where the theory of change and implementation structures were validated by all participating national institutions. The domestic insurance sector has been closely engaged in the design of the project. Among the participants consulted were the following: VisionFund Zambia (aggregator, agricultural loan provider), Mayfair (insurance company), COMESA facility of ZEP-RE (reinsurer), Zambia Meteorological Department (technical climate data agency), ACRE Africa (insurtech partner), ZSIC General Insurance Limited (insurer) and RiskShield (insurtech).
33. The country ownership of the project is assessed as high.

1.7 Efficiency and effectiveness

Scale: N/A

34. The financial structure is designed to address existing market barriers while providing the minimum necessary concessionality to achieve the project's objectives.
35. **Catalytic grant funding.** Grant funding will be used as essential catalytic capital to build foundational infrastructure, such as a not-for-profit reinsurance facility, which is currently too high a risk for private investors. This public investment is a prerequisite for crowding in future private capital.
36. **Sustainable financial models.** The use of a revolving fund for farm inputs will allow capital to be replenished as farmers reimburse costs. This will ensure that the model remains financially viable beyond the project's lifespan.
37. **Cost-effectiveness.** The project will leverage existing institutional capacities and specialized delivery systems, such as the One Acre Fund last-mile network, to efficiently reach 840,000 direct beneficiaries. Periodic financial reviews by independent third parties will ensure funds are used effectively and follow industry best practices.
38. **Above-market co-financing ratios.** The AE has shown that a co-financing ratio of 1:0.21 is significant in the context of Zambia. For example, the USD 30 million World Bank Zambia Irrigation Development and Support Project³ has zero co-financing. The International

³ Combined Project Information Documents / Integrated Safeguards Datasheet (PID/ISDS). Available at <https://documents1.worldbank.org/curated/en/948111587380272108/pdf/Project-Information-Document-Integrated-Safeguards-Data-Sheet-Irrigation-Development-Support-Project-Additional-Financing-P172140.pdf>.

Fund for Agricultural Development (IFAD) Malawi Sustainable Agriculture Production Programme⁴ has a co-financing ratio of 1:0.118 (USD 45.7 million versus USD 5.4 million, including contributions from beneficiaries). The Côte d'Ivoire project "Promoting zero-deforestation cocoa production for reducing emissions in Côte d'Ivoire (PROMIRE)"⁵ has GCF financing of USD 10 million and co-financing of USD 1.7 million (a ratio of 1:0.175).⁶ While lower than some private sector benchmarks, these figures are superior to those of regional peers such as IFAD or World Bank agricultural projects in Zambia and Malawi. The financial viability and exit strategy are supported by the revolving fund model, which has been stress-tested since 2015 to handle inflation and currency devaluation. Additionally, the use of bundled insurance will ensure that GCF funds are used effectively by protecting the investment in farmer inputs against total crop failure.

39. The effectiveness and efficiency of this project are assessed as medium to high.

II. Overall remarks from the independent Technical Advisory Panel

40. Based on the above assessment, the iTAP recommends that the Board approve this funding proposal.

⁴ *President's Memorandum Proposed Additional Financing to Republic of Malawi for the Sustainable Agricultural Production Programme*. Available at <https://webapps.ifad.org/members/lapse-of-time/docs/english/EB-2020-LOT-P-6.pdf>.

⁵ "Consideration of funding proposals – addendum XIV: funding proposal package for SAP015" (GCF/B.26/02/Add.14).

⁶ AE responses to iTAP questionnaires.

Response from the project-specific assessment approach applicant to the independent Technical Advisory Panel's assessment (SAP067)

Proposal name:	Catalyzing a Climate Risk Protection Shield for Zambian Smallholder Farmers
Project-specific assessment approach applicant:	Ministry of Finance and National Planning of Zambia (MoFNP_ZMB)
Country(ies):	Zambia
Project/programme size:	Small

Impact potential
The AE acknowledges that the overall impact potential is assessed as medium to high by iTAP. It understands the request to establish a digital monitoring, reporting, and verification (D-MRV) platform to strengthen impact potential and will determine how best this might happen.
Paradigm shift potential
The AE acknowledges that the paradigm shift potential is assessed as medium to high by iTAP. It understands the request to formalize paradigm shift metrics and timelines.
Sustainable development potential
The AE acknowledges that the sustainable development potential is assessed as high by iTAP.
Needs of the recipient
The AE acknowledges that the needs of the recipient are assessed as high by iTAP.
Country ownership
The AE acknowledges that the country ownership is assessed as high by iTAP.
Efficiency and effectiveness
The AE acknowledges that the efficiency and effectiveness is assessed as medium to high by iTAP.

Overall remarks from the independent Technical Advisory Panel:

The AE appreciates the time iTAP took to review the proposal and offer its thoughtful considerations, which it will be strive to implement. It acknowledges iTAP's overall assessment and recommendation to the Board.

Zambia gender analysis and gender action plan

9/8/2025

Introduction

The Government of the Republic of Zambia, acting through the Ministry of Finance and National Planning (MoFNP) has submitted a proposal to the Green Climate Fund (GCF): Catalyzing a Climate Risk Protection Shield for Zambian Smallholder Farmers. This gender analysis and gender action plan are submitted as an annex to that proposal. They seek to describe gender dynamics in the country and address them in relation to the scope of the project, namely how to improve the adaptive capacity of Zambian families by addressing critical gaps in smallholder insurance, financing, and market systems. Through a multi-pronged approach, the program aims to build a robust climate risk insurance and market ecosystem that delivers life-transformative services to over 100,000 smallholder farmers and their families.

Context

Zambia

Zambia is a landlocked country in Southern Africa sharing borders with Tanzania, Malawi, Mozambique, Zimbabwe, Botswana, Namibia, Angola and the Democratic Republic of the Congo (DRC).¹ Zambia covers an area of approximately 752, 618 sq. km.² The land of Zambia is mostly a high plateau, sitting at 3,000 to 5,000 feet above sea level.³ Much of Zambia's population is concentrated along the "Line of Rail" corridor running from Livingstone (on the Zimbabwe border) through Lusaka to the Copperbelt; large areas beyond this corridor remain sparsely populated. Zambia Railways' core network spans from Victoria Falls Bridge/Livingstone through Lusaka to the Copperbelt and onward to the DRC border at Sakania, with a junction to Tazara at Kapiri Mposhi.⁴

The country gained independence from the United Kingdom on 24 October 1964, changing its name from Northern Rhodesia to Zambia.⁵ The current constitutional framework is the Constitution of Zambia (Amendment) Act, 2016, which substantially updated the 1991 constitution.⁶ The President is Head of State and Commander in Chief of the armed forces and is elected by universal adult suffrage (with a 50%+1 requirement) to no more than two five-year terms. The Vice-President is elected as the President's running mate. The President also appoints a Cabinet which consists of the President, Vice-President, and Ministers (the Attorney-General serves as an ex-officio member). The Chief Justice, Deputy Chief Justice, and other judges (including High Court judges) are appointed by the President on the recommendation of the Judicial Service Commission and subject to ratification by the National Assembly.

¹ [Country Reports](#)

² [CIA](#)

³ [Country Reports](#)

⁴ [Britannica](#)

⁵ [Constitute](#)

⁶ [CIA](#)

Zambia has ten provinces, Central, Copperbelt, Eastern, Luapula, Lusaka, Muchinga, Northern, North-Western, Southern, and Western, which are the first-level administrative units. Each province is headed politically by a Provincial Minister appointed by the President from among Members of Parliament. Provinces are subdivided into districts; at the district level, a District Commissioner (DC) appointed by the President represents the central government and coordinates district development programs (including chairing/co-chairing development coordination structures such as the DDCC).⁷ Local governance is exercised by elected councils (city, municipal, and town/district). In cities such as Lusaka, Ndola, and Kitwe, the councils are led by Mayors, who under the 2016 constitutional reforms are directly elected by voters.⁸

The population of Zambia is 20,799,116 (2024 est.) with near gender parity⁹ however women are over-represented among those in poverty, representing 56.7 percent of the country's poor.¹⁰ The median age in Zambia is 16.8 years of age, with a total life expectancy of 52.7 years. This ranks Zambia's population as the sixth youngest for median age in the world.¹¹

Although most Zambians are of Bantu origin, the complex patterns of immigration have produced wide linguistic and cultural variety. The Bemba group is the most widespread, accounting for more than one-fifth of the population, and is distributed in the north-central part of the country, in the Northern, Luapula, and Copperbelt provinces. Most Zambians speak Bantu languages of the Niger-Congo language family. The Nyanja (also known as Chewa) and Tonga language groups are also important, together accounting for more than one-fifth of the population. Nyanja languages are spoken in the Eastern and Central provinces, while Tonga languages are spoken mainly in the Southern and Western provinces.¹²

In 2022, the World Bank reclassified Zambia as a low-income country after a decade in the lower middle-income category. The reclassification followed sustained poor economic performance exacerbated by the COVID-19 pandemic. More than half of the country's 20 million people live below the poverty line. The country continues to grapple with a high debt burden, posing a significant threat to the government's efforts to deliver social services, alleviate poverty, and achieve zero hunger.¹³

Agriculture

Thirty-two percent of the land in Zambia is used for agriculture (2022 est.).¹⁴ Small scale farming is the main source of income and employment for most Zambians in both the formal and informal sectors. About 35.5 percent of women, and 64.5 percent of men work in agriculture, forestry, and fisheries.¹⁵ In the last decade, Zambia has suffered from the impact of climate change, with frequent, prolonged dry spells (the most recent being the 2023/2024 El Niño-induced drought), extreme high temperatures, and floods that have undermined food security and threatened the livelihoods

⁷ [UN Habitat](#)

⁸ [Cabinet](#)

⁹ [CIA](#)

¹⁰ [Zambia Gender-Based Violence Assessment](#)

¹¹ [World Population Review](#)

¹² [Britannica](#)

¹³ [World Food Programme Zambia Country Brief](#)

¹⁴ [CIA](#)

¹⁵ [World Bank Zambia Gender Assessment](#)

of many smallholder farming households. Smallholder farmers are the country's largest population of food producers, responsible for up to 90 percent of the food produced in Zambia.¹⁶

Gender

In order to address issues facing women in the agricultural sector, it is important to understand concepts of sex, gender, equity, and equality. While the program will measure the number of women engaged in various agricultural and financial activities, it is because of gender issues that women often do not participate in or benefit equally from these activities.

“Sex” refers to the biological characteristics which define humans as female or male based on their reproductive make-up. “Gender” is the roles, duties and responsibilities which are culturally or socially ascribed to women, men, girls and boys. Because of gender, the social, economic and political differences between women and men are acquired. What is acceptable due to gender can change over time and is widely variable inside countries and among different cultural, political and socio-economic contexts. Gender impacts the living conditions, status, function and social position of men and women. The disparities, inequities, relations and discrimination that exist between men and women are commonly called "gender inequalities" or "gender issues".

The concept of equity refers to the conditions which allow women and men enjoy the same opportunities with regard to access to and control of development resources. For example, in the education sector, equity consists of guaranteeing all students (girls and boys) the same opportunities to access a quality education whatever their origin, geographical location, socio-economic situation, state of health, convictions or beliefs. Equity is a means to achieve equality and involves the implementation of compensatory measures.

Equality between women and men means that men and women have the same status in a given society, and equal conditions to fully exploit their human rights. They contribute equally to economic, social and cultural development, including the ability to participate in the public sphere.

According to the World Economic Forum (2024) Global Gender Gap index, Zambia ranks 92nd globally and 19th among 35 sub-Saharan African countries. Zambia scores at 74 on economic participation and opportunity, as it ranks above the global average on labour force participation rate and estimated earned income. Zambia scores first for educational attainment due to parity in primary education enrollment. Similarly, with regard to health and survival, Zambia ties for first with parity in both sex ratio at birth and life expectancy. As in most countries, gender-based violence (GBV) is an important issue. In Zambia, studies show a range of indices with between 28 and 36 percent of women having experienced some type of GBV in their lifetime.¹⁷¹⁸

¹⁶ [World Food Programme Zambia Country Brief](#)

¹⁷ [World Economic Forum Global Gender Gap Report 2024](#)

¹⁸ [World Bank Zambia Gender Assessment](#)

Gender and Agriculture

There are five dimensions to gender inequality in agriculture: land rights, productive resources, unpaid work, employment and decision making.¹⁹ A 2023 report from the Food and Agriculture Organization of the United Nations (FAO) provides a comprehensive picture of the status of women working in agriculture globally; shows how the creation of work in agrifood systems for women in many countries enhances their well-being and provides opportunities for economic growth, incomes, productivity and resilience; and provides analyses about the challenges women face.²⁰

Globally, agrifood systems are a major employer of women and constitute a more important source of livelihood for women than for men in many countries. Despite the importance of agrifood systems, however, women's roles tend to be marginalized and their working conditions are likely to be worse than men's: that is irregular, informal, part-time, low-skilled, labor-intensive and vulnerable. Women's access to land, inputs, services, finance and digital technology continues to lag behind that of men. Discriminatory social norms and rules affecting women and girls are at the heart of gender inequality and are slow to change. Challenges to women's full and equal employment in agrifood systems hold back their productivity and sustain wage gaps. Globally, the gender gap in land productivity between female and male-managed farms of the same size is 24 percent.²¹ Women's empowerment is key to economic and social outcomes. Benefits from projects that specifically empower women are higher than those that just mainstream gender. Increasing attention has been placed on addressing constraints created by discriminatory social norms and gender-blind policies and laws in agrifood systems.

Key findings from the FAO report:

- Closing the gender gap in farm productivity and the wage gap in agrifood-system employment would increase global gross domestic product by 1 percent (or nearly USD 1 trillion). This would reduce global food insecurity by about 2 percent, reducing the number of food-insecure people by 45 million.
- If half of small-scale producers benefited from development interventions which focused on empowering women, it would significantly raise the incomes of an additional 58 million people and increase the resilience of an additional 235 million people.²²

Zambia Gender Profile

The following country analysis is based on the model formerly used by the U.S. Agency for International Development (USAID) as it is described in its policy manual, ADS 205. Gender analysis is socioeconomic analysis of quantitative and qualitative information to identify, understand, and explain gender gaps between individuals, which typically involves examining 1) Differences in the status of women and girls, men and boys and their differential access to and control over assets, resources, education, opportunities, and services; 2) The influence of gender roles, structural and systems barriers, and norms on the division of time among paid employment, unpaid work, and volunteer activities; 3) The influence of gender roles, structural and systems' barriers, and norms on leadership roles and decision-making; constraints, opportunities, and entry points for

¹⁹ [IISD](#)

²⁰ [FAO](#)

²¹ [FAO](#)

²² [FAO](#)

narrowing gender gaps and empowering women; and 4) Potential differential impacts of development policies and programs on women and girls, men and boys, including unintended or negative consequences.²³

Laws, policies, regulations, and institutional practices

This section is focused on the laws, policies, regulations, and institutional practices that influence the context in which men and women act and make decisions because it provides a framework within which women farmers live and work. It covers gender equality laws broadly and several gender strategies under implementation by the government.

The Constitution of Zambia 1991 (rev. 2016) confirms “the equal worth of women and men and their right to freely participate in, determine and build a sustainable political, legal, economic and social order.” Article 11 states that “It is recognised and declared that every person in Zambia has been and shall continue to be entitled to the fundamental rights and freedoms of the individual, that is to say, the right, whatever his race, place of origin, political opinions, colour, creed, sex or marital status...” Article 23 prohibits any law which discriminates on the basis of any of these characteristics. The Constitution also provides for gender equity in the National Assembly or council and establishes a Gender Equity and Equality Commission.²⁴

Zambia’s 2016 constitutional referendum, which proposed an expanded Bill of Rights to entrench economic, social, cultural and environmental rights failed to meet the 50% turnout threshold, so those rights are not currently justiciable in the constitutional Bill of Rights. The operative framework is the Constitution (Amendment) Act, 2016, which retains the prior Bill of Rights while affirming equality and non-discrimination and setting national values that include gender equality. In parallel, Parliament has enacted statutes that protect the rights of women and children, notably the Gender Equity and Equality Act, 2015, the Anti-Gender-Based Violence Act, 2011, and the Children’s Code Act, 2022.

The Anti-Gender Based Violence Act No.1 of 2011 is the primary Act that provides for the protection of victims of gender-based violence (GBV) in Zambia. The Act is the first piece of legislation that defined GBV in Zambia. It recognized the need for specialized attention to violence against women and girls, mandated support for protection of GBV survivors, and established the Anti-GBV Committee and Anti-GBV Fund. Importantly, Section 2(2) states that, except for the Constitution, the provisions of this law shall prevail over those outlined in other legislative pieces.²⁵

In order to enhance gender equity and equality, the government of Zambia launched a National Gender Policy in 2000 which aimed at achieving full participation of both women and men in the development process. The second National Gender Policy was released in 2014 and focused on strengthening the capacity of the gender machinery at the national, provincial and district levels as well as key civil society organisations. It also facilitated the establishment of platforms for improving the protection of women’s social, cultural, economic and political rights. The updated 2014 Policy also led to the review and reform of the Gender Equity and Equality Act, No. 22 of 2015 to strengthen the legal framework for the elimination of all forms of discrimination against women and girls. The Constitution (Amendment) Act, No. 2 of 2016 was also enacted and provides for the

²³ [USAID](#)

²⁴ [Zambia Constitution](#)

²⁵ [World Bank Zambia Gender Assessment](#)

equal worth of women and men and their rights to freely participate in, determine and build a sustainable political, legal, economic and social order.²⁶

Zambia adopted a new National Gender Policy in 2023 which seeks to accelerate the attainment of gender equity and equality. The Policy seeks to strengthen the coordination of an integrated and multi-sectoral approach in the implementation of gender programs across all sectors. The Policy also enhances the participation of women in economic activities through, among others, creating an enabling environment that provides equitable access to productive and economic resources in conjunction with the private sector.²⁷

The National Gender Policy is aligned with the Convention on the Elimination of all forms of Discrimination Against Women (CEDAW), the Beijing Declaration and Platform for Action, SADC Protocol on Gender and Development, the African Charter on Human and People's Rights on the Rights of Women in Africa (Maputo Protocol) and other instruments. CEDAW is an international legal instrument that requires countries to eliminate discrimination against women and girls in all areas and promotes women's and girls' equal rights. It is often described as the international bill of rights for women. Regular reports regarding CEDAW's implementation in Zambia are submitted to the UN on a regular basis. The Beijing Declaration and Platform for Action, adopted unanimously by 189 countries, is an agenda for women's empowerment and considered the key global policy document on gender equality. In 2022, Zambia ratified the Maputo Protocol that guarantees comprehensive rights to women.²⁸

The Gender Division in the Government of Zambia, under the auspices of the Office of the President, is mandated to promote gender equity and equality by coordinating and monitoring the effective implementation of gender policies with other government line ministries and cooperating partners. The programs of the Gender Division include Gender Policy Formulation; Gender Mainstreaming; Economic Empowerment of Women; Prevention of gender-based violence and the multidisciplinary management of survivors; Monitoring and Evaluation; Communication and Advocacy; and Technical backstopping or institutional capacity building around gender.²⁹

In addition to the Gender Division, the 2023 National Gender Policy gives implementation responsibilities to other government entities including:

The Ministry responsible for Finance and National Planning: Mainstream gender and mobilise resources for the implementation of the Policy, ensure gender responsive planning and budgeting, as well as monitoring and evaluation and report on the implementation of institutional gender programmes; and

The Ministry responsible for Agriculture: Mainstream gender and facilitate components of the Policy regarding agricultural practices and its economic benefits all and women in particular and report on the implementation of institutional gender programmes.³⁰

²⁶ [Zambia National Gender Policy](#)

²⁷ [Zambia National Gender Policy](#)

²⁸ [African Union](#)

²⁹ [Zambia Gender Division](#)

³⁰ [Zambia National Gender Policy](#)

The Eighth National Development Plan³¹ (8NDP) sets out Zambia’s strategic direction in terms of the development priorities and implementation strategies for the period 2022 to 2026. It states, “In an effort to reduce developmental disparities, the Government will implement interventions to address gender, income and spatial inequalities. Interventions to promote gender equality will address issues related to the participation of women in decision-making positions at all levels of governance and sustaining and improving gender parity in education.”

The Plan also states that with regard to management of 8NDP, “State-Owned Enterprises (SOEs) will undertake various commercial activities to complement private sector investments. SOEs will also generate resources to complement government revenues for the financing of the Plan and will further be expected to provide services, especially in areas where it is currently uneconomical for the private sector to operate. This will include the provision of socio-economic services such as electricity, water, sanitation, insurance, skills training, milling and agricultural marketing.”³²

Per a World Bank analysis, the Zambia National Land Policy (2021) seeks to promote equitable access to land and tenure security, discouraging discrimination based on gender, age, or disability. Objective eight seeks to take affirmative action to the allocation of land, aiming to ensure that 50 percent of land available for alienation is allocated to women.

Zambia’s National Strategy for Reducing Emissions from Deforestation and Forest Degradation of 2015 specifically mentions women, youth, and other disadvantaged groups as groups of people that need to be included in forest management and natural resource management. It also underlines the importance of including local women in Reduction of Emissions from Deforestation and Forest Degradation (REDD) decision-making. Zambia’s Climate Change

Gender Action Plan of 2016 is framed around the idea that women have a key role to play in mitigation and adaptation. The Reduction of Emissions from Deforestation and Forest Degradation (Redd plus) National Strategy 2015-2030 underlines the critical role women play in community-based forest enterprises, both in addressing climate change adaptation and improving women’s and households’ wellbeing.³³

Africa Forest Landscape Restoration Initiative (AFR100): Aims at bringing 100 million hectares of Africa land into restoration by 2030, through multi-stakeholder and private investment approaches. Zambia’s commitment is to restore two million hectares of forests by 2030. AFR100 explicitly addresses the need to strengthen (1) women’s leadership in decision-making and governance of forests; (2) women’s capacity-building for forest stewardship; (3) women’s access to land and natural resources; (4) gender sensitive approaches to forestry policy and practices, including, e.g., equal access to financing and other support for forest-based enterprise; (5) approaches to tackling social norms that discriminate against women’s equal participation and leadership in, and benefits from, forestry restoration.³⁴

The UN Framework Convention on Climate Change (UNFCCC) has embraced women’s rights to land and resource governance, for example in the Paris Agreement, 2016, and the Lima Work Programme on Gender, 2014. Moreover, the UN Convention to Combat Desertification (UNCCD) has

³¹ [Eighth National Development Plan](#)

³² [Eighth National Development Plan](#)

³³ [Initial Legal Analysis And Comparative Good Practices Memo Recommending Legal Provisions For The Draft Forest Act And Related Regulations](#)

³⁴ [Initial Legal Analysis And Comparative Good Practices Memo Recommending Legal Provisions For The Draft Forest Act And Related Regulations](#)

mainstreamed gender equality throughout its policy framing documents and programming, adopting its Gender Action Plan in 2017 and, in 2019, issuing detailed guidelines for partners adoption of gender equal policies and practices through two documents published: A Manual for Gender Responsive Land Degradation Neutrality Transformative Projects and Programmes; and Land Degradation Neutrality Interventions to Foster Gender Equality.³⁵

The Green Economy and Climate Change Act of 2024 states that “special consideration for vulnerable groups and gender inclusiveness” shall be applied in achieving the purpose of this Act.³⁶

Cultural norms and beliefs

Every society has cultural norms and beliefs about what are appropriate qualities, life goals, and aspirations for men and women. Gender norms and beliefs are often supported by and embedded in laws, policies, and institutional practices. They influence how women and men behave in different domains. Norms and beliefs go beyond what formal laws say to govern daily lives. For women farmers, this may impact whether they purchase insurance products, if they can become agriculture entrepreneurs, what productive inputs they purchase and what crops and trees are grown.

For hundreds of years in Zambia, most Zambian ethnic groups traced descent matrilineally, affording a woman’s lineage much power over labor, offspring, land, and wealth. Women were responsible for the main tasks of agricultural production, however, the colonial period changed the position of women profoundly. Christianity and colonial policies advocated for an ideal of a nuclear family with a male breadwinner.³⁷ Per the National Gender Policy, patriarchal tendencies, cultural and social norms remain factors contributing to power imbalances between men, women and other vulnerable groups thereby negatively affecting human and social development.³⁸

In Zambia, social and gender norms undermine women’s decision-making power. Traditionally, men have authority over household resources, including land.³⁹ Similarly, inequalities persist with regards to women’s representation in public decision-making. In 2021, women made up 15.2 percent of the Members of Parliament (down from 16% in 2016). In local government women make up eight percent of the local councillors elected in 2021 and 10 percent of elected Mayors or Council Chairpersons.⁴⁰ Per the National Gender Policy, this lack of representation can be attributed to a lack of economic resources, low education levels, gender stereotyping, patriarchal cultural beliefs and political violence as well as the absence of quota systems across public, private, political and civil society organisations.⁴¹

³⁵ [Initial Legal Analysis And Comparative Good Practices Memo Recommending Legal Provisions For The Draft Forest Act And Related Regulations](#)

³⁶ [The Green Economy and Climate Change Act of 2024](#)

³⁷ [Women in Zambia](#)

³⁸ [Zambia National Gender Policy](#)

³⁹ [Traditional leaders in Zambia shift gender norms and strengthen women’s land rights](#)

⁴⁰ [Zambia National Gender Policy](#)

⁴¹ [Zambia National Gender Policy](#)

With regard to gender-based violence, 46 percent of women in Zambia agree that a husband is justified in hitting or beating his wife for a variety of reasons (a decline from 85% in 2002). Approximately one in three women agree that a husband is justified in hitting or beating his wife if she argues with him (32%), neglects the children (31%), or refuses to have sexual intercourse with him (30%).⁴²

The government of Zambia has been working to address GBV for years. Laws and programs resulted in an increased knowledge of GBV and a reduced prevalence of physical violence against women aged 15 to 49 from 47 percent in 2007 to 36 percent in 2018. However, the incidences of GBV remain high.⁴³ Zambia Police Service recorded 42,965 cases of gender based violence in 2023.⁴⁴

Gender roles, responsibilities, and time use

The most fundamental division of labor within all societies is between productive (market) economic activity and reproductive (non-market) activity. This central social structure is often linked to gender-specific activity. It is one of the most basic questions: how we spend our days. For women farmers, these issues get to how much time they spend doing agricultural work versus work for the home (caring for children and older family members, cooking, cleaning).

In Zambia, just 11 percent of households in rural areas have access to electricity (76% in urban areas).⁴⁵ Within these no-electricity households, women and men spend their time very differently. Women spend over 47 minutes each day cooking (16 for men); women spend over 52 minutes each day on care work (almost 24 for men); women spend over 79 minutes each day on paid work (156 for men); and women spend 33 minutes each day on entertainment (almost 27 for men).⁴⁶

Commitment to girls' education is often an early indicator for women's gender roles. Gender inequalities in education persist globally and at all levels of education, despite improvements in the last two decades. Progress in gender parity has been more consistent in primary education than in secondary and tertiary education, including across regions. Sub-Saharan Africa continues to score the lowest in gender parity in both secondary and tertiary education.

In Zambia, while enrollment and gender parity has risen at the basic education level, keeping girls in school at higher grades remains a challenge. There are more boys than girls at the senior secondary level (Grades 10 to 12). Dropout rates are consistently higher among girls than boys. In 2009, of the total number of boys enrolled, 1.7 percent dropped out compared to 2.7 percent of girls.⁴⁷ The decline in completion rates particularly for girls could be attributed to several factors which include, teenage pregnancy, child marriage, distance to schools and inadequate boarding facilities, economic constraints, lack of menstrual hygiene facilities, lack of safe learning environment and low value placed by some communities on girls' receiving a secondary education especially in rural areas.⁴⁸

⁴² [2018 DHS Survey](#)

⁴³ [Zambia National Gender Policy](#)

⁴⁴ [GBV Statistics 2023 Annual Data Report](#)

⁴⁵ [Time-use among men and women in Zambia: A comparison of grid, off-grid, and unconnected households](#)

⁴⁶ [Time-use among men and women in Zambia: A comparison of grid, off-grid, and unconnected households](#)

⁴⁷ [World Bank Project Appraisal](#)

⁴⁸ [Zambia National Gender Policy](#)

Access to and control over assets and resources

A key component of gender analysis is an examination of whether women and men own and/or have access to and the capacity to use productive resources: assets (land, housing), income, social benefits (social insurance, pensions), public services (health, water), technology and information necessary to be a fully active and productive participant in society. For this program, this aspect of gender equality impacts how women farmers interact with the program itself, purchasing insurance products, becoming agricultural entrepreneurs, accessing support for productive inputs and attending training sessions.

In Zambia, approximately 35.5 percent of women and 64.5 percent of men work in agriculture, forestry, and fisheries.⁴⁹ Although women supply 55 percent of labour for agricultural activities, most women participate in the agriculture sector as contributing family workers or are engaged in informal and seasonal employment.⁵⁰ Relatedly, 21.4 percent of women and 26.7 percent of men personally own land for crops and/or livestock.⁵¹

Compared to men, women have limited access to the inputs and resources needed for agricultural production and income-generating activities. Such inputs and resources include access to credit, land, training, information, and loans. Without access to land because of formal and informal inheritance laws and cultural practices, women are less likely to have the necessary collateral to obtain credits and loans.⁵²

Zambia recognises customary and state (leasehold) land tenure. In statutory law, women and men have equal rights to own and inherit property, and national frameworks such as the 2016 Constitution, the Gender Equity and Equality Act (2015), and the National Lands Policy (2021) explicitly promote gender equality in land administration (including targeted measures to increase women's access to state land). However, in customary tenure systems, women's land access and inheritance often depend on local norms, and enforcement is uneven, leading to ongoing gender gaps in practice even though the law guarantees equality.

To address gender inequality in access to and ownership of land, the government of Zambia developed an affirmative action for reserving 50 percent of all land on offer for women, in line with the Revised 2016 SADC Protocol on Gender and Development. However, in 2019, a total of 25,598 offers were given, with men receiving 16,715 (65%) and women receiving 8,883 (35%). An analysis by the Gender Department ascertained that the low number of women that managed to process the acquisition of state land was due to lower education levels, limited access to credit, poverty levels, lack of information on acquisition of land and security of tenure, which makes the cost of acquiring and developing of state land beyond their reach.⁵³

⁴⁹ [World Bank Zambia Gender Assessment](#)

⁵⁰ [Zambia National Gender Policy](#)

⁵¹ [FinScope Report](#)

⁵² [SAGE](#)

⁵³ [Zambia National Gender Policy](#)

Various studies suggest that women's access to technology, improved seeds, fertilizer, and other resources is also more restricted than men's.⁵⁴ Announced in August 2025, the Government of Zambia, as part of its Girls' Education and Women's Empowerment and Livelihoods for Human Capital Project, will support women's livelihoods for climate smart productive inclusion. "Poor women from SCT households will be given productivity grants as seed capital, with options for additional sources of financing explored, coupled with enhanced life and business and digital literacy skills training and mentorship, as well as facilitated formation into savings groups. Particular attention will be given to enhancing resilience to climate-induced shocks, while supporting them to adapt to more climate-adaptive entrepreneurial activities."⁵⁵

With regard to other forms of economic activities, women are also under-represented. According to the International Trade Centre SME Competitiveness Survey 2018, women-owned micro, small and medium enterprises (MSME) in Zambia represent 30 percent of the total MSMEs. The National Gender Policy posits that the participation of women in commerce remains low due to inadequate entrepreneurial and financial literacy skills as well as limited access to capital. Further, women have inadequate social security and access to business development services, and have rarely been contracted in high income sectors such as agri-business.⁵⁶

Financial inclusion for women in Zambia improved significantly compared to their status in 2015. Notably, the gap in access to formal financial inclusion significantly narrowed between males and females, largely due to an increase in the availability of Digital Financial Services (DFS) and efforts to link DFS, particularly mobile money with saving groups which are predominantly used by women in rural areas.⁵⁷ However, with regard to insurance, 60.9 percent of men have insurance, compared to only 39.1 percent of women.⁵⁸ Per the same report, the main barrier to uptake of insurance products was lack of awareness (never heard of insurance) reported by 40.9 percent of the adults. Other barriers include affordability (24.9%) and a lack of knowledge about how insurance works (12.5%).⁵⁹ (Sex-disaggregated data not publically available.)

Patterns of power and decision-making

This domain of gender analysis examines the ability of women and men to decide, influence, and exercise control over material, human, intellectual, and financial resources, in the family, community, and country. While women farmers may share equally in the agricultural work, this questions who makes key decisions between farmers who are married and who controls the income that is created through their efforts.

A 2018 DHS Survey asked questions about women's empowerment (these questions were not included in the 2024 Survey). Overall, 31 percent of women reported that they mainly decide how to use their earnings, 51 percent reported that they make decisions jointly with their husbands, and 18 percent indicated that their husbands mainly decide how to use their earnings. More than half of married men in both urban (58%) and rural (54%) areas indicated that they make joint decisions on the use of their earnings, and at least one-third of urban (33%) and rural (37%) men mainly make their own decisions. With regard to decisions about their own health care, daily household purchases, major household purchases, and visits to their

⁵⁴ [Women in Zambia](#)

⁵⁵ [Additional Financing Stakeholder Engagement Plan \(SEP\)](#)

⁵⁶ [Zambia National Gender Policy](#)

⁵⁷ [The Second National Financial Inclusion Strategy](#)

⁵⁸ [FinScope Report](#)

⁵⁹ [FinScope Report](#)

family and relatives, 57 percent of currently married women aged 15-49 indicated that they make decisions either alone or jointly with their husband in all four areas.⁶⁰

With regard to agricultural activities, according to the Rural Agricultural Livelihood Survey of 2019, women in male-headed households have limited influence on how the land and the income from farming activities is used. Only 8.6 percent of women decide how to use the income from the sale of maize. Even for crops that are considered as “female’s crops” such as groundnuts, cowpeas and sweet potatoes, women’s decision-making power is low.⁶¹

Relatedly, 56 percent of women believe that a woman is justified in refusing to have sexual intercourse with her husband if she knows he has sex with other women and 73 percent of women believe that a woman is justified in asking her husband to use a condom when she knows that he has a sexually transmitted disease. Sixty-five percent of currently married women age 15-49 indicated that they can say no to their husbands if they do not want to have sexual intercourse⁶²

In forestry governance, data from the last 10 years indicate that women in Zambia do not have equal or equitable access to forestry decision-making or governance systems, are under-represented in forestry-related employment, and do not benefit equally to men from forestry resources, despite their higher level of dependency on forest resources for sustenance, food security, household health and medicine, and economic opportunity.⁶³

Methodology

This gender analysis was carried out by an independent consultant in July and August 2025. The development of the analysis is based on a literature review of national strategy documents, and reports by governmental, multilateral and civil society organizations. The issues addressed in the gender analysis are aligned with the issues outlined by the GCF, including the relationships between men and women, their access to resources, their activities, and the constraints they face relative to each other.

Gender Action Plan

Current Work on Gender

Government of Zambia

The Gender Division of the Government of Zambia, under the auspices of the Office of the President, is mandated to promote gender equity and equality by coordinating and monitoring the effective implementation of gender policies with other government line Ministries and cooperating partners. The Division is committed to protecting and promoting women’s rights, curbing gender-based violence and reducing gender inequalities by making progressive changes to legislation to strengthen the protective environment. It aims to prioritize the advancement of women and strengthen

⁶⁰ [2018 DHS Survey](#)

⁶¹ [Zambia National Gender Policy](#)

⁶² [2018 DHS Survey](#)

⁶³ [Initial Legal Analysis And Comparative Good Practices Memo Recommending Legal Provisions For The Draft Forest Act And Related Regulations](#)

their capacity to influence decision-making at the highest level on matters pertaining to gender equity and equality. The specific functions of the Division include Gender; Gender Based Violence; Gender Equity and Equality; National Gender Policy; and Women's Empowerment.

To realise its vision, the Division identified three areas of focus and their related strategic results as follows:

Gender Responsive Development resulting in Equitable Development;
Gender Rights protection resulting in Fulfilled Gender Rights; and
Operational Excellence resulting in High Quality Services.

The Division programmes include Gender Policy Formulation; Gender Mainstreaming; Economic Empowerment of Women; Prevention of gender-based violence and the multidisciplinary management of survivors; Monitoring and Evaluation; Communication and Advocacy; and Technical Backstopping or institutional Capacity Building around gender.

Mainga D. Kabika currently serves as the Division's Permanent Secretary. The Division has worked with the World Bank to release Gender⁶⁴ and Gender-Based Violence Assessment Reports⁶⁵ in 2023.

With regard to financing, in 2024, the MoFNP, released the Public Expenditure And Financial Accountability (PEFA) Gender Responsive Public Financial Management Assessment Report to evaluate the integration of gender considerations within Zambia's public financial management system. Overall, the assessment found that the government lacks specific tools and systems dedicated to gender responsive public financial management.⁶⁶

With regard to farming, the Agricultural Sector Investment Program was an economic development project initiated in March 1995 by the World Bank Group. The project directed \$60 million in funds toward the improvement of agricultural productivity in Zambia and other African countries. Unfortunately, the project ended in 2001 after failing to meet its objectives.⁶⁷ However, an impact assessment of the Zambian National Agricultural Sector Investment Program, which introduced gender-transformative approaches in nutrition and introduction of climate-smart technologies, shows that, in addition to increasing production of food crops and enhancing household food security, the programme improved relationships within couples and their roles and access to resources, decision-making and division of labour.⁶⁸

To address the issue of women's role in decision-making in agriculture, the Centre for Agriculture and Bioscience International (CABI) and the Zambian government launched a new Gender Technical Working Group (GTWG) in April 2025 as part of a greater commitment to gender equality in the agricultural sector. The group aims to strengthen gender-responsive policies, promote capacity building, and enhance accountability. The

⁶⁴ [Zambia Gender Assessment Report](#)

⁶⁵ [Zambia Gender-Based Violence Assessment Report](#)

⁶⁶ [PEFA Gender Responsive Public Financial Management Assessment Report](#)

⁶⁷ [Agricultural Sector Investment Program](#)

⁶⁸ [FAO](#)

Gender Division reaffirmed the group’s significance adding that the GTWG is “not just a formality but a transformative force that will catalyse real change in achieving gender-equitable agricultural services.”⁶⁹

In August 2025, the Government of Zambia announced that, as part of its Girls' Education and Women's Empowerment and Livelihoods for Human Capital Project, it will support women’s livelihoods for climate smart productive inclusion. “Poor women from SCT households will be given productivity grants as seed capital, with options for additional sources of financing explored, coupled with enhanced life and business and digital literacy skills training and mentorship, as well as facilitated formation into savings groups. Particular attention will be given to enhancing resilience to climate-induced shocks, while supporting them adapt to more climate-adaptive entrepreneurial activities.”⁷⁰

Program Partners

1AF Zambia partnered with Chief Chamuka of Chisamba, an influential advocate for gender equality and women’s empowerment, to pilot an inclusive land access initiative. Buoyed by this collaboration, the organization launched a village-level mapping process to identify women interested in joining the agroforestry program. Furthermore, to guarantee success, it conducted community engagement meetings to build stakeholder buy-in from men to allocate some of their land to their wives and daughters. Ultimately, the chief facilitated the land authentication process that enabled the formal titling of customary land, a strategic move that not only secured women’s tenure but also unlocked their eligibility into the lucrative carbon credits program.

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Activities	Indicators and Targets	Timeline	Responsibilities	Costs
<p>Impact Statement: increased climate resilience of Zambian smallholder households by developing adaptation services and addressing key barriers in the insurance, tree seedling, and farm input sectors</p>				
<p>Outcome Statement: improved knowledge to overcome barriers to women’s insurance participation and insurance marketing content relevant for women farmers (Targets: 100% of insurance products are gender-informed; 100% of insurance marketing materials are gender-informed; the percentage of women purchasing insurance products is equal to the percentage of women enrolled in the 1AF inputs and training program); improved knowledge to overcome barriers to women tree nursery entrepreneurs and entrepreneurial and financial literacy skills training (Targets: 100% of surveys collecting sex- disaggregated data regarding tree nursery entrepreneurs; Gender analysis regarding the gender differences in obstacles, motivations, and factors affecting entrepreneurship; Programs to increase the number of women tree nursery entrepreneurs); increased number of female smallholder farmers served by One Acre Fund (Targets: 40% of 1AF members are women; 100% of 1AF staff receiving capacity-building and gender-sensitization training; 100% of training methods and content being appropriate for women farmer’s education and literacy levels; 100% of training content being relevant for women farmers)</p>				
<p>Output Statement 1a: Report regarding the barriers to women’s purchasing of insurance products</p>				

⁶⁹ [CABI News](#)

⁷⁰ [Additional Financing Stakeholder Engagement Plan \(SEP\)](#)

<p>(i) Collect data to establish baseline gender data with regard to women's use of insurance products</p> <p>(ii) Collect data regarding the obstacles, motivations, and factors affecting women's purchasing of insurance products</p> <p>(ii) Analyze data regarding the gender differences in obstacles, motivations, and factors affecting the purchasing of insurance products</p> <p>(iv) Conduct focus groups discussions with women who are potential insurance purchasers to validate research findings</p>	<ul style="list-style-type: none"> ● Baseline data regarding women's use of insurance products is disaggregated by sex, age, disability, marital status and education level; Target: 100% ● Data regarding the obstacles, motivations, and factors affecting women's purchasing of insurance products is disaggregated by sex, age, disability, marital status and education level;; Target: 100% ● Data analysis to understand the gender dimensions of the obstacles, motivations, and factors affecting the purchasing of insurance products is disaggregated by age, disability, marital status and education level; Target: 100% ● Focus groups discussions to validate research conclusions include women of different ages, abilities, marital statuses and education levels; Target: 100% ● Focus group discussions include feedback from participants regarding the SEAH risks* they may encounter during the insurance purchasing process; Target: 100% ● # women accessing insurance (now Cobenefit 1) 	By Year 1	PIA	US\$120,000 (relevant portion of existing surveys from the MEL budget)
Output Statement 1b: Gender-informed insurance products and marketing materials				
<p>(i) Create and implement training to ensure that the consortium of local underwriters, aggregators, reinsurers, and InsurTechs develop and launch insurance products that are gender-informed</p>	<ul style="list-style-type: none"> ● Training is created and implemented to ensure the development of gender-informed insurance products. Target: Yes 	By Year 3	PIA	US\$100,000 (Portion of PMC gender and MEL specialist for design work + staff time for training)

<p>(ii) Ensure that the consortium of local underwriters, aggregators, reinsurers, and InsurTechs develop and launch insurance products includes women</p> <p>(iii) Create insurance products that address issues that impact women farmers (gender-informed)</p> <p>(iv) Create gender-informed insurance marketing materials and outreach methods that are relevant for women farmers</p> <p>(v) Train local organizations engaging potential insurers about the risks of SEAH, GBV prevention protocols and grievance procedures for women purchasing insurance products</p> <p>(vi) Integrate social norm change activities and information about the risks of SEAH when training local organizations about insurance product sales</p>	<ul style="list-style-type: none"> ● % insurance products that are gender-informed; Target: 100% ● % of consortium members that are women; NOTE: women members should reflect diversity of potential insurance purchasers (age, disability, marital status, education level); Target: 30% ● % of insurance products that address the needs of women farmers; NOTE: insurance products should reflect the different needs of potential insurance purchasers (age, disability, marital status, education level); Target: 50% ● % of insurance marketing materials that are gender-informed; % of marketing outreach methods that are gender-informed; NOTE: marketing materials and outreach methods should reflect the diversity of potential insurance purchasers (age, disability, marital status, education level); Target: 100% ● Training materials, prevention protocols and grievance procedures are created; Target: Yes ● % of local organizations trained on GBV prevention; Target: 100% ● Training materials include social norm change activities and information about the risks of SEAH; Target: 100% 			
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	<ul style="list-style-type: none"> • % of local organizations trained on SEAH risks and social norm change; Target: 100% 			
Output Statement 2a: Report regarding the barriers to women becoming tree nursery entrepreneurs				
<p>(i) Collect data to establish baseline gender data with regard to women working as tree nursery entrepreneurs</p> <p>(ii) Conduct data collection regarding the obstacles, motivations, and factors affecting women's tree nursery entrepreneurship</p> <p>(iii) Analyze data regarding the gender differences in obstacles, motivations, and factors affecting women's tree nursery entrepreneurship</p> <p>(iv) Conduct focus groups discussions with women who are potential tree nursery entrepreneurs to validate research findings</p>	<ul style="list-style-type: none"> • Baseline data regarding the number of women working as tree nursery entrepreneurs is disaggregated by sex, age, disability, marital status and education level; Target: 100% • Data regarding the obstacles, motivations, and factors affecting women's tree nursery entrepreneurship is disaggregated by sex, age, disability, marital status and education level; Target: 100% • Data analysis to understand the gender dimensions of the obstacles, motivations, and factors affecting women's tree nursery entrepreneurship is disaggregated by age, disability, marital status and education level; Target: 100% • Focus groups discussions to validate research conclusions include women of different ages, abilities, marital statuses and education levels; Target: 100% • Focus group discussions include feedback from participants regarding the SEAH risks they may encounter as they seek to become tree nursery entrepreneurs; Target: 100% 	By Year 3	Department of Forestry	US\$120,000 (relevant portion of existing surveys from the MEL budget)
Output Statement 2b: Gender-informed programs to increase the number of women tree nursery entrepreneurs				

<p>(i) Create and implement training to ensure that the technical support provided to tree nursery entrepreneurs is gender-informed and includes the risks of SEAH</p> <p>(ii) Ensure that the local organizations conducting the training include women as content creators and trainers</p> <p>(ii) Review current programs to support tree nursery entrepreneurs to ensure that it is relevant for women entrepreneurs (gender-informed) and take into account potential SEAH risks</p> <p>(iii) Create gender-informed programs to increase the number of women tree nursery entrepreneurs (perhaps financial literacy)</p> <p>(iv) Train local organizations working to increase the number of women tree nursery entrepreneurs about about the risks of SEAH, GBV prevention protocols and grievance procedures for women entrepreneurs</p> <p>(v) Integrate social norm change activities and information about the risks of SEAH</p>	<ul style="list-style-type: none"> ● Training is created and implemented to ensure that the technical support provided to tree nursery entrepreneurs is gender-informed and includes the risks of SEAH; Target: Yes ● % technical support materials that are gender-informed; Target: 100% ● % of local content creators and trainers that are women; NOTE: women content creators and trainers should reflect diversity of potential tree nursery entrepreneurs (age, disability, marital status, education level); Target: 30% ● % of current and newly-created entrepreneurship programs that are relevant for women entrepreneurs; Target: 100% ● Programs to increase the number of women tree nursery entrepreneurs are created and implemented; Target: Yes ● % of new tree nursery entrepreneurs are women; Target: 50% ● Training materials, prevention protocols and grievance procedures are created; Target: Yes ● % of local organizations trained on GBV prevention; Target: 100% ● Training materials include social norm change activities and information about the risks of SEAH; Target: 100% 	<p>By Year 3</p>	<p>Department of Forestry</p>	<p>US\$200,000 (Portion of PMC gender and MEL specialist for design work + field staff time for training)</p>
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when training local organizations about entrepreneurship	<ul style="list-style-type: none"> • % of local organizations trained on SEAH risks and social norm change; Target: 100% 			
Output Statement 3a: Gender-informed 1AF climate-resilient farm inputs				
<p>(i) Integrate gender lens scoring sheets into product review processes for rating new and existing products</p> <p>(ii) Offer products focused on saving the time of women farmers in the product bundle</p> <p>(iii) Improve marketing of climate-resilient inputs to women farmers</p>	<ul style="list-style-type: none"> • Scoring sheets are created that integrate gender into product reviews; Target: Yes • Time saving products trialed in product bundles; Target: Yes • % of climate-resilient inputs marketed to women; Target: 100% 	By Year 4	1AF	US\$20,000 (portion of PMC gender and MEL specialist for design support, and small amount of 1AF budgeted staff time for integration)
Output Statement 3b: Gender-informed 1AF climate-smart training program				
<p>(i) Create and implement capacity-building and gender-sensitization (that includes GBV prevention and support resources) training for 1AF Zambia staff</p> <p>(ii) Ensure that women are included as content creators and trainers</p> <p>(iii) Review current climate-smart training methods and content to ensure that they are appropriate for women farmer's education and literacy levels. Revise if necessary.</p> <p>(iv) Review current climate-smart training content to ensure that it holds relevance for</p>	<ul style="list-style-type: none"> • Training is created and implemented to ensure that 1AF Zambia staff understand gender issues and the risks of SEAH for women farmers; Target: Yes • % of staff receiving capacity-building and gender-sensitization training; Target: 100% • % of local content creators and trainers that are women; NOTE: women content creators and trainers should reflect diversity of women farmers; Target: 30% • Training methods and content are reviewed; Target: 100% • % of training methods and content appropriate for women farmer's education and literacy levels; Target: 100% • Training methods and content are reviewed; Target: 100% 	By Year 4	1AF	US\$40,000 (portion of PMC gender and MEL specialist for design support, and AF budgeted staff time for trainings)

women farmers (e.g. content is unbiased towards crops/technologies that are typically adopted by men). Revise if necessary.	<ul style="list-style-type: none"> • % of training content that has been ensured is relevant for women farmers; Target: 100% 			
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***Note on SEAH risks:** While the project’s nature is unlikely to significantly increase SEAH risks, the broader national context marked by persistent gender inequalities and barriers to protection and justice remains challenging, particularly for women. In recognition of this, we have mapped out potential risks across the different activities and mitigation measures in Annexes 7 and 12. Briefly, SEAH risks could arise through the project lifetime during (1) Insurance provision (e.g. women could be harassed or coerced during registration, threatened in exchange for claim support, or exploited during home visits), (2) Input & Tree Seedling Distribution (e.g. women being required to “pay” in non-financial terms for accessing seedlings), (3) Training, Financial Literacy & Entrepreneurship Support (women could experience intimidation or harassment during training sessions, and young women in particular could be vulnerable in entrepreneurial spaces), and (4) Outreach, Follow-Up & Monitoring (e.g. women could experience abuse of influence by field staff, retaliation for reporting poor performance, and fear of reporting due to community norms).

Even as we recognize the potential risks, we believe the residual SEAH risks of this project will be minimal due to (1) Strong institutional safeguards, (2) Mandatory SEAH protocols, (3) Integrated grievance and reporting mechanisms, and (4) Regular monitoring and oversight.
