PROJECT: ADDITIONAL FINANCING: SUSTAINABLE RURAL WATER AND SANITATION INFRASTRUCTURE FOR IMPROVED HEALTH AND LIVELIHOODS PROJECT

COUNTRY: MALAWI

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**Appraisal Team**

- **Team Leader:** Eskendir A Demissie, Pr. Water & Sanitation Eng., RDGS2
- **Co-Team Leader:** Benson Bumbe Nkhoma, Pr. Water & Sanitation Eng., RDGS.2/COMW
- **Team Members:**
  - Joseph Byamugisha, Senior Financial Management Specialist, RDGS
  - Emmanuel Chisesa, Senior Procurement Specialist, SNFI.2/COMW
  - Delight Ngwira, Disbursement Assistant, COMW
  - Seth Landau, Team Leader, Consultant
  - Jamal Gore, Deputy Team Leader, Consultant
  - Roland Schulze, Water Resources Expert, Consultant
  - Elias Chimulambe, WASH Expert, Consultant
  - Glwadys Gbetibouo, Institutional Expert, Consultant
  - Moses Kalenga, Water Sector Expert, Consultant
  - Carl Schutte, Financial and Procurement Expert, Consultant
  - Prisca Joan Kutengule, Community/ Rural Development Expert, Consultant

**Country Manager:** Eyerusalem Fasika (OIC)
**Division Manager:** Neeraj Vij
**Sector Director:** Gladys Wambui Gichuri
**Regional Director:** Kapil Kapoor

**Peer Reviewers**

- Daniel Verdeil, Principal Water Resources Specialist, RDGS2
- Boniface Aleoubua, Principal Sanitary Engineer, RDGS2
- Anne Mukudi, Sr Gender Specialist, RDGN2
- Musole Mwila Musumali, Climate Change Expert, PECG2
- Maurice Wanyama, Sr Financial Management Specialist, RDGS
Project Summary

The African Development Fund (ADF), Nigeria Trust Fund (NTF) and Rural Water Supply and Sanitation Initiative (RWSSI) Trust Fund financing totalling UA 23.1 million to Malawi to finance the Sustainable Rural Water and Sanitation Infrastructure for Improved Health and Livelihoods Project (SRWSIHL) was approved on 30th April 2014 and the Loan and Grant Protocol Agreements signed on 21st October 2014. In support of improving the climate resilience of the project, on 13th February 2017 the Global Environmental Facility (GEF) approved Least Developed Country Fund (LDCF) grant with the aim to improve the climate resilience of the SRWSIHL. The full sized project and final document was approved by GEF on 11 January 2019.

The objective of the SRWSIHL is to spur socio-economic growth in Malawi by improving health and livelihoods of the marginalised rural population through provision of sustainable water supply and improved sanitation. This project represents a continuation of a program which received Bank and other Development Partners (DPs) support and which closed on 31st December 2013. The SRWSIHL seeks to increase the resilience of water supply systems through rehabilitation and expansion and to address sanitation and hygiene challenges. It also works to support the empowerment of district councils and rural communities with particular emphasis to women and youth, monitoring and evaluation, and on enhancing sector reforms for governance and accountability of service delivery. To ensure sustainability of the project, there is a need to take into account the negative impacts of climate change on the water resources and infrastructure, and its subsequent contribution to water security issues. Additional funds are required to cover the costs of scaling up activities that contribute to climate resilience and further strengthen the resilience of infrastructures that have already been constructed.

The SRWSIHL project has benefitted from additional funding commitment from LDCF financing (USD 2.6 million, or about UA 1.88 million). The GEF LDCF intervention will help to climate proof and ensure inclusive access to water supply and sanitation in the same five districts of SRWSIHL, namely, Rumphi, Nkhotakota, Ntcheu, Mangochi and Phalombe. While the original project incorporated some climate resilience measures, these were limited given the overarching focus on infrastructure delivery. Where SRWSIHL infrastructure has been installed already, the LDCF resources will support activities that protect and ensure the resilience of the water supply.

This additional financing is in line with the strategic theme of the new Country Strategy Paper (CSP, 2018-2022) which focuses on “Supporting the foundations for private sector development to build economic resilience to unlock the Private Sector.” Through improving water supply and sanitation services, the project will remove some bottlenecks to socio-economic growth by improving health and livelihoods of the population in the project districts. The project is aligned to the Bank Group’s Ten Year Strategy (2013–2022) with its twin objectives of inclusive growth and transition to green growth. The project will significantly improve the lives of the people from the five project districts which is one of the Bank’s High 5s. In addition, this supplementary financing is in line with Pillar 2 (adaptation) of the Bank’s second Climate Change Action Plan 2016-2020 (CCAP2), which aims to ensure low-carbon and climate resilient development across the African continent.