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April 27, 2022

Dr. MacDonald M. Mwale
Secretary of the Treasury
Ministry of Finance
Capital City
Lilongwe 3
Malawi

RE: Republic of Malawi – Additional Financing for the Southern Africa Trade and Transport Facilitation (Phase 2) Project (Credit No. 6974-MW and Grant No. D895-MW)

**Reinstatement of the Financing Agreement and
Extension of the Effectiveness Deadline**

Honorable Secretary,

We refer to the Financing Agreement, dated December 15, 2021, between the Republic of Malawi (the “Recipient”) and the International Development Association (the “Association”), for the above-referenced Project (the “Financing Agreement”). The defined terms used in this letter and not defined herein shall have the meanings given to them in the Financing Agreement.

According to Section 5.03 of the Financing Agreement, the Effectiveness Deadline is ninety days after the Signature Date. Since the Financing Agreement did not become effective on time, it lapsed.

We are glad to inform you that after considering the reasons for the delay in meeting the Effectiveness Deadline, the Association agrees to:

1. Reinstatement of the Financing Agreement as of its original Signature Date; and
2. Retroactively extend the period within which the Financing Agreement must become effective and has established July 15, 2022, as the later date for purpose of Section 10.03 of the General Conditions.

This extension of the Effectiveness Deadline is being provided to ensure that proper due diligence by the Association can be carried out on the evidence provided by the Recipient in relation to meeting the Additional Condition of Effectiveness set forth in Article V; 5.01 (b), related to the recruitments to the Project Implementation Team of one (1) manager and four (4) environmental and social safeguards specialists, all under terms of reference and with qualifications and experience acceptable to the Association.

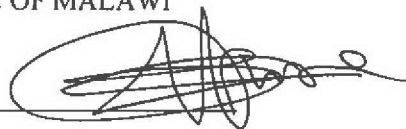
Please indicate your agreement to the foregoing, on behalf of the Recipient, by countersigning and dating the form of confirmation on the two original copies of this letter and returning one original, as countersigned, to us. Upon receipt by the Association of the countersigned copy of this letter, this letter shall become effective as of the date of its countersignature.

Sincerely,



Boutheina Guerhazi
Director of Regional Integration
Africa and Middle East and North Africa

CONFIRMED AND AGREED:
REPUBLIC OF MALAWI

By: 

Name: Hon Sista Gwergwe

Title: MINISTER

Date: 12/05/22

Cc: Mr. Hastings Chiudzu
Principal Secretary
Ministry of Transport and Public Works

Mr. Nations Msowoya
Acting Director of Debt and Aid Management
Ministry of Finance

Eng. Francis Dimu
Acting Chief Executive Officer
Roads Authority

Mr. Stewart Malata
Chief Executive Officer
Road Fund Administration

Mr. Taufila Nyamadzabo
Executive Director for Malawi
The World Bank Group