



# Project Information Document/ Integrated Safeguards Data Sheet (PID/ISDS)

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Concept Stage | Date Prepared/Updated: 30-May-2017 | Report No: PIDISDSC21954



**BASIC INFORMATION**

**A. Basic Project Data**

Country Malawi	Project ID P163794	Parent Project ID (if any)	Project Name Lilongwe Water and Sanitation Project (P163794)
Region AFRICA	Estimated Appraisal Date Oct 30, 2017	Estimated Board Date Nov 30, 2017	Practice Area (Lead) Water
Financing Instrument Investment Project Financing	Borrower(s) The Republic of Malawi	Implementing Agency Lilongwe Water Board	

**Proposed Development Objective(s)**

To increase access to improve water services and safely managed sanitation services in Lilongwe City

**Financing (in USD Million)**

Financing Source	Amount
Borrower	2.00
International Development Association (IDA)	75.00
IDA Grant	25.00
Foreign Private Commercial Sources (unidentified)	20.00
<b>Total Project Cost</b>	<b>122.00</b>

Environmental Assessment Category B-Partial Assessment	Concept Review Decision Track I-The review did authorize the preparation to continue
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Other Decision (as needed)

**B. Introduction and Context**

Country Context



Malawi is a small, peaceful and democratic country, with a population of about 17 million people. Most the population (85%) lives in rural areas. Population growth rate is estimated at 2.8 percent per annum. At this growth rate, Malawi's population is expected to reach 23 million by 2025. The country is land-locked, has unexploited natural resources, and is highly vulnerable to hydro-climatic shocks. Despite a recent difficult economic and political period, Malawi has a stable democratic political system and has initiated economic and political reforms. The country however remains one of the world's poorest, with over half of its population living in poverty.

Malawi's economy is heavily dependent on agriculture. However, most the population is engaged in smallholder, rain-fed subsistence agriculture which regularly suffers exogenous climate-induced shocks with significant negative impacts on overall growth and poverty reduction. Malawi has a narrow export base consisting mostly of tobacco, with high dependence on imports and external aid flows. Investment climate constraints hinder private investment. The 2017 Doing Business report ranks Malawi 133rd out of 190 countries. The main obstacles to doing business include poor support infrastructure and services such as electricity, water, transport, an uncertain economic environment, poor legal and regulatory framework, lack of access to long-term finance and a limited skills base. Business confidence remains subdued following two years of drought conditions and weak economic growth.

Medium-term economic prospects however appear positive as the country recovers from the recent weather-induced shocks in 2016. Real GDP growth after two consecutive years of drought, fell below 3 percent in 2016 but is expected to pick up in the range of 4 to 5 percent in 2017. Annual inflation has now fallen to 9.3 percent in July 2017—its lowest level in recent years. However, there is still a wide range of constraints to growth in Malawi, including the high-dependence on rain-fed agriculture; low access to electricity; water scarcity and lack of drought resilience; unsafe drinking water and poor sanitation in both rural and urban areas, to name but a few. The Government of Malawi (GoM) is currently developing a medium-term strategy, looking beyond the recent crisis, to establish strong foundations for economic recovery and growth.

While Malawi is still predominantly rural and agrarian, the urban economy is projected to play a significant role in the country's long-term economic growth prospects<sup>1</sup>. Projected urbanization and economic growth rates for the period from 2010 to 2030 show that even a slightly increased rate of urbanization could greatly enhance Malawi's long-term economic prospects<sup>2</sup>. Much of the urban growth, and consequent demand for better services, is taking place in Lilongwe, the capital city. Lilongwe is growing at a rate of 4.3 percent per year, the fastest in the country and the region. The current population is estimated at 1.1 million, and is expected to grow to 1.5 million by 2021, and to 2.2 million by 2030. Along with this rapid growth, the city is experiencing a rise of informal settlements. Approximately 76 percent of the city population lives in informal settlements<sup>3</sup>. This rapid growth is putting a strain on the city's services, including water supply and sanitation, and thereby limiting the city's potential as a catalyst for economic growth.

### Sectoral and Institutional Context

Unsafe drinking water and poor sanitation in both rural and urban areas is a binding constraint to Malawi's growth and poverty reduction. Malawi has made significant progress in improving access to water supply. Access rates for water supply have increased from 42 percent in 1990 to 90 percent in 2015, but progress on sanitation has been slower (from 29 percent in 1990 to 40 percent in 2015). Moreover, sanitation access figures often hide the high exposure to fecal pathogens due to limited fecal sludge management services, especially in the peri-urban areas, with most of the fecal matter ending into the environment without treatment. Similarly, with respect to water supply, official access figures

<sup>1</sup> World Bank (2017). *Malawi Economic Monitor – Unleashing the Urban Economy*, Macroeconomics and Fiscal Management Global Practice, Washington, DC: The World Bank.

<sup>2</sup> World Bank (2016). *Malawi Urbanization Review: Leveraging Urbanization for National Growth and Development*, Urban, Rural and Disaster Risk Management Global Practice, Washington DC: The World Bank.

<sup>3</sup> UN-HABITAT (2011). *Malawi: Lilongwe Urban Profile*, UN-HABITAT



often mask the poor levels of services. High population growth, dwindling water resources, lagging infrastructure development, and aging water systems create large gaps between supply and demand, leading to unreliable services. Globally, Malawi is currently ranked number 5 out of the top 10 countries (with population greater than 1 million) with the highest proportion of population at risk of frequent water shortages<sup>4</sup>.

Lilongwe City, in particular, faces unique water security challenges. Lilongwe River – the only source of water for the city is highly variable and very vulnerable during dry years. The river has been dammed twice to create storage for the dry season. The two dams – Kamuzu Dam 1 (KD1) and Kamuzu Dam 2 (KD2) constructed in 1966 and 1989 respectively – have a combined storage of 24 million m<sup>3</sup>/day, which is barely able to sustain current demand during the dry season. Water is abstracted at an intake point on the river about 20km downstream of KD2 and treated in Treatment Works 1 (TW1) and Treatment Works 2 (TW2), with a combined production capacity of 125,000 m<sup>3</sup>/day. However, on average, the plants are operating at 70 percent capacity<sup>5</sup>, producing an average of about 90,000 m<sup>3</sup>/day – of which about 32,400 m<sup>3</sup>/day (36%) is unaccounted for. Current peak demand is estimated at 130,000 m<sup>3</sup>/day, and this is projected to increase to 170,000 m<sup>3</sup>/day by 2025 and 220,000 m<sup>3</sup>/day by 2035. Thus, the water supply system is under strain and the city is already facing water shortages which are expected to become severe over the coming years, unless major investments in water loss reduction and additional water production are undertaken.

Sanitation is also a major challenge in the city. A recent city-wide survey<sup>6</sup> showed that only five percent of the population is served by a sewer system, while the majority relies on onsite sanitation systems (70 percent pit latrines and 25 percent septic tanks). Existing sewers and sewage treatment plants are dilapidated due to lack of maintenance, resulting in environmental pollution, as most of the sewage ends up in the environment without treatment. Faecal sludge emptying and collection from onsite systems is mainly done by small-scale private sector operators, with minimal regulation from the city council. There has not been any major investment in sanitation in Lilongwe since the 1980s. It is estimated that Malawi loses about US\$3.8 per capita or 1.1 percent of the country's annual GDP due to poor health outcomes attributed to, among others, low access to safely managed sanitation services<sup>7</sup>. Given the current levels of sanitation services, City authorities need to urgently plan for integrated sanitation investments, and address some of the priority infrastructure needs to reduce public health risks and environmental hazards due to poor sanitation. Recent cases of contamination of the city's drinking water by a leaking sewer pipe have created a sense of urgency to fix the city's ailing sewerage system.

In terms of institutional set up, the Ministry of Agriculture, Irrigation and Water Development (MAIWD) leads the water sector. MAIWD is responsible for oversight of the water sector, including water resources management, irrigation, and water supply and sanitation. Urban and small town water supply is under the responsibility of the two urban Water Boards (Lilongwe and Blantyre) and the three regional Water Boards (Northern, Central, and Southern). The Water Boards report to MAIWD on technical matters and to the Department of Statutory Corporations (DSC)—under the Office of President and Cabinet—on policy issues (such as financial, administrative and managerial oversight). There is no independent regulator for the water sector. DSC currently reviews and approves tariff increases. With respect to sanitation, city councils are currently in charge of sanitation services under the Local Government Act of 1998. At the same time, the Waterworks Act 1995 mandates urban Water Boards to provide sewerage services within their areas of jurisdiction. Despite having the mandate, none of the Water Boards are providing sewerage services and all sewerage assets (where they exist) remain with the city councils. GoM had previously decided to keep city sewerage systems under the responsibility of the city councils, until the Water Boards develop the necessary capacity to operate the

<sup>4</sup> Sadoff C.W., Hall, J.W., Grey, D., Aerts, J.C.J.H., Ait-Kadi, M., Brown, C., Cox, A., Dadson, S., Garrick, D., Kelman, J., McCornick, P., Ringler, C., Rosegrant, M., Whittington, D. and Wiberg, D. (2015). *Securing Water, Sustaining Growth: Report of the GWP/OECD Task Force on Water Security and Sustainable Growth*, University of Oxford, UK, 180pp

<sup>5</sup> Due to a combination of low yields from the Kamuzu dam system in the dry season and high levels of siltation in the river during the rainy season.

<sup>6</sup> World Bank (2017). *Lilongwe Citywide Sanitation Survey. Interim Report (under preparation)*

<sup>7</sup> WSP (2012). *Economic impacts of poor sanitation in Africa. Water and Sanitation Program, The World Bank.*



systems. However, recent highly publicized cases of contamination of Lilongwe city's drinking water by a leaking sewer pipe have led to renewed calls for sewerage services to be transferred to Water Boards.

Lilongwe Water Board (LWB) is a statutory corporation established in 1995 with responsibility for water and sewerage services in Lilongwe City. LWB currently provides water services to about 70 percent of the city's population. The extension of the water distribution network is estimated at 1,758km in length, serving a total of 67,581 connections. LWB's financial performance remains highly unstable, with operating ratios varying between 1.0–2.8 over the past seven years, and collection rates stagnating at around 85 percent. Current water production does not meet demand, and thus, LWB rations water. Demand assessments show that LWB needs to augment its production capacity in the medium to long term even under the most conservative estimates. In addition, it is critical for LWB to look at diversifying its water sources to reduce the water security risk to the city. With the projected rapid growth in water demand, LWB and the Government of Malawi (GoM) has embarked on an ambitious investment program to secure water supply for Lilongwe.

LWB's medium-term investment plan is packaged in what is called the "Lilongwe Water Program". The Program consists of a series of investments designed to address the immediate and medium term water security needs, and support a long-term solution to Lilongwe's growing water demands. Over the next five years, LWB plans to raise the height of KD1 dam (by 7m) to increase abstraction capacity, which would enable full utilization of the installed production capacity and allow for an additional 50,000 m<sup>3</sup>/day expansion in treated water production capacity (TW3), reaching a total production capacity of 175,000 m<sup>3</sup>/day – enough to meet projected 2025 demand. This sub-project (KD1 raising) is financed by the European Investment Bank (EIB) and is already at works procurement stage. Recent yield assessment<sup>8</sup> of the Kamuzu dam system confirms that the required 175,000 m<sup>3</sup>/day can be abstracted at a reasonable assurance level of between 96 and 97 percent<sup>9</sup>, considering environmental flow requirements.

Beyond 2025 however, the city will need a new water source since any additional demand on the Kamuzu dam system will reduce assurance levels below acceptable levels. Extensive hydrological, technical, financial, economic, social, and environmental studies recommended a new multipurpose dam on Diamphwe River (35km southeast of Lilongwe) as the most feasible water source among the alternatives considered. At the same time, LWB is considering pumping water from Lake Malawi (120km away) as an alternative to Diamphwe dam, although the feasibility of this option is yet to be established. Irrespective of where the water comes from, LWB will need to invest beforehand in the distribution network to improve its hydraulic capacity, reduce losses, and expand the reach of the network to serve more customers.

To help kick-start the Program, GoM has requested the World Bank to support priority investments in water production and distribution, as well as sanitation improvements. In addition, GoM would like the Bank to support a set of technical assistance activities designed to (i) enhance LWB's capacity to plan future investments and to strengthen the pipeline of investment-ready projects under the Lilongwe Water Program; (ii) enhance the capacity of LWB and LCC to deliver improved water services and safely managed sanitation services; (iii) enhance LWB's capacity to manage its investment program. GoM has also engaged IFC to act as a transaction advisor for a possible public-private partnership (PPP) for water production expansion investments, following a series of feasibility studies that showed that it may be feasible to implement priority water production investments under a Build Operate Transfer (BOT) contract with the private sector.

Relationship to CPF

The proposed project is aligned with the current CAS (FY13-17) which acknowledges inadequate water supply and sanitation as one of the constraints to economic growth and poverty reduction in Malawi. Specifically, the project

<sup>8</sup> SMEC (2016). Feasibility Study and Preliminary Design of Lilongwe Water Treatments Works 3 (TW3). Kamuzu Dams Yield Assessment. Report to Lilongwe Water Board

<sup>9</sup> By comparison, reservoirs in South Africa - a country with similar hydrological variability to Malawi- are designed and operated to achieve reliability levels of 98 percent for urban water supply



contributes to theme 1 (promoting sustainable, diversified, and inclusive growth) and theme 2 (enhancing human capital and reducing vulnerabilities) of the CAS.

The project is also consistent with Government's priorities. Following the 2016 drought that exacerbated water shortages in the city, Government has made improving water security in Lilongwe a top priority. Further, the project contributes to the Malawi Growth and Development Strategy which aims to reduce poverty through sustainable economic growth and infrastructure development.

### C. Proposed Development Objective(s)

The project development objective is to increase access to improved water services and safely managed sanitation services in Lilongwe city.

#### Key Results (From PCN)

The following PDO results indicators will be used to measure achievement of the PDO:

- Number of people (disaggregated by gender) receiving improved water services; and
- Number of people (disaggregated by gender) using safely managed sanitation services;

For purposes of this project, an improved water service means a minimum of 18-hour water supply meeting GoM water quality standards, and supplied at an average pressure of 12m at predetermined points in the distribution network for no less than 300 days in a year, unless the service area is declared a disaster affected area. Safely managed sanitation is defined as the use of an improved sanitation facility which is not shared with other households, and where excreta is safely disposed in situ and/or transported and treated off-site. Improved sanitation facilities include flush/pour flush toilets to piped sewer, septic tank or pit latrine; composing toilet or pit latrine with slab.

### D. Concept Description

The project scope consists of five components: Component 1 – Water Production Expansion; (ii) Component 2 – Network Rehabilitation, Expansion and NRW Reduction; (iii) Component 3 – Priority Sanitation Improvements; (iv) Component 4–Technical Assistance; and (v) Component 5–Institutional Capacity Strengthening. Below is a summary description of each of the components and estimated costs.

**Component 1–Water Production Expansion (USD20 million).** This component will involve construction of a new Lilongwe Water Treatment works (TW3) utilizing the additional abstraction capacity resulting from the raising of Kamuzu Dam 1 (EIB-funded) as well as improvements to existing plants (TW1 and TW2) to optimize production and improve efficiency. The works for the new plant will include a new intake on Lilongwe River and a new 50,000 m<sup>3</sup>/day water treatment plant adjacent to the existing two treatment plants. The works will involve construction of a new intake, a water treatment plant based on a conventional process (pre-settling, coagulation, flocculation tanks, settling tanks, filters and disinfection tank), pipework to connect the new plant to the existing distribution system and other auxiliary structures. This component is expected to be financed by the private sector through a Build-Own-Transfer (BOT) Contract. IFC is providing transaction advisory services to LWB to help structure the most appropriate PPP arrangement.

**Component 2–Network Rehabilitation, Expansion and NRW Reduction (USD66 million).** This component involves investments in priority network rehabilitation to remove bottlenecks, increase hydraulic capacity of the existing network and reduce losses, and network expansion to increase coverage. Urgent network rehabilitation works are needed before



expanding water production capacity. These include upgrading of approx. 142km of existing distribution network and creation of pressure zone boundaries, construction of approx. 27km of transmission mains; eight associated pumping stations and four storage reservoirs with a combined storage of 2,600m<sup>3</sup>. The component will also finance approx. 186km of network expansion to unserved areas, subject to increasing water production capacity under Component 1 above. Finally, the component will finance a performance-based NRW reduction program to reduce water losses.

**Component 3–Priority Sanitation Improvements (USD19 million).** This component will finance various investments to increase access to safely managed household and public sanitation in Lilongwe. These investments include: rehabilitation and expansion of the sewerage network (approx. 100km); installation of 5,000 new connections; rehabilitation and upgrading of the existing Kauma sewage treatment plant; support to construction of 8,000 improved sanitation facilities targeting the poor and vulnerable households; sanitation marketing campaigns; and construction of improved sanitation facilities in 10 markets and 10 schools.

**Component 4–Technical Assistance (USD8.5 million).** This component will finance technical assistance (TA) activities designed to support preparation and supervision of all infrastructure investments planned under the project; and to enhance LWB’s capacity to plan future investments and to strengthen the pipeline of investment-ready sub-projects under the Lilongwe Water Program.

**Component 5–Institutional Capacity Strengthening (USD8.5 million).** This component will finance a set of activities designed to: (i) strengthen the capacity of LWB to implement the project and to provide improved water services to its customers; and (ii) strengthen the capacity of LCC to implement the sanitation component of the project, operate and maintain the sanitation infrastructure and support the reforms needed to provide and promote safely managed sanitation services in Lilongwe.

## SAFEGUARDS

### A. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

Project activities will be implemented in Lilongwe city. Component 1 activities include construction of a new 50MLD water treatment plant (TW3) on the banks of Lilongwe River, adjacent to the existing plants (TW1 and TW2). The new plant will be constructed on private land owned LWB. The land area lies between Eastings 581414E and 581613E and Northings 8451491N and 8451757N. The amount of land impacted is 4800 m<sup>2</sup>. The new plant will lead to increased abstraction from Lilongwe River from the current average of 128MLD to 178MLD. Recent yield assessments confirm that the increased abstraction is feasible at a reasonable assurance level, taking into account environmental flow requirements. However, the quality of raw water is generally poor because of high fecal microbial content from point and non-point pollution sources and excessive soil erosion during the wet months.

Component 2 activities include upgrading, rehabilitation, expansion of the water distribution network in different residential areas of the city. Priority network rehabilitation works have been identified by LWB. These include laying of approx. 150km of new pipelines with diameters ranging between 50-800mm. Additional investments will be identified during project implementation. While the sites are broadly known and there is an indicative list of investments, the specific sites and works are not yet finalized. Some of the distribution works will be in densely populated areas of the city, possibly including informal settlements. Furthermore, uncontrolled property development may restrict access the sites.

Component 3 activities will include rehabilitation/expansion of sewerage network in the city; rehabilitation the existing sewage treatment plants (STPs); improvement in fecal sludge management (FSM). The exact scope and location of sewer



network rehabilitation works is unknown at this stage. However, it is expected that these will mainly be located in the central part of the city where most of the sewer network is concentrated. Similarly, the priority STPs to be rehabilitated will be identified during project preparation. There are 10 STPs in Lilongwe. Three STPs (Kauma, Lumbadzi, ADL and Kanengo) are currently operated by the Lilongwe City Council. The rest are privately-owned and operated. The project will also support investments to ensure safe collection, transportation, and treatment of fecal sludge from pit latrines, septic tanks or other onsite sanitation systems.

**B. Borrower’s Institutional Capacity for Safeguard Policies**

Malawi has, over the past years, developed a number of policies, legal and administrative framework to guide environmentally sustainable development in various sectors of the economy. The Environment Management Act (EMA), 1996 is the overarching legal framework on environmental management in Malawi. The aim of this Act is to promote sustainable socio-economic development in the country through mainstreaming of environmental and social considerations in project planning and implementation.

The project will be implemented by Lilongwe Water Board (LWB). LWB staff are familiar with both the national requirements and World Bank requirements for environmental and social safeguards. LWB was one of the implementing agencies under the World Bank-financed Second National Water and Development Project (NWDP-II) which closed in October 2015. Although LWB has some experience in implementation of safeguards instruments, the capacity to monitor safeguards issues at the scale of this project is still weak. The project, through Component 4, will support the recruitment of an environmental and social safeguards specialist into the Project Implementation Unit in LWB whose role will be to implement and monitor the mitigation measures described in the various safeguards instruments. In addition, the project will support additional specific institutional capacity building measures to ensure effective implementation of the safeguards.

**C. Environmental and Social Safeguards Specialists on the Team**

George Campos Ledec, Environmental Safeguards Specialist  
Nicole Andrea Maywah, Environmental Safeguards Specialist  
Boyenge Isasi Dieng, Social Safeguards Specialist

**D. Policies that might apply**

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	The project will largely generate positive impacts contributing to better health through increased access to improved water services and safely managed sanitation services. The Project is classified as environment Category B, requiring a partial environmental assessment. The potential negative impacts associated with the project activities will largely be associated with civil works emanating from digging of trenches to install water pipelines; and water treatment plant during the construction phase of the project. The anticipated negative impacts will be



		<p>localized, site-specific and small-scale and might likely include soil erosion, generation of construction related solid waste, limited reduced vegetation cover due to clearing of land to pave way for construction activities, increased localized noise and dust emissions due to earth moving equipment and machinery, and oil spillage from construction equipment and machinery. A draft Environmental and Social Management Plan (ESMP) has been prepared for all the priority distribution network investments. Further, an environmental and social screening has been done for the proposed new water treatment plant (TW3). The screening concluded that the plant has no adverse impacts. A limited Environmental and Social Impact Assessment (ESIA) will be prepared and disclosed before appraisal.</p> <p>For sanitation and other water network investments not yet identified and whose location is unknown at this stage, an Environmental and Social Management Framework (ESMF) will be prepared, consulted upon and disclosed in-country and at the InfoShop before appraisal. The ESMF will also cover technical assistance activities related to preparation of a sanitation master plan, as well as feasibility studies for future water supply and sanitation investments under the program. In addition, ESIA/ESMPs with appropriate mitigation measures will be prepared for all priority sanitation investments and other water network investments, as and when they are identified.</p>
Natural Habitats OP/BP 4.04	Yes	<p>Trenching activities associated with rehabilitation/expansion of the distribution network will likely have minimal impacts on natural habitats such as wetlands and rivers during the construction phase. The draft ESMP for priority network rehabilitation works includes an assessment for potentially affected natural habitats, as well as mitigation measures to minimize impacts. Similar assessments will be done for sanitation investments as part of preparation of the ESMF/ESMPs for these investments.</p>
Forests OP/BP 4.36	No	<p>There are no forests that will be affected by the project and there are no activities proposed which promote forest management</p>
Pest Management OP 4.09	No	<p>The project activities will not promote the use of</p>



		pesticides
Physical Cultural Resources OP/BP 4.11	No	The project activities will have no impacts on physical cultural resources. The project areas are already impacted with the construction of existing water pipelines and treatment works, road network and residential areas such that the chance of coming across physical cultural resources are very remote. However, the project ESMF will incorporate chance find procedures for construction contracts.
Indigenous Peoples OP/BP 4.10	No	There are no Indigenous Peoples in the project area
Involuntary Resettlement OP/BP 4.12	Yes	<p>The proposed water treatment plant (TW3) will be constructed adjacent to the existing water treatment works on land owned by LWB. The plant will thus not result in any resettlement.</p> <p>On the other hand, some of the distribution network rehabilitation/expansion works will be in densely populated areas of the city, possibly including informal settlements. The project is thus expected to disturb settlements, requiring land acquisition leading to temporary or permanent resettlement, and is likely to disrupt livelihood activities. However, no major resettlement is expected in the project. This is because the pipelines will be aligned along the road reserves except where the pipelines will have to cross the roads or pass through built up areas like market places and other residential areas, which will cause temporary disturbances especially during the construction phase. The disturbances will result into loss of land and property; damage to road pavements; damage to concrete driveway; damage to different building structures; obstruction to passage on the roads; disruption of public service utilities; and temporary loss of business activities. It is estimated approximately 363 households/businesses will be impacted by the priority network rehabilitation works. A draft abbreviated Resettlement Action Plan (RAP) has been prepared to mitigate these impacts.</p> <p>For sanitation activities and other water network investments not yet identified, a Resettlement Policy Framework (RPF) will be prepared, consulted upon and publicly disclosed in-country and in the Bank website before appraisal. RAPs will be prepared for priority sanitation investments and additional water</p>



		network investments as and when they are identified and designed. The RAPs will be consulted on and disclosed before commencement of civil works.
Safety of Dams OP/BP 4.37	Yes	<p>The project will not support the construction of new dams or entail rehabilitation of existing dams. However, one of the investments under the project (the new water treatment plant, TW3) is linked to the planned raising of Kamuzu dam 1(KD1) which is financed by EIB. In other words, raising of the dam enables additional abstraction from Lilongwe River which makes TW3 possible. Thus, KD1 raising is critical to achieving the objectives of the project but not part of project for which WB is providing financing. The Bank team has been coordinating with EIB on the safeguards issues for KD 1 raising. All preparatory activities (i.e. feasibility studies, engineering design and safeguard instruments) were financed by the Bank under the Second National Water Development Project which closed in October 2015. Designs were reviewed by a Dam Safety Panel. The task team will carry out “due diligence” and work with LWB and EIB to address any issues identified. Such due-diligence will include undertaking supervision (jointly with EIB, where possible) of KD1 dam sub-project. A due-diligence report for KD1 will be prepared as part of the limited ESIA for Component 1. The team will also ensure full compliance with the requirements of OP4.37 paragraph 8-12, which are applicable in case of reliance on a dam under construction or rehabilitation.</p>
Projects on International Waterways OP/BP 7.50	Yes	<p>The project will involve additional abstraction of water (50MLD) from Lilongwe River which flows into Lake Malawi – an international water body– thereby raising grounds for triggering the policy. However, the water abstraction attributable to this project will not measurably affect the quantity or quality of water available in Lake Malawi. In addition, sanitation investments envisaged under the project (e.g. rehabilitation of existing sewage treatment plant and improvements in fecal sludge management) will improve the quality of effluent and reduce the overall pollution load to the river – thus creating grounds for qualification for notification exemption. LWB will therefore seek exemption for the requirement for notification of riparian states.</p>
Projects in Disputed Areas OP/BP 7.60	No	The project location is not within a disputed area



### **E. Safeguard Preparation Plan**

Tentative target date for preparing the Appraisal Stage PID/ISDS

Aug 31, 2017

Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing should be specified in the Appraisal Stage PID/ISDS

Limited ESIA/ESMP for the new water treatment plant is planned to completed by August 31, 2017

Draft ESMP and RAP for priority water distribution rehabilitation works has been completed in September 2016. This will be reviewed, updated and disclosed by August 31, 2017

For sanitation investments and other water network investments not yet identified, draft ESMF and RPF will be prepared and disclosed no later than August 31, 2017. The ESMF will also cover technical assistance activities (feasibility studies, sanitation master plan etc)

### **CONTACT POINT**

#### **World Bank**

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#### **Borrower/Client/Recipient**

The Republic of Malawi

#### **Implementing Agencies**

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**APPROVAL**

Task Team Leader(s):	Josses Mugabi, Odete Duarte Muximpua
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