

Malawi: Shire River Basin Management Program (Phase-I) Project APL**SUMMARY OF DISCUSSION*****June 14, 2012**

Executive Directors approved a credit in the amount of SDR 60.6 million (US\$93.75 million equivalent) and a grant in the amount of SDR 20.2 (US\$31.25 million), together with a grant from the Global Environment Facility in the amount of US\$5.08 million, and a grant from the Least Developed Countries Fund in the amount of US\$1.50 million for the Shire River Basin Management Program (Phase I) APL for Malawi on the payment terms and conditions set out in the President's Memorandum (GEF/R2012-0013; IDA/R2012-0144).

Directors expressed support for the objectives of the project, which would support Malawi's efforts to develop a long-term vision for the critical Shire Basin, develop crucial water resources infrastructure, and address key challenges related to management of natural resources, on which the majority of rural livelihoods and economy is based. Directors welcomed the innovative and transformational long-term programmatic approach of the program but also noted that the program was ambitious and complex. Directors took note of the proposed mitigating measures to address inherent implementation risks. In that context, they highlighted the importance of addressing institutional capacity challenges and encouraged close monitoring and support during implementation. Finally, Directors urged continued collaboration with development partners.

*This summary is not an approved record.