Government of
the Republic of Malawi

Government of the
United Republic of Tanzania

The Songwe River Basin Development Programme

Background

The Songwe River Basin lies in the southwest of Tanzania and north of Malawi and covers an area of 4,243 km². Endowed with fertile alluvial soil and abundant water resources, it is home to a population of over 341,000 people who rely on the land for their livelihoods.

The Songwe River itself forms 200 km of the international border between Tanzania and Malawi, meaning the natural shift of the river's course over time has an effect on more than 52,000 people living in the flood plain, who suffer from flooding and land loss caused by the fluctuations.

The transboundary Songwe River Basin

This issue is further amplified as 80% of the basin's population are the rural poor, and the average per capita income in the basin is only USD 386 per year—below the international poverty line. Rapid population growth over recent years has also put significant pressure on the local environment and led to severe degradation of basin natural resources on which so many rely. Erosion and other adverse ecological impacts can lead to reduced agricultural production and ultimately result in increased poverty, inequality and loss of livelihoods.

Objectives

The Songwe River Basin Development Programme (SRBDP) aims to implement a multi-sectoral solution to capitalise on the opportunities available in the basin and enhance adaptation to climate change, mitigating its adverse environmental impacts and the resulting effects on food production.

The Programme is part of the Southern African Development Community's Regional Strategic Action Plan for international water resources management, aimed at fostering cooperation and equitable sharing of benefits of the shared watercourses in Tanzania and Malawi.

SRBDP's objectives are framed within overall sustainable and climate-resilient interventions for both countries, and include contributing to economic growth, reducing poverty, improving health and livelihoods, enhancing food and energy security for the entire basin, and reducing the socio-economic impacts of the meandering river on communities in the flood plain.

Expected benefits

The resulting benefits of reaching the SRBDP's objectives are substantial. Increased access to electricity for 60% of the people in the basin (and the entire two countries), over 5,500 farm families benefiting from increased irrigated land and crop yields and more than 260,000 people having increased water supply and sanitation by 2025, all lead to enhanced livelihoods for those living in the basin.

SRBDP: Phase I

During Phase I (2001—2003) of the SRBDP, the two Governments conducted an in-depth feasibility study to fully understand the needs of the basin and ascertain the best approach for the Programme. The findings proposed the construction of three flood control dams, while taking the opportunity to develop a hydropower plant within each dam, and irrigation schemes and river stabilisation on the flood plain, including non-structural measures for flood control and environmental conservation.

SRBDP: Phase II

The second phase of the Programme was a **Detailed Design and Investment Preparation Project**, to provide a comprehensive analysis of the work to be undertaken and to certify that the development of the proposed projects falls in line with best-practice processes. The work was done under four components.

Component I

Under Component I, the Shared Vision 2050 for the Songwe River Basin and the Ten Year SRBDP were prepared. Both aimed to establish clear goals for the Programme to ensure all future efforts align and projects can be managed systematically.

Component II

Building on the 2003 Feasibility Study, Component II focussed on thorough preparations for investment. Detailed designs were produced for all major projects, including the Lower Songwe Dam and Hydropower Plant, and comprehensive plans have been developed for all water-related social infrastructure.

Component III

Thorough environmental and social impact assessments, including preparation of the Environmental & Social Management Plan (ESMP), the Strategic Environmental and Social Assessment (SESA) and Resettlement Action Plan (RAP), were carried out, ensuring maximum environmental and social safeguarding on all projects. The findings of the Environmental and Social Impact Assessment for the Lower Dam, irrigation schemes and water supply projects in particular were very encouraging. All significant adverse impacts can be either avoided or mitigated to acceptable limits.

Component IV

This work focussed on detailed institutional development, leading to the preparation of the Convention for the establishment of the Songwe River Basin Commission, as well as the Business Plan, and instruments and plans for capacity building, for the Commission.

Financial viability

The Climate Resilient Infrastructure Development Facility (CRIDF), a DFID (UK Aid) funded facility working to provide long-term solutions to water issues that affect the lives of the poor in Southern Africa, supported the SRBDP with comprehensive costings and economic analyses for the major projects of SRBDP. Financial viability was evidenced, both in terms of returns and development impacts. The economic internal rates of return for the Dam and Hydropower Plant, and the irrigation schemes are 11.02% and 10.54% respectively.

Funding to be mobilised

Projects under the SRBDP are expected to be financed by a combination of funders with varying mandates and objectives.

Table 1. Songwe River Basin Development Programme: main projects (priority order) and estimated cost

	PROJECT CATEGORY	TOTAL ESTIMATED COST (USD)
1	Lower Songwe Dam and Hydropower Plant	550,000,000
2	Irrigation Schemes	99,000,000
3	Water Supply Projects	22,000,000
4	Institutional and Environmental Measures	13,000,000
5	Priority Social Infrastructure (roads, schools & health centres)	3,000,000
Sub-total Priority Investments		**687,000,000**
6	Rural Electrification	90,000,000
7	Social Infrastructure	42,000,000
8	Economic Development	8,000,000
9	Detailed Design Middle Dam	2,000,000
Sub-total Other Investments		**142,000,000**
OVERALL TOTAL		**829,000,000**

The sources of financing can be grouped into three areas:

- Public sector/donors
- Private sector
- Innovative sources such as climate financiers

The Global Environment Facility (GEF) has already provided a grant of USD 6.4 million to implement one of the lead projects: “Strengthening Transboundary Cooperation and Integrated Natural Resources Management in the Songwe River Basin”.

The Lower Songwe Dam and Hydropower Plant is considered to be funded through a public–private partnership approach.

The Governments of Malawi and Tanzania are now mobilising financial resources to implement the SRBDP—both from within to cover their input, which includes an envisaged equity of USD 53 million, and from development partners, donors and other potential investors.

CONTACT
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