



**MALAWI 2063**  
**FIRST 10-YEAR IMPLEMENTATION PLAN (MIP-1)**  
**ANNUAL PROGRESS REPORT**  
**2023/24**  
(Kalondolondo wa Chitukuko)





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# ACRONYMS

ACB	Anti-Corruption Bureau
ADCs	Area Development Committees
ADD	Agricultural Development Division
ADMARC	Agricultural Development and Marketing Corporation
ADP	Aquaculture Development Project
ADS	Agriculture Diversification Strategy
AERA	Atomic Energy Regulatory Authority
AfDB	African Development Bank
AGCOM	Agriculture Commercialisation
AIP	Affordable Input Programme
ASGM	Artisanal and Small-scale Gold Mining
CARD	Churches Action in Relief and Development
CBCCC	Community Based Child Care Centre
CCA	Common Country Analysis
CDSS	Community Day Secondary School
CFR	Case Fatality Rate
CIMMYT	International Wheat and Maize Improvement Centre
CIP	International Potato Centre
COVID-19	Coronavirus Disease
CSOs	Civil Society Organisations
DARS	Department of Agricultural Research Services
DHRMD	Department of Human Resource Management and Development
DoDMA	Department of Disaster Management Affairs
DPO	Development Policy Operation
DRM	Disaster Risk Management
DQA	Data Quality Audit
EAD	Environmental Affairs Department
ECD	Early Childhood Development
ECF	Extended Credit Facility
EDF	Export Development Fund
EGENCO	Electricity Generation Company
EPZ	Export Processing Zones
EQUALS	Equity with Quality Learning at Secondary
ESB	Enterprise Service Bus
ESIA	Environmental and Social Impact Assessment
EU	European Union

EWS	Early Warning System
FIU	Financial Intelligent Unit
FM	Frequency Modulation
GBA	Green Belt Authority
GBV	Gender-Based Violence
GDP	Gross Domestic Product
GNI	Gross National Income
GWME-MIS	Government-Wide Monitoring and Evaluation Management Information System
Ha	Hectares
HIV	Human Immunodeficiency Virus
HRMIS	Human Resource Management Information System
HSAs	Health Surveillance Assistants
IBCS	Integrated Border Control System
ICRAF	International Centre for Research in AgroForestry
ICRISAT	International Crops Research Institute for the Semi-Arid Tropics
ICT	Information, Communication, and Technology
IIAG	Ibrahim Index of African Governance
ID	Identity
IITA	International Institute of Tropical Agriculture
IEYP	Investing in Early Years Project
IFFs	Illicit Financial Flows
IFMIS	Integrated Financial Management Information System
IFPRI	International Food Policy Research Institute
IMF	International Monetary Fund
IMMU	Inkosi Ya Makosi Mbelwa University
INFF	Integrated National Financing Framework
IPMS	Individual Performance Management System
IPPs	Independent Power Producers
JICA	Japanese International Volunteers
KUHeS	Kamuzu University of Health Sciences
LED	Light Emitting Diode
LPG	Liquefied Petroleum Gas
Ltd	Limited
LUANAR	Lilongwe University of Agriculture and Natural Resources
MAREN	Malawi Research and Education Network
MACRA	Malawi Communications Regulatory Authority
MAREP	Malawi Rural Electrification Programme
MB	Megabyte

MCHF	Malawi Cooking and Healthy Forests
MDAs	Ministries, Departments, and Agencies
MDC	Malawi Development Corporation
M&E	Monitoring and Evaluation
MEJN	Malawi Economic Justice Network
MERP	Malawi Education Reform Program
MGDS	Malawi Growth and Development Strategy
MIE	Malawi Institute of Education
MIM	Malawi Institute of Management
MIP-1	Malawi 2063 First 10-year Implementation Plan
MITC	Malawi Investment and Trade Centre
MMRA	Mines and Minerals Regulatory Authority
MoE	Ministry of Education
MoFEA	Ministry of Finance and Economic Affairs
MoGCDSW	Ministry of Gender, Community Development and Social Welfare
MoLGUC	Ministry of Local Government, Unity and Culture
MOU	Memorandum of Understanding
MRA	Malawi Revenue Authority
MSG	Malawi School of Government
MSME	Micro, Small and Medium Enterprises
MUBAS	Malawi University of Business and Applied Sciences
MUST	Malawi University of Science and Technology
MW2063	Malawi 2063
MWASIP	Malawi Watershed Services Improvement Project
K	Kwacha
MZUNI	Mzuzu University
NACIT	National College of Information Technology
NCST	National Commission for Science and Technology
NDC	Nationally Determined Contribution
NDRM	National Disaster Risk Management Policy
NFRA	National Food Reserve Agency
NGO	Non-Governmental Organisation
NICE	National Initiative for Civic Education
NMU	National Monitoring Unit
NPC	National Planning Commission
NRC	Natural Resources College
NSO	National Statistics Office
NYS	National Youth Service



ODeL	Open Distance and e-Learning
OPC	Office of the President and Cabinet
OPD	Outpatient Department
OSSD	Open Secondary School Digitalisation Strategy
PBB	Programme-Based Budgeting
PECGs	Pillar and Enabler Coordination Groups
PETS	Public Expenditure Tracking Surveys
PFM	Public Finance Management
PPP	Public, Private Partnership
PRIDE	Programme for Rural Irrigation Development
PSIP	Public Sector Investment Programme
RBM	Reserve Bank of Malawi
REE	Rare Earth Elements
SDGs	Sustainable Development Goals
SERP	Social Economic Recovery Plan
SEED	Secondary Education Expansion for Development
SEZs	Special Economic Zones
SMEs	Small and Medium Enterprises
SNLCs	Special Needs Learning Centres
SOPs	Standard Operating Procedures
SVTP	Shire Valley Transformative Programme
TAP-EDM	Technical Assistance Partnership - Expert Deployment Mechanism
TEVET	Technical, Entrepreneurship, Vocational, Education and Training
TEVETA	Technical, Entrepreneurial, Vocational Education Training Authority
TTC	Teacher Training Colleges
UBR	Unified Beneficiary Registry
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
UNIMA	University of Malawi
UNIPOD	University Innovation Pod
UNLIA	University of Livingstonia
USAID	United States Agency for International Development
VAT	Valued-added Tax
VNR	Voluntary National Review
WASH	Water, Sanitation, and Hygiene
WTO	World Trade Organisation

**Prof. Richard Mkandawire, PhD. Dr. hc**

**CHAIRPERSON**  
NATIONAL PLANNING COMMISSION



## FOREWORD

I am honoured to present the second Annual Progress Report (Kalondolondo wa Chitukuko) of the Malawi 2063 First 10-year Implementation Plan (MIP-1) for the period 1st April 2023 to 31st March 2024. The MIP-1 was meticulously developed to guide and expedite the implementation of catalytic interventions during the initial implementation decade of the Malawi 2063 (MW2063), spanning from 2021 to 2030. This report is, therefore, aimed at updating Malawians on the progress that the nation is making in achieving the MIP-1 milestones of graduating the economy to middle-income status and meeting most of the Sustainable Development Goals (SDGs) by 2030. The progress is reported on prioritised interventions for each MW2063 Pillar and Enabler by assessing the performance of key indicators against their 2023-24 targets and providing a succinct evaluation of the strides made towards achieving the agreed MIP-1 milestones.

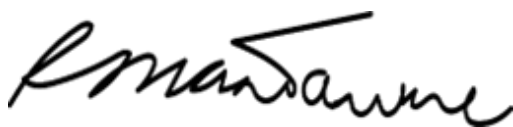
The MIP-1 2023/24 Annual Progress Report (Report) presents a commendable improvement over the MIP-1 2021/22 Annual Progress Report with a comprehensive coverage of interventions undertaken by both state and non-state actors. Additionally, the Report shows relative improvements in implementation progress. In instances where progress is below expectations, it calls for a collective responsibility from all stakeholders to redouble the efforts for the

country to stay on track. Let me remind everyone that the collective aspiration of ***“an inclusively wealthy and self-reliant industrialised upper-middle-income country”*** by the year 2063 as articulated in the MW2063 requires collective action. Achieving such aspiration necessitates significant investments, sacrifices, hard work, coordinated efforts, and vigilant monitoring of the prioritised interventions. The National Planning Commission (NPC) will continue producing these reports on time to maintain transparency and accountability to all Malawians on the implementation of our national vision, the MW2063, through the execution of the MIP-1.

I encourage all stakeholders to diligently read this Report and give due consideration to the recommendations provided. Most importantly, I urge each of us to derive valuable insights on necessary actions that should be taken earnestly by each implementing stakeholder so that we remain on track to attaining our agreed goals. Quoting the words of Peter Drucker, the founder of modern management, *“The best way to predict your future is to create it.”* We have envisioned a nation that is both inclusively wealthy and self-reliant by 2063, and now the task before us is to bring that vision into reality by actively creating it.

On behalf of the NPC, I would like to express my gratitude to His Excellency, President Dr

Lazarus McCarthy Chakwera, for his unwavering support to the work of the NPC and his stern efforts towards national development, including ensuring that many of the projects that had stalled are resuscitated. He has been a great champion in ensuring the continuity of game-changing programmes that can take us to our desired future. Sincere thanks extend to the heads and officials of Government Ministries, Departments and Agencies (MDAs), under the leadership of the Secretary to the President and Cabinet, Ms. Colleen Zamba; the Judiciary, under the leadership of the Chief Justice, Honourable



Prof. Richard Mkandawire, PhD. Dr. hc

**CHAIRPERSON – NATIONAL PLANNING COMMISSION**

Rizine Mzikamanda, SC; and Parliament, under the leadership of the Speaker, Right Honourable Catherine Gotani Hara, MP. I also want to acknowledge the tremendous work and contributions of our development partners, as well as the private sector and Non-Governmental Organisations (NGOs), for their commitment to advancing MIP-1 milestones.

The Malawi we want is slowly unfolding and it needs concerted efforts to accelerate it.

**Thomas Chataghalala Munthali, PhD**

**DIRECTOR GENERAL  
NATIONAL PLANNING COMMISSION**



## ACKNOWLEDGEMENTS

The second progress report of the Malawi 2063 First 10-year Implementation Plan (MIP-1), covering the period from 1st April 2023 to 31st March 2024, is a significant collaborative effort by a dedicated and enthusiastic diverse array of stakeholders. The National Planning Commission (NPC) expresses its deepest gratitude to the Government Ministries, Departments and Agencies (MDAs), and non-state actors for being active in the provision of sectoral reports and relevant information during the process of developing this Report. The private sector's valuable knowledge significantly contributed to our collective endeavours. Special appreciation is extended to Government through Treasury, the United Nations Development Programme (UNDP), European Union (EU), and the United States Agency for International Development (USAID) for their steadfast and exceptionally generous financial and technical support. Their contributions provided a solid foundation for the preparation of this Report, instilling confidence and purpose throughout its developmental phases.

Additionally, the NPC acknowledges the invaluable input from all other stakeholders actively engaged in providing critical data and information through the various Pillar and Enabler Coordination Groups (PECGs) engagements, direct reporting, and specific events organised in the process of developing this Report. Their commitment ensured that

the information included in this Report is not only up to date, but also a true reflection of our collective journey and accomplishments. The Report indicates a growing capacity of the nation to deliver coordinated, high-quality outputs towards the attainment of our agreed milestones.

In essence, this Report serves as a testament to the remarkable synergy and shared determination of all involved. It underscores the power of collaboration; and the NPC eagerly anticipates a continued journey running together as we work towards the realisation of Malawi's long-term development vision, the MW2063. We do know that there is more happening on the ground by both state and non-state actors, but this Report paints a picture of the progress we are making as a nation with the hope that more can be reported in subsequent reports.

Our focus on the vision of an inclusively wealthy and self-reliant nation remains stubbornly steadfast. No matter how long it takes, we are determined to get there at the earliest. May you be part of the history!

**Thomas Chataghalala Munthali  
DIRECTOR GENERAL – NATIONAL PLANNING  
COMMISSION**

# EXECUTIVE SUMMARY

The Malawi 2063 First 10-Year Implementation Plan (MIP-1) 2023/24 Annual Progress Report (Report), “*Kalondolondo wa chitukuko*”, provides an account of the progress achieved during the MIP-1 implementation period from 1st April 2023 to 31st March 2024. The Report does not only highlight achievements, but also provides a detailed assessment of how Malawi is fairing in meeting the targets for the implementation period; including the COVID-19 Socio-economic Recovery Plan (SERP) and the Sustainable Development Goals (SDGs). SERP was developed as part of the MIP-1 to fast-track measures that could make Malawi build back better from the emergency response to the COVID-19 pandemic and place the economy on a sustainable recovery pathway. Further, the Report examines the challenges and gaps encountered and provides actionable recommendations to accelerate efforts towards the timely attainment of the 2030 milestones.

The MIP-1 in the 2023/24 financial year was mainly operationalised through the national budget. Notably, this marked the first time when the national budget was aligned to the MIP-1 at both the Pillar and Enabler level. However, it is important to acknowledge that the budget did not entirely centre on the MIP-1 catalytic interventions. This deviation was primarily due to time constraints associated with the transition from the Malawi Growth and Development Strategy III (MGDS III) to the MIP-1. To rectify this misalignment, the Ministry of Finance and Economic Affairs (MoFEA), in collaboration with the National Planning Commission (NPC), took proactive steps to synchronise the national budget framework with the MIP-1; especially at the focus area and intervention level, reflecting a more targeted and coherent approach towards achieving the goals of the MIP-1.

Generally, there has been significant progress in the implementation of the MIP-1 in the 2023-24 financial year despite several economic and

exogenous shocks that slowed down progress. First, the country experienced macroeconomic instabilities which manifested in the narrowing of fiscal space, unsustainable debts, and foreign currency shortages which resulted in, among other challenges, fuel shortages that affected the timely execution of construction projects. Second, the reporting period saw the country facing the following key exogenous shocks:

***Climatic-related shocks:*** Cyclone Freddy hit most parts of the Southern Region between February and March of 2023 whose effects continued throughout the whole financial year. The cyclone swept through 15 districts, destroying lives, livelihoods, and infrastructure. The same period witnessed a severe dry spell in the Northern Region, particularly in Karonga, which negatively affected crop production. These climatic shocks slowed down the implementation progress in all the MW2063 Pillars and Enablers.

***Russia-Ukraine conflict:*** This conflict disrupted global supply chains and increased the cost of essential commodities like fertilizer, causing macroeconomic instability and affecting the production and trade balance in Malawi.

***Cholera outbreak:*** Malawi faced a severe cholera outbreak and declared a public health emergency in December 2022. By February 2023, the outbreak had claimed over 1,400 lives, with about 45,400 cases recorded across all the 28 districts. The urgency to respond to this pandemic affected the implementation of the catalytic MIP-1 interventions.

Both the endogenous and exogenous shocks slowed down the progress of development, especially in productive sectors such as the construction of infrastructure, mining and tourism developments; and commercial agriculture, including marketing. Efforts by both state and

non-state actors were, therefore, focused on response management to these disasters/shocks.

The summary of the achievements and challenges within the MW2063 Pillars and Enablers during the reporting period were as follows:

**Agricultural Productivity and Commercialisation Pillar:** The Agricultural Productivity and Commercialisation Pillar demonstrated a multifaceted landscape of achievements and challenges that warrant careful consideration to attain the desired progress. Overall, the performance of agriculture was subdued due to climatic shocks, with the share of agriculture to GDP marginally declining from the 22.4 percent registered in 2022 to 22.3 percent in 2023. The implementation progress of the Pillar varies significantly across focus areas and interventions. For instance, in the agricultural diversification focus area, the level of livestock production has shown a substantial increase, and efforts to expand commercial aquaculture and fish feed manufacturing are promising. The investment in anchor and mega-farms, which is central to the Pillar's strategy, has been intensified by, among others, establishing a Mega Farm Support Unit in the Ministry of Agriculture which enthruses hope for improved commercialisation. Structured markets, crucial for ensuring fair pricing, have witnessed some developments through ADMARC reforms and organising of farmers into cooperatives. However, fiscal incentives and market legislation are progressing at a slower pace. Additionally, the country is making steady progress in promoting irrigation. In the period under review, the area under irrigation increased from 146,966 hectares in 2022 to 148,850 hectares in 2023, representing a 1.3 percent increase. Despite these efforts, we are still far behind in meeting the irrigation potential as only 36 percent of potentially irrigable land is being utilised. Mechanisation remains a key focus, with improved tractor density in Malawi from 0.2 tractors per 100 sq. km in 2019 to 0.4 tractors per 100 sq. km in 2023. The improvement is

largely a result of Government-led initiatives. In conclusion, concerted efforts to address challenges and maintain momentum, especially through irrigation and soil health restoration in order to address climatic change challenges, are vital to achieving the ambitious goals of the Agricultural Productivity and Commercialisation Pillar.

**Industrialisation Pillar:** Progress under the Industrialisation Pillar reflected a mixed outcome, marked by notable challenges stemming from economic shocks. The progress indicates a gradual reduction in the share of manufacturing to GDP since 2020, dropping by 1.9 percentage points. Year on year, the share of manufacturing marginally reduced from 10.7 percent in 2022 to 9.6 percent in 2023. The value of manufacturing exports has also marginally dropped to \$96 million in 2023 from \$135 million in 2022. Within the priority areas of Pillar 2, progress in industrialising mining was notable but slow, particularly in concluding Mining Development Agreements. Key achievements include the signing of the Mining Development Agreement for Kanyika Niobium Mining, advanced negotiations regarding Kayelekera Uranium, and the drilling for the Chambe Basin Rare Earths Exploration Project in Mulanje Mountain. Additionally, negotiations with Mkango Resources to mine rare earth minerals in Phalombe are at an advanced stage. Nonetheless, some areas reported no progress, such as operationalising the Extractive Industries Transparency Initiative and establishing a Mining Regulatory Authority. With no commercial mining started yet, the value addition and beneficiation to diversify Malawi's economic base remains low. Agriculture remains the major export earner with the mining export earning share declining, hence the calls for speedy investments in the sector. The establishment of special economic zones and export processing zones shows good progress, especially the development of the Chigumula Industrial Park, and the issuing of compensation to residents of

the Area 55 site. Moving forward, there is need to accelerate efforts towards supporting existing firms to increase their capacity while courting foreign direct investments; getting more private investors into the mining sector; fast-tracking the operationalisation of the state institutions that have been established to catalyse investments in this Pillar such as the Malawi Development Corporation (MDC) Holdings Limited and the Mining Company under it.

**Urbanisation Pillar:** The Pillar, especially tourism (including travel) continued to make steady progress with the share of tourism and travel to GDP increasing from 7 percent in 2022 to 8 percent in 2023. The overall progress in the implementation of the interventions under this Pillar is, however, concerning, with 53 percent of the interventions showing slow progress. These implementation challenges stem from factors like limited financial resources, delays in fund disbursement, and extended payment processing times. Despite these challenges, ongoing efforts to develop township roads in cities; develop base maps for secondary cities; digitise land records; and remove visa requirements, represent important steps toward realising the potential benefits of urbanisation for Malawi's economic growth and the well-being of its urban population. Moving forward, this Pillar should prioritise strategic investments in both primary and secondary cities, including tourism, especially accessibility and transport-related, that can complement the efforts made this far around the marketing of the tourism sector.

**Mindset Change Enabler:** The implementation progress of mindset change interventions is gaining pace. Continuous collaboration between state and non-state actors, such as the National Initiative for Civic Education (NICE), has played a pivotal role in achieving this progress. Efforts are underway to address issues related to regionalism, racism, and tribalism. Initiatives like establishing discussion forums at the community level and promoting cultural diversity and

national pride through the commemoration of Umodzi Day are gaining traction. Additionally, there is traction in the promotion of integrity through the curricula review for primary and teacher education as a way of inculcating and entrenching the spirit of ownership of national development. The implementation of the National Youth Service is promising to instil a hard-working spirit. Further, following the passing of the Peace and Unity Act in 2022, the Government has established the Malawi Peace and Unity Commission.

#### **Effective Governance Systems and Institutions**

**Enabler:** Notable progress was observed in the area of the rule of law, where efforts are dedicated to ensuring strict adherence to the nation's legal framework. Regarding sustainable peace and security, improvements are evident with the reduction in the crime rate by 7.2 percent and efforts at providing a conducive habitation environment for security personnel. With regard to the forthcoming tripartite elections in September 2025, efforts to digitise the electoral system to provide secure and efficient elections are underway. **However, in the realm of openness and transparency, the sole prioritised intervention of introducing and sustaining public hearings/inquiries on the performance of public functionaries encountered challenges and did not report any progress.**

#### **Enhanced Public Sector Performance Enabler:**

The overall progress under this Enabler reflects significant advancements in key priority areas. Efforts have been focused on implementing reforms and improving public service delivery to ensure the efficient use of public resources and uphold the principles of accountability and transparency. Notably, substantial strides have been made in the improvement of the efficiency of Government operations through the digitisation of public processes and operations. While these achievements are promising, slowness in responding to issues in the public sector remained one of the key

deterrents to private investments and timely execution of MIP-1 catalytic interventions. It is, therefore, important to continue with public sector reforms and setting up of performance-based contracts for heads of Government Ministries, Departments and Agencies (MDAs) and directors to accelerate the creation of a world-class, high-performing, and professional public sector that aligns with the effective and efficient achievement of the MIP-1 targets.

**Private Sector Dynamism Enabler:** The progress under this Enabler reveals a mix of achievements and challenges. Acknowledging the private sector's pivotal role in propelling economic growth, the Enabler's objective is to foster a vibrant and adaptable private sector capable of propelling Malawi into the realm of upper-middle-income nations by 2063. While the potential for diversification across sectors is evident, various hurdles and delays have hindered the full realisation of these ambitions. On Legislation and Institutional Capacity Building, significant strides have been made, particularly with the enactment of the Investment and Export Promotion Act and the Special Economic Zones (SEZ) Act. The development of MSMEs has witnessed commendable progress as evidenced by the increased registration of new MSMEs under the SME Order. Finally, in "Anchor Firms Development", the Government established the MDC Holdings Limited, a big step towards facilitating investments in the country. To ensure that the dynamism of the private sector aligns with the overarching goals of the MIP-1, ongoing dedication and proactive strategies remain imperative. This includes creating an enabling business environment characterised by macroeconomic stability and vibrant economic infrastructure that is pro-investment.

**Human Capital Development Enabler:** The journey to harness the full potential of Malawi's human capital remains dynamic and ongoing, requiring unwavering commitment and collaborative endeavours to propel our nation's progress forward. Top on this is harnessing the

demographic dividend – the youth being the main focus. The passing of the revised National Youth Policy offers opportunities of having the youth as active participants in the execution of implementation plans towards the realisation of the aspirations of the youth-centric MW2063.

Under this Enabler, significant progress has been made in the Water, Sanitation, and Hygiene (WASH) and education sectors. However persistent challenges remain in critical areas such as health, nutrition, sports, and creative arts. The progress made includes:

- In "Education and Skills Development," where the focus is on imparting knowledge and essential competencies, progress has been diverse. The sector prioritised infrastructure development to ensure equitable access to quality education. It also prioritised the recruitment of teachers and the promotion of digital learning.
- In "Health and Nutrition", the integrated care system shows promising progress. However, other priority areas are lagging, underscoring the importance of sustained investment in these vital areas. For example, while the National Cancer Centre has made good progress, the construction of the University Teaching Hospital and the construction of the Military Referral Hospital have not yet started; while the construction of the Infectious Disease Centre in Mzuzu has delayed.
- "Science, Technology, and Innovation" serve as essential drivers of development, but the progress remains slow; nonetheless, there were notable strides made by centres of higher learning such as the Innovation Lab at the Malawi University of Science and Technology (MUST) and the University Innovation Pod (UNIPOD) at the Malawi University of Business and Applied Sciences (MUBAS). However, the possibility of increasing the national research fund remains unclear; and efforts at commercialising and scaling technologies and innovations remain low.



- Significant progress has been made in the expansion of piped water systems under WASH, with the proportion of people using safely managed drinking water increasing from 88 percent in 2022 to 93 percent in 2023. However, WASH facilities remain largely underdeveloped, especially in rural areas.
- “Social Welfare” reported some progress in the provision and scaling-up of social cash transfers and general support both in rural and urban areas with the support of both state and non-state actors, particularly in the disaster-affected areas.
- Under “Managing Population Growth,” a revised National Population Policy was approved which will be central in the implementation of the strategies aimed at managing the size and quality of the population to be characterized by a healthy, well-educated, and skilled workforce.
- Finally, “Sports and Creative Arts” initiatives encompassing sports facility development and rehabilitation reported slow progress, hence the demand for renewed attention to these domains.

**Economic Infrastructure Enabler:** Economic infrastructure encompasses energy development, transport development, and ICT initiatives, to enhance productivity, attract investment, and promote inclusive wealth creation by households and communities. The progress made includes:

- In energy development, Malawi has made strides in expanding electricity generation capacity through projects like the Serengeti solar power plant and the restoration of the Kapichira Hydro-power plant. Further, rural electrification has seen remarkable progress, with the estimated percentage of electricity access increasing from 11

percent in 2018 to 20.6 percent in 2023.

- In the transport sector, slow progress was registered with regard to increasing tarmac roads. Further, the sector was faced with bottlenecks of forex scarcity and the destruction of roads by Cyclone Freddy.
- The ICT sector registered some progress through initiatives such as the Muuni Fund to promote ICT research and innovation. Relatedly, the “Connect to a School” ICT programme aiming at providing internet connectivity in schools and public institutions is already underway.

Overall, the progress within Enabler 6 demonstrates strides in enhancing economic infrastructure, but challenges remain in ensuring the timely implementation of certain initiatives. Coordination and continued commitment are essential in driving meaningful progress under this Enabler.

**Environmental Sustainability Enabler:** The Enabler has made significant strides in the implementation of its prioritised interventions, where 68 percent of the interventions are on track. The results of these efforts are evident in the improvement in forest cover, waste management, investments in Early Warning Systems (EWS), and climate change financing.

In summary, as we move forward with the efforts aimed at accelerating progress, we must invest in building the technical and financial capacities of our executing agencies, especially MDAs, as well as local councils. This will require the establishment of clear and time-bound targets, coupled with a rigorous system of monitoring and mutual accountability. By doing so, we can better navigate external challenges and ensure the successful realisation of our national development objectives.

# INTRODUCTION

Malawians resolved to be “an *inclusively wealthy and self-reliant* industrialised upper-middle-income country by the year 2063.” This resolution shall be fulfilled through four 10-year medium-term implementation plans, with the first being the Malawi 2063 First 10-Year Implementation Plan (MIP-1) that runs from 2021 to 2030 with two main milestones, namely:

- i. Attain a low middle-income status; and
- ii. Meet most of the Sustainable Development Goals (SDGs).

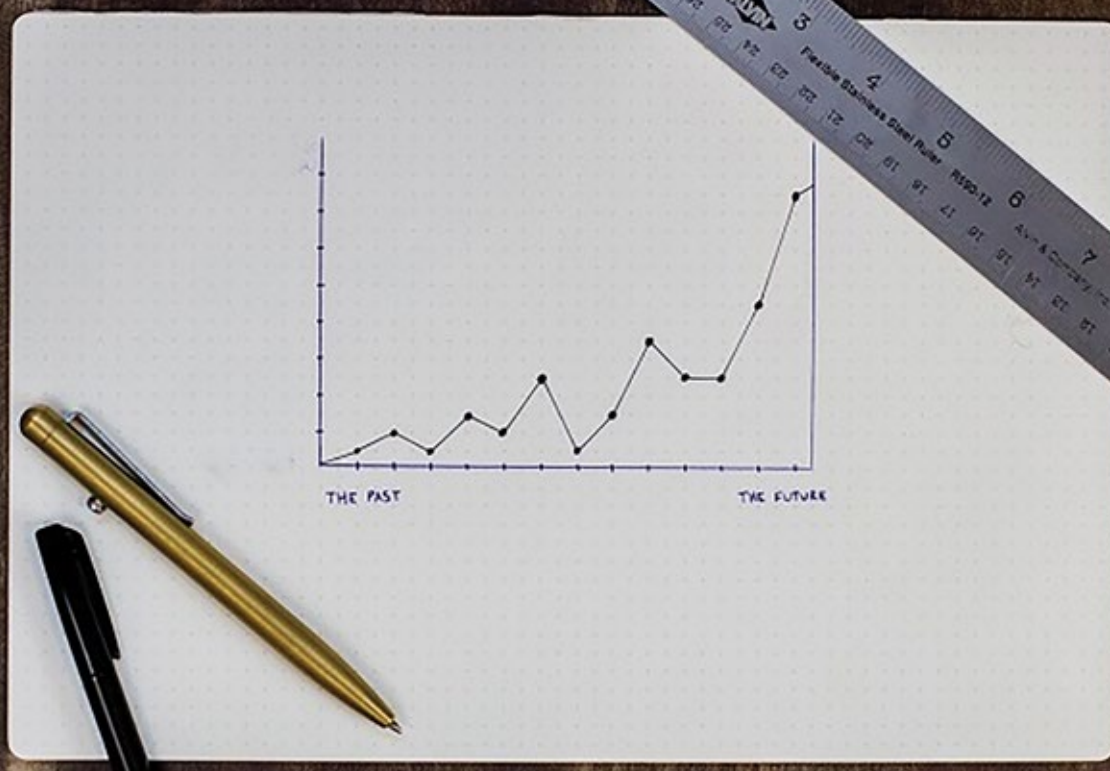
The MIP-1 is, therefore, a developmental roadmap with costed catalytic interventions as quick wins, game changers, and flagship projects that if implemented can achieve the agreed milestones on time. It is, therefore, imperative that implementation timeliness, financing and effectiveness of the prioritised interventions are followed through closely. Thus, monitoring of the MIP-1 does not only track current progress, but also identifies risks early enough to take corrective action so that the country remains on track to achieve the agreed milestones. The implementation oversight of the Malawi 2063 (MW2063), requires updating the nation annually on the progress the country is making against the MIP-1 Results Framework (*Appendix 1*). The annual progress reports aim to inform the general public of the progress registered in the reporting period as well as to account for collective efforts towards realising the two milestones.

The MIP-1 2023/24 Annual Progress Report (Report) recounts the development progress made as contributed by the priority interventions outlined in the MIP-1 for the period ending 31st March 2024. The Report summarises the collective achievements in the year under review on the MW2063 three Pillars of:

Agricultural Productivity and Commercialisation, Industrialisation, and Urbanisation; and seven Enablers of: Mindset Change, Effective Governance Systems and Institutions, Enhanced Public Sector Performance, Private Sector Dynamism, Human Capital Development, Economic Infrastructure, and Environmental Sustainability

The Report also offers a comprehensive review of shared experiences, lessons learned, and challenges faced during the implementation of the MIP-1, including the Socio-economic Recovery Plan (SERP) and Sustainable Development Goals (SDGs) in the reporting period. It should be noted that the Report does not assess implementing agencies, but only captures the implementation performance towards the achievement of the 2030 milestones.

The reporting period (April 2023- March 2024) was marked by the unfolding global macro-economic crisis coming from the effects of the conflict in Eastern Europe and several exogenous shocks; including health outbreaks, especially cholera, and climatic shocks, mainly cyclone Freddy and drought in northern Malawi which derailed so many development efforts. Given the already fragile and shaky structural foundations of the Malawi economy, most macroeconomic indicators deteriorated significantly due to these exogenous shocks. The average annual inflation rate escalated from 10.8 percent to 28.8 percent; import cover reduced to less than a month; the policy rate increased from 18 percent to 24 percent; and the Kwacha (K) was devalued from 1,053.6 to 1698.0 to the United States Dollar (\$). Despite the challenges that the country continues to face, the commitment of Malawians towards the achievement of the aspirations of the MW2063 remains unwavering.



## METHODOLOGY

This Report was developed through a consultative process, with contributions from implementing agencies namely: Government Ministries, Departments, Agencies (MDAs), local authorities, development partners, Non-Governmental Organisations (NGOs), and the private sector.

### Data Collection

The major task in data collection was the consolidation of multi-sectoral data for ease of reporting. Furthermore, the contribution from non-state actors in sectoral reports was vital to ensuring a coordinated and collective progress of all interventions implemented by various stakeholders.

The data collection process was both participatory and continuous. The data collection utilised the Pillar and Enabler Coordination Groups (PECGs), where various key stakeholders (state and non-state) were coordinated to collectively plan and report progress. To supplement data collected through the PECGs, the National Planning Commission (NPC) undertook high-level MDA engagements and monitoring exercises where it tracked the implementation of select interventions.

To fill in the information gaps, implementing stakeholders were requested to provide written reports on their respective progress achieved during the reporting period. Additionally, data collection clinics were organised, where both state and non-state actors formally discussed and populated indicator targets along the catalytic interventions outlined in the MIP-1 to eliminate redundancies. During the data collection clinics, both state and non-state also populated the results framework with indicators. For indicators lacking recent data, administrative data was employed as a proxy to fill gaps in progress reporting. The engagement of both state and non-state actors significantly shaped the substance of the Report.

### Analytical Approach

The analysis was anchored on the evaluation of performance indicators associated with the Pillars and Enablers, as per the MIP-1 result framework. It entailed assessing the progress of these indicators from their baseline, conducting trend analysis to evaluate actual achievements against the 2023/24 targets, and plotting projections towards the 2030 milestone under a *'business as it is'* scenario. This provided valuable insights into the degree of achievement relative

to the intended milestones if corrective measures were not undertaken.

To enhance the impact of the Report, only prioritised catalytic interventions with a high potential for transforming the economy within each focus area were considered. The status of implementation progress for these interventions was rated based on the level of implementation, classified as: *On track*, *Slow progress*, *Off-track*, *Completed*, and *Not started*<sup>1</sup>.

### **Ground-truthing and validation workshop**

After a draft report was produced, the information provided was validated through two main ways, ground-truthing and validation workshop. During the ground-truthing exercise, a team physically verified the sampled high-level interventions and flagships. The team assessed the reported progress against actual physical progress on the ground. This ensured

that the Report presents the actual status of the progress both at the intervention and outcome level. A final national report validation meeting was convened involving key stakeholders representing the Pillars and Enablers. New and updated information from both the ground-truthing and validation meeting helped to produce this report.

### **Limitation**

While there was a considerable improvement in data provision by stakeholders, this Report does not guarantee the inclusion of the progress achieved by every stakeholder implementing transformative interventions in Malawi that contribute to the achievement of the MIP-1 milestones, especially from individuals and non-state actors. Efforts are underway to strengthen data collection through PECGs and monitoring to ensure the comprehensive reporting of initiatives.



*Validation meeting of the MIP-1 progress report - Photo Credit: NPC*

<sup>1</sup>*“On track”* are interventions of which its implementation is progressing as planned; *“Slow progress”* are those which are within the planned timeframe, but the rate at which they are progress, without acceleration they are likely to go beyond implementation period; *“Off-track”* are those which their implementation has gone beyond the earmarked implementation period; *“completed”* are interventions which have been fully implemented, while *“not started”* are the interventions’ whose implementation have not commenced or are still at the conceptualisation stage.

# PROGRESS TOWARDS MIP-1 MILESTONES

## Graduating the Economy to a Lower Middle-Income Status

The first milestone of the MIP-1 is to graduate the country to a lower middle-income economy by 2030. For Malawi to graduate into the lower middle-income bracket it needs to reach a gross national income (GNI) per capita of \$1,086. Between 2018 and 2023, GNI per capita increased by 25 percent from \$500 to \$623. The GNI per capita increased to an all-time high of \$648 in

2021 before regressing largely due to exogenous shocks in 2022 and 2023 as shown in *Figure 1*, below. Moving forward, the country needs to accelerate progress in a business unusual way with GDP growth of over 10 percent to remain on track (in green dotted line) to graduating the economy to a middle-income status by 2030.

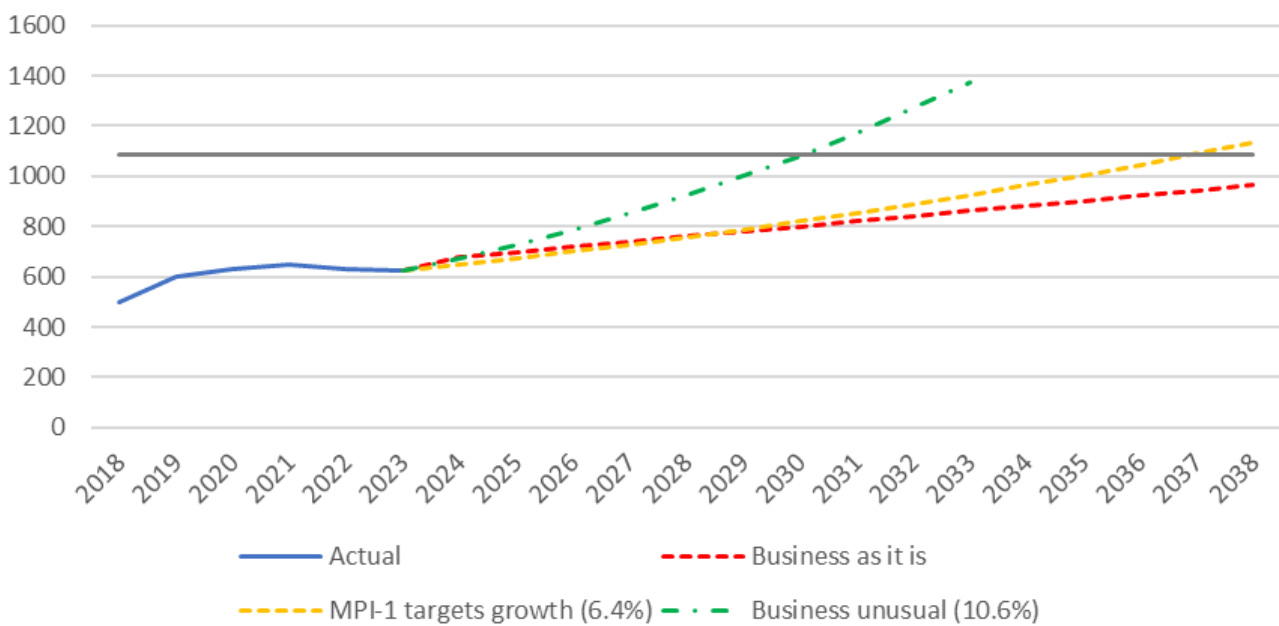


Figure 1: GNI per capita trends

To achieve middle-income status by 2030, the MIP-1 projected that the Malawi economy should grow by an average of 6 percent per annum between 2021 and 2030. Since the launch of the MIP-1, the economy has been growing by an average of 1.76 percent per annum. In 2023, the gross domestic product (GDP) growth rate improved to 1.5 percent from the 0.9 percent registered in 2022. The economy remains significantly subdued to frequent exogenous shocks coupled with macro-fiscal imbalances which were manifested by high inflation, scarcity of forex, high debt, and limited fiscal space.

With the slow start towards the achievement of the MIP-1 milestones, the economy needs to grow by an average of 10.6 percent per annum

from 2024 to 2030 for the country to actually achieve the MIP-1 milestone. Although this looks to be a daunting task, it is attainable with strategic and committed investments in the productive sectors of the economy. Malawi has ever achieved a GDP growth rate higher than 10 percent before. Historically, Malawi achieved average economic growth above 6 percent in the 1970s and sustained moderate growth rates of about 5 percent in the 2000s. These remarkable growth rates were a result of increased agricultural output. Prioritised investment in productive sectors is, therefore, a matter of extreme urgency. Thus, serious diversified investments into more commercialised agriculture, tourism, mining, and manufacturing would provide a platform for economic take-off.

## Meeting most of the Sustainable Development Goals (SDGs)

The 2023 assessment of the progress on the SDGs shows insignificant improvements from the 2022 Voluntary National Review (VNR) reported status. The number of SDGs rated likely to be achieved by 2030 remained at five (5), but, with some changes.

The review showed strong progress in the following five (5) Goals: SDG 3 on “Good Health and Well Being”; SDG 4 on “Quality Education”; SDG 6 on “Water and Sanitation”; SDG 7 on “Energy”, which improved from the initially moderate progress recorded in 2022; and SDG 14 on “Life Below Water”.

There is moderate performance in the following six (6) Goals: SDG 5 on “Gender Equality”; SDG 9 on “Industry, Innovation and Infrastructure”;

SDG 13 on “Climate Action”; SDG 15 on “Life on Land”; SDG 16 on “Strong Institutions” and SDG 17 on “Partnerships for the Goals”.

There was little or no progress in the following four (4) Goals: SDG 1 on “No Poverty”; SDG 2 on “Zero Hunger”, which regressed from the 2022 performance due to exogenous shocks; SDG 8 on “Decent Work and Economic Growth” and SDG 10 on “Reducing Inequalities”

Notably, insufficient data made it difficult to assess the progress in SDG 11 on “Sustainable Cities”; and SDG 12 on “Sustainable Production and Consumption”; Overall, the progress towards the second milestone of the MIP-1 of meeting most of the SDGs is depicted in *Figure 2* below.



Figure 2: Progress on SDGs

# PROGRESS TOWARDS PILLARS AND ENABLERS

MIP-1 is a set of catalytic interventions which, if implemented, will guarantee the country graduates to middle income-economy by 2030 and meet most of the SDGs. The implementation progress of the MIP-1 interventions, therefore, is vital to the achievement of the 2030 milestones.

Summarily, it is encouraging to note that about 87 percent of the MIP-1 outlined interventions commenced implementation, up from 79 percent registered in 2022. Out of the 87 percent that had begun, 40 percent were on track while 4 percent were completed, see *Figure 3*, below

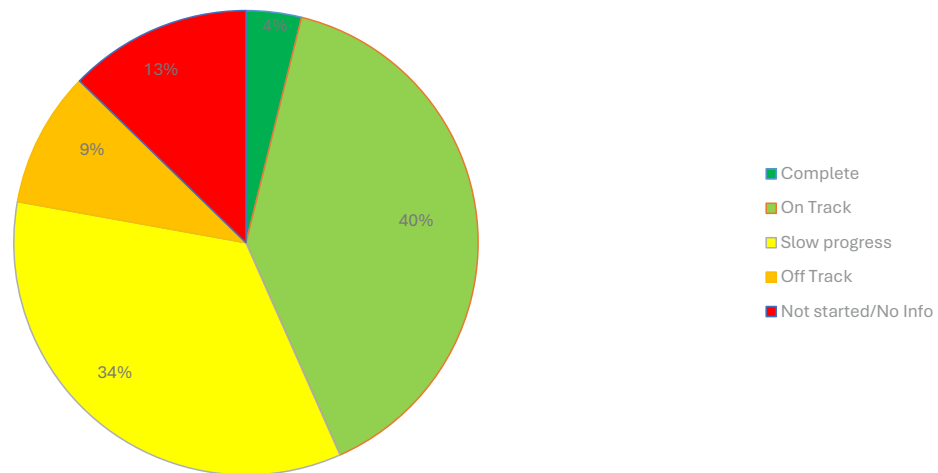


Figure 3: Overall Implementation progress of MIP-1 in the reporting period

As shown in *Figure 4*, below, most of the planned catalytic interventions had begun but registered slow progress requiring acceleration. The Environmental Sustainability enabler reported the most progress with 57 percent of interventions either on track or completed, while Economic Infrastructure had the least with only 25 percent of the interventions on track. Notably, Private

Sector Dynamism had the highest percentage (24 percent) of the interventions yet to commence implementation. Unlike previous year when implementation in all the pillars was slow, 2023/4 has seen all the pillars registering commendable progress. The rest of the Section gives detailed implementation progress and performance of each pillar and enabler

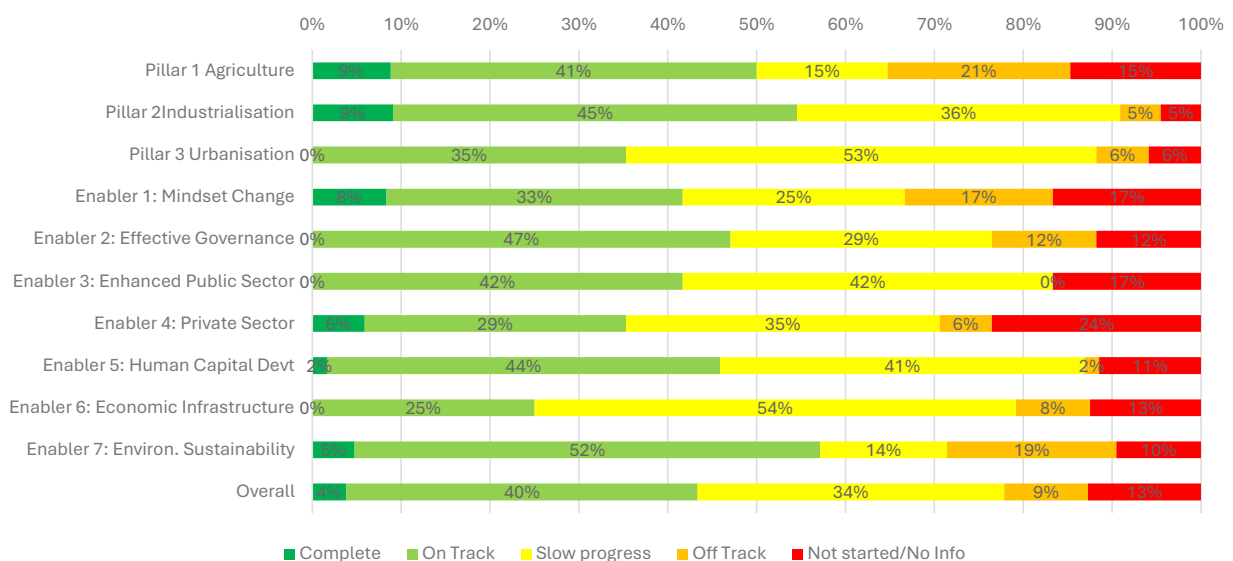


Figure 4: Implementation Progress by Pillars and Enablers of the MIP-1

# Pillar 1: Agricultural Productivity and Commercialisation

Agriculture is the mainstay of the economy, contributing close to a quarter of the country's GDP<sup>2</sup> and employing about 64 percent of the labour force<sup>3</sup>. More importantly, close to 80 percent of the population relies on smallholder agriculture. The MIP-1, therefore, aims at transforming agriculture from a low-productive and subsistence farming to a highly productive and commercialised agriculture. A rise in agricultural production and productivity above the subsistence requirement will lead to an increase in the volume of marketable surplus, thereby propelling value-addition and agro-industrialisation. This will result in sustainable food security, the inclusive creation of wealth and employment, and, ultimately, self-reliance.

Malawi aspires to increase the share of agriculture, forestry, and fishing to GDP from 22.6 percent in 2020 to about 27.8 percent by 2030. During the period under review, the share of agriculture, forestry, and fishing to GDP has marginally

declined to 22.3 from the 22.4 percent registered in 2022.

The decline in the share of agriculture to GDP was mainly due to the poor performance of the crop subsector because of the tropical Cyclone Freddy which hit the country during the farming season, and the sharp increase in prices of agricultural inputs. Despite the decline of the agriculture share, agriculture exports as a share of total exports marginally increased from 82 percent registered in 2022 to 84.2 percent in 2023.

At the intervention level, implementation of about 85 percent of the MIP-1 catalytic interventions had commenced, of which 50 percent were either on track or completed. This is a significant improvement from the previous reporting period where only 20 percent of interventions were on track. The implementation progress of Pillar 1 interventions is summarised in *Figure 5* below.

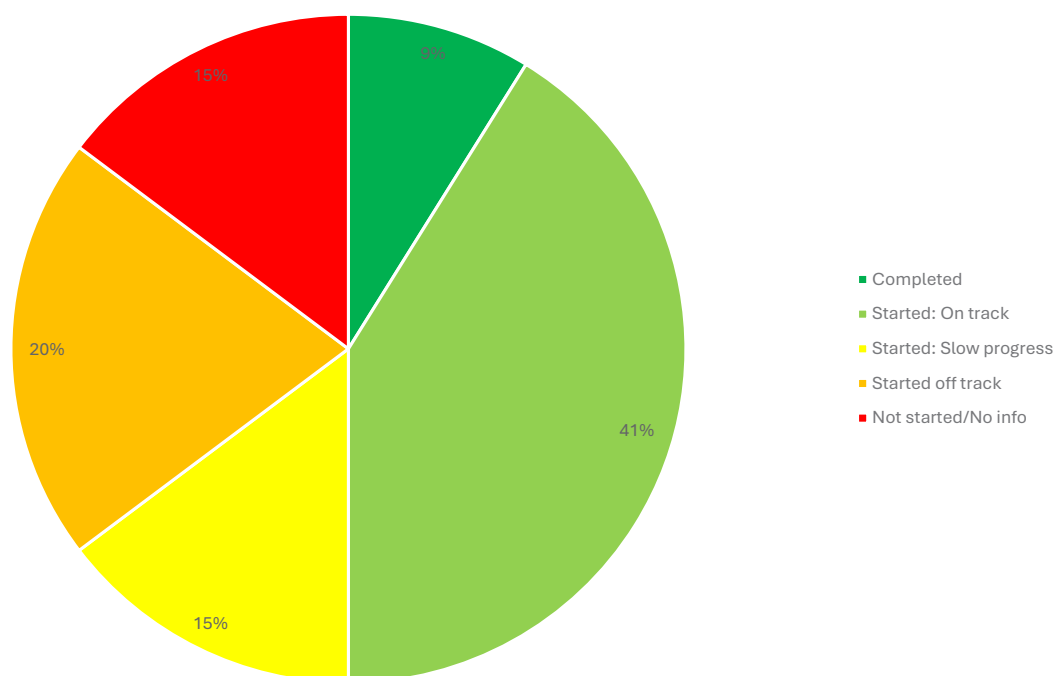


Figure 5: Overall Implementation progress of Pillar 1 interventions

<sup>2</sup>Annual Economic Report 2024.

<sup>3</sup>International Labour Organization (2019) In Malawi, bolstering youth and women's employment through sectoral skills strategies.



## Progress on Priority Areas

### Priority Area P1.1: Legislation and Institutional Capacity Building

Under Pillar 1, the Ministry of Agriculture facilitated several legal frameworks as follows:

*Enacted the Seed Bill and Fertiliser Bill.* The Seed Act seeks to establish the Malawi Seed Regulatory Authority to guarantee high-quality agricultural seed. Similarly, the Fertilizer Act establishes the Malawi Fertilizer Regulatory Authority to ensure the provision of high-quality organic and inorganic fertilizers and eradicate unfair commercial practices. The development of the Seed Regulations and Fertilizer Regulations is currently underway.

*Reviewed the Agriculture Pricing Policy* to incentivise production and ensure food security, culminating in the development and validation of the National Agriculture Policy 2024-2030.

*Reviewed the Farm Input Subsidy Strategy* to diversify, support and promote commercial farming.

*Developed the Agriculture Diversification Strategy (ADS)* to promote a resilient and commercialised agriculture sector while ensuring sustainable resource use.

*Developed the National Irrigation Policy* to enhance the contribution of irrigation projects for national food production and export markets.

### Priority Area P1.2: Agricultural Diversification

Agriculture in Malawi is dominantly crop-driven, with crops contributing to over two-thirds of the agriculture share of GDP. Malawi aims to diversify agriculture into the production of higher-value crops (including horticulture), livestock, fisheries, and forestry; with each product largely destined for the export market. In 2023, the composition of agriculture to GDP by sub-sector for commodities was targeted at 59 percent (crops), 35 percent (animals) 5 percent (fisheries), and 1 percent (forestry). During the reporting period, crops contributed 58 percent to agriculture GDP, a decrease from 60.6 percent in 2022. The animal contribution to agriculture GDP was 37.5 percent, marking a 3.29 percentage point increase from 2022. Fisheries production contributed 4.6 percent to agriculture GDP and forestry contributed 0.4 percent to agriculture GDP. See Figure 6, below for details.

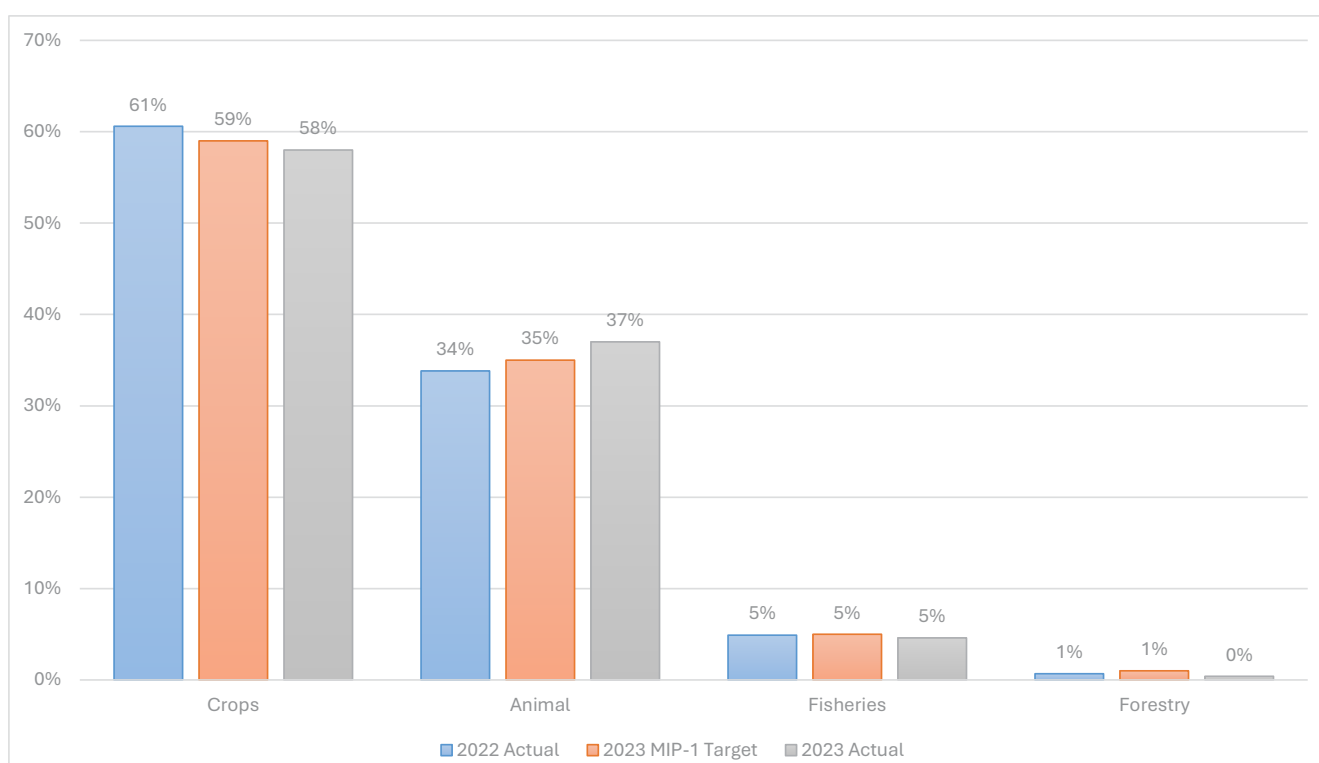


Figure 6: Agriculture GDP Composition

### **Crop Production**

Overall, in 2023 crop production (excluding tobacco) dropped by 3.3 percent from 2022. The decline in production is attributed to Cyclone Freddy, which affected more than 10 districts in the southern region of Malawi; drought in northern Malawi; and the increase in prices of farm inputs. During the period under review, there was a decrease in the production of key value chains such as maize and rice by 5.6 percent and 8.6 percent, respectively, from 2022 production. These two commodities are key for food security in Malawi. In addition to the staple crop's production decline, key commodities for

value addition and agro-processing (sunflower, cotton and soya bean) also registered massive declines of more than 20 percent. On the bright side, tobacco, wheat and sesame recorded a significant rise in production by approximately 17.6, 16.6 and 37 percent, respectively. Of significant interest is the increase in production of wheat from 163 metric tonnes to 190 metric tonnes which points to the potential that the country has to be self-sufficient in wheat production (which is one of the major imports at the moment).

## **Wheat Variety Trials - Pyxus in collaboration with CIMMYT**



Malawi imports about 200,000 tons of wheat annually at \$48 million. To reduce this dependency, Pyxus and CIMMYT partnered to boost local wheat production. Funded by USAID's accelerated innovation delivery initiative, CIMMYT introduced 100 improved wheat varieties for trials in Malawi. Through the initiative, Pyxus will identify heat resistant varieties suited to Malawi's agro-ecology, offering high yields and quality for processing. The scaling up of the initiative will enhance food security and decrease reliance on wheat imports.

### **Animal Production**

In the period under review, the animal subsector registered substantial growth among all agriculture subsectors. The subsector recorded an upward surge within key value chains compared to the previous year. In 2023 the population of key animals slightly increased, with cattle increasing by 6.6 percent to 2.2 million,

surpassing the MIP-1 target of 2.13 million; while goats increased by 6.2 percent to 13 million, surpassing the MIP-1 target of 12.3 million. Divergently, chicken production decreased by 4.5 percent to 211 million, which is less than the MIP-1 target of 248 million.

## Ekhaya farm's journey in addressing cattle supply challenges



Located in Chikwawa, the farm covers about 350 hectares, to provide premium beef, goat meat, and mutton. In the reporting period, the farm produced and distributed an average of 238,000 kilograms of beef (from about 680 cattle) monthly. Ekhaya farm provides employment to people in the surrounding community and also a market to farmers. Ekhaya farm's operation is an epitome that agriculture can be a catalyst for a sustainable development even in rural areas.

### ***Fisheries and Aquaculture***

In 2023, the volume of fish catches from fisheries and aquaculture increased from 170,844 metric tonnes in 2022 to 198,164 metric tons, representing a 16 percent increase. The volume has surpassed the MIP-1 target of 184,000 metric tons. The reasons for this increase are proper management and high aquaculture

production. Fisheries management improved tremendously with the support of USAID and African Development Bank; and aquaculture production improved due to in-country production of quality fish feed. Malawi has now started producing own quality floating feed by both private and public sectors.

## Fish feed production by private investors (CP Feeds)



CP Feeds is an existing private company that started producing fish feed in October 2023 to address the existing gaps in local fish feed production and win a fight against malnutrition by promoting the production of protein-rich fish. Despite being in its initial stage, the plant is able to produce 3,000 kgs of fish feed per hour and supply to local farmers across the country. So far the development has employed more than 50 individuals.

### **Priority Area P1.3: Irrigation Development**

In the period under review, the area under irrigation increased from 146,966 hectares in 2022 to 148,850 hectares in 2023, representing a 1.3 percent increase. Of the land currently under irrigation, 80,379 hectares are under large

schemes, surpassing the MIP-1 target of 61,956 hectares. The remaining 68,471 hectares is under smallholder farmers, which is below the MIP-1 target of 73,987 hectares. The 148,850 hectares developed is only 36 percent of the potentially

irrigable land of 407,862 hectares in Malawi. The current level of irrigation farming is estimated to contribute about 20 percent of the gross national

cereal production; and about 30 percent of roots and tubers production.

## Expansion of Linga Irrigation Scheme



The US\$21 million scheme, co-financed by the African Development Bank and the Government of Malawi, began in 2019 within the Chintheche Extension Planning Area (EPA). Using water from the 14 million cubic meter Linga Dam, it irrigates 1,000 hectares of land. In 2023, farmers planted over 390 hectares of rice, expecting a winter yield of 1,034 metric tons worth K1.14 billion, and 20 hectares of beans, expecting 54 metric tons worth K103 million. The project aims to boost agricultural productivity and household economic empowerment.

### Priority Area P1.4: Anchor Farms

In the period under review, the Malawi Defence Force and Malawi Prisons Services (MPS) farms resulted in the production of 373 metric tonnes of maize. Additionally, the Lilongwe University of Agriculture and Natural Resources (LUANAR) successfully cultivated 103 hectares of maize on the Illovo-Dwangwa farm. Notably, the two cooperative-based mega-farms, Linga in Nkhata-Bay and Kama in Chikwawa, were established with 450 hectares for rice cultivation and 1000 hectares dedicated to sugarcane, respectively.

To further support and enhance agricultural production, a dedicated Mega Farm Support Unit was established, offering comprehensive assistance to private sector mega farm investors. This initiative has successfully mobilised 560 farmers with landholdings ranging from 20 to 500 hectares, collectively cultivating an area of 18,000 hectares. Noteworthy, Pyxus Paramount Holdings and the National Food Reserve Agency (NFRA) have signed contracts as off-takers for various crops, including groundnuts. Pyxus, in partnership with other farmers, has also put up 15,000 hectares for wheat production.

## Ground nuts variety trials - Pyxus



Pyxus has made remarkable strides in using an anchorage model in groundnuts production. There has been substantial increase in groundnuts yields for small-scale farmers in targeted areas from 750 kg/ha to an impressive 1350 kg/ha with enhanced loan recovery rising from 28% during the model's inaugural year to an impressive 74% in 2023.

### **Priority Area P1.5: Agriculture Inputs**

Malawi aims to increase access to high-quality farm inputs for all farmers to improve agricultural productivity. In 2023, the estimated average usage of inorganic fertilizer declined to an estimated 0.06 metric tonnes per hectare from 0.086 metric tonnes per hectare reported in 2022. The decline in chemical fertiliser usage is mainly due to the increased cost of the commodity and the reduced number of beneficiaries of the Affordable Input Programme (AIP) which targeted 1.5 million productive farmers with landing holding sizes ranging from 0.4 to 2.5 hectares. However, the use of organic fertilizer increased and was estimated at 5 metric tonnes per hectare. Positively, the number of farmers adopting improved seeds, especially maize, is high at 89.3 percent. The usage of improved seeds and breeds for livestock is low. The

proportion of farmers using improved breeds is estimated to be less than 1 percent.

### **Priority Area P1.6: Agriculture Mechanisation**

There has been a steady increase in mechanisation in agriculture which has resulted in improved tractor density in Malawi from 0.2 tractors per 100 square kilometres in 2019 to 0.4 tractors per 100 square kilometres in 2023. The improvement is a result of Government-led initiatives which have seen the procuring of 116 tractors cumulatively under the Agriculture Commercialisation (AGCOM) Project, and 8 tractors under the Mega Farm Programme which were distributed to Agricultural Development Divisions (ADDs). Approximately 60 plant operators and ADD staff members had undergone training on the operation of the new farm machines, specifically planters, to ensure effective and efficient utilization.

## **Purchase of tractors – AGCOM**



A major boost to mechanization in Malawi in the past year was the purchase of tractors by AGCOM. The project bought 24 tractors in the reporting period and a total of 116 tractors since 2019. This has contributed to an increase in tractors from 2 tractors per 100 sq kms in 2019 to 4 tractors per 100 sq kms in 2023 at the end of AGCOM 1, which was the first phase of the project.

### Priority Area P1.7: Structured Markets

The MIP-1 aims to improve the volume of agricultural products that are traded through formal markets. Currently, a significant proportion of agricultural produce is traded informally, thus costing the country forex.

As part of setting up structured markets for agricultural commodities, the Government is promoting the establishment of agricultural

cooperatives that are business-oriented, empowering farmer organisations, and linking them to markets. During the reporting period, a total of 146 agricultural cooperatives were registered. In addition, the Government established two agro-processing, packaging, and storage facilities for value addition through the AGCOM Project.

### Cassava processing by Nsanama Women Cooperative



Aligning with Malawi 2063, the cooperative's primary objective is to transform cassava into high-quality flour, with a readily available market in Blantyre. The cooperative produces 60 tonnes of cassava flour per year valued at 1 million kwacha per tonne. This is in line with "income generation and self-reliance" advocated by MW2063

### Priority Area P1.8: Agriculture Research, Innovations and Dissemination

Through research and development efforts, the country has managed to release 19 crop varieties. Among these are four high-yielding wheat varieties which are being commercialised through Public-Private Partnership (PPP) arrangements. Full commercialisation of the wheat varieties will lead to annual forex savings of over US\$38 million, which could be invested in other economic transformative initiatives. The International Potato Centre (CIP) has released fifteen (15) potato varieties, including five (5) heat-tolerant potato varieties that will help protect farmers from the adverse effects

of climate change and expand the area for the production of potatoes. In addition, CIP released over ten (10) varieties with resistance to late blight and major viral diseases. Further, the Department of Agricultural Research Services (DARS) has identified three (3) bean climate elite bean lines for release and commercialisation. Collectively, the Consultative Group on International Agricultural Research group in Malawi has completed twelve (12) research and innovation interventions during the period; and another twelve (12) interventions are underway.

Further, WorldFish conducted rice-fish integration research trials at Lifuwu Research Station in Salima and Mkondezi Research Station in Nkhata-Bay. The results show that three (3) fish species (Makumba-*Oreochromis shiranus*), Chilunguni (*Coptodon rendalli*), and Mlamba/Sapuwa (*Clarias gariepinus*) were found to be suitable for rice-fish integration. Moreover, *Clarias gariepinus* followed by *Coptodon rendalli* were found to have faster growth and

high yield performance under all treatments, independently or integrated with rice.

A student at Mzuzu University (MZUNI) developed an artificial intelligence application that utilises digital visioning to detect diseases in maize leaves. This provides a solution for early disease detection capabilities in maize, thereby contributing to increased crop yield and food security.



*Progress in construction of the Shire Valley Transformation Project – Photo Credit: Alice Kaunda*

**Table 1: Implementation Progress of Pillar 1 Key Interventions**

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
<b>Legislation and Institutional Capacity Building</b>						
Legislate all irrigation schemes to secure land user rights	2021-2023	Completed	Recurrent	Ministry of Lands, Housing and Urban Development	The six land-related laws that were enacted and assented to last year provide guidance for land acquisition for agricultural investment, including irrigation	Moving forward, operationalising the process through the deployment of lands and estate personnel to local councils will fast-track the process
Review land laws to establish clear land titling and the roles of land tribunals in terms of land acquisition for agriculture investment	2021-2022	Completed	Recurrent	Ministry of Lands, Housing and Urban Development	The six land-related laws that were enacted and assented to last year provide guidance for land acquisition for agriculture investment	
Review the Fertilizer, Farm Seeds and Remedies Act to address quality standards and supply system	2021-2022	Completed	DAPS/MOA	DAPS	Fertilizer Act and Seed Act enacted	None
Review agriculture pricing policies to provide incentives for production and ensure food security	2021-2023	Off track	DAPS/MOA	Ministry of Agriculture	The Farmgate pricing methodology is under review. The review will cover both local and international market trends	None
Formulate policy or legislation on contract farming for smallholder/out-grower arrangements	2021-2023	Off track		Ministry of Agriculture	The contract farming policy formulation processes started.	None
Legislate minimum product quality standards for agricultural exports, in conformity with World Trade Organisation (WTO) provisions	2021-2023	Not Started		Ministry of Trade and Industry	No progress reported	None
Legislate for the establishment of structured markets for all existing National Export Strategy (NES) prioritised strategic crops, livestock, and fisheries	2021-2023	Off track	Recurrent	Ministry of Trade and Industry	The process of formalising some agriculture markets like the M'gona market in Lilongwe for pulses which started in 2022 has stalled	None
			A D M A R C Reform	Ministry of Agriculture	ADMARC reforms commenced in 2021 with the development of business plans and venture projects. In the reporting period, ADMARC has been recapitalised to commence its core operations	None
Legislate border/port/airport Inspection and Quarantine Systems to ensure the quality of food imports and exports	2021-2023	Not Started		Ministry of Trade and Industry	No progress reported	None
<b>Agriculture Diversification</b>						



MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Provide fiscal incentives for the production of high-value non-traditional crops such as industrial hemp, flowers, horticulture, legumes, cotton, macadamia nuts, pulses, and livestock products as defined in the NESII	2021-2023	On track	Recurrent	Malawi Revenue Authority (MRA)	Malawi has many fiscal incentives for various sectors, including agriculture, which are revised and updated continually. The incentives brochure can be accessed from the Ministry of Finance and Economic Affairs (MoFEA) or MRA website	Need to intensify awareness and sensitisation to potential and existing entrepreneurs
Scale up fish cage farming on Lake Malawi for commercial aquaculture	2021-2023	On track	Chipoka Port	Department of Fisheries	3 Cage culture permits were issued to investors on Lake Malawi targeting Salima (1) and Mangochi (2) Districts. 2 groups have installed their Cages, and one group procured their cages.	Increased theft is posing a threat. The Department is sensitising communities on cage culture and encouraging community participation as a social responsibility by the investors.
			Sustainable Capture Fisheries and Aquaculture Development Project (SFAD)	Department of Fisheries	Land has been identified for fish mega farms at Kasinthula, Chikwawa – 300 hectares; Napoleon Dzombe farm in Dowa – 50 hectares; and in Nkhata-Bay – 280 hectares. In Nkhata-Bay, a dam was stocked. For Kasinthula, engineers are mapping and designing, for Dowa, three 1Ha ponds have been constructed.	
Establish fish feed manufacturing centres in 4 of the potential aquaculture zones	2021-2025	On track	SFAD	Department of Fisheries	2 feed mills were procured for Domasi and Mzuzu Aquaculture Centres, and 3 feed mills were procured by investors (Lilongwe, Thyolo, and Dowa). 3 private investors already started producing fish feed, 1 public fish feed mill is operational, and 1 is not operational	There are challenges in installing fish feed machinery procured for the 2 aquaculture centres.
<b>Irrigation Development</b>						
Construct large-scale irrigation schemes	2021-2030	On track	Shire Valley Transformation Programme	Ministry of Agriculture	The Ministry continues with the construction of the 45-kilometer Main Canal 1 and Main Canal 2 and the progress for phase 1 is at 67 percent. When completed, the total area will be 10,000 hectares, against the total of 43,370 hectares.	None
			Programme for Rural Irrigation Development (PRIDE)	Ministry of Agriculture	Completed the construction of Mafinga and Marko irrigation schemes in Chitipa, and Lingoni Irrigation Scheme in Machingwa with a total area of 450 hectares. During the just-ended dry season, 125 hectares out of 450 hectares were utilized;	None

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Rehabilitate irrigation schemes	2021-2025	On track	PRIDE	Ministry of Agriculture	Completed rehabilitation of irrigation schemes in Karonga District; namely, Wovwe, Hara, Chonanga, and Ukanga, with a total area of 700 hectares. All these were fully utilised for rice production during the dry season	None
			AGCOM	Ministry of Agriculture	A consultant is preparing detailed rehabilitation designs for Masenjere and Muona schemes following damage by Cyclone Freddy	None
			Greenbelt Initiative (GBI)	Greenbelt Authority (GBA)	Construction of a 1-kilometer flood protection dyke is at 99.5 percent completion at Mwananjovu scheme in Chikwawa	None
			GBI	GBA	Rehabilitation of the 150-hectare Nchalo irrigation scheme in Chikwawa is at 50 percent completion	None
			Promoting Agro-Ecology Transition for Enhanced Resilient Agriculture project	Churches Action in Relief and Development (CARD)	Nambuna rehabilitation is at 70 percent, but works were delayed due to prolonged wet conditions. Kanjedza rehabilitation works are at 80 percent completion	None
Map and develop all irrigation Identify potential areas and their respective crop/fisheries integration in Malawi	2021-2023	On track	Aquaculture Development Project (ADP) and Chipoka Port and Fisheries Infrastructure project	Department of Fisheries	Systemic mapping is already done. As part of operationalisation and integration, 1 dam in Nkhata-Bay has been stocked with 200,000 fingerlings; and 5 dams have been identified for bathymetry and subsequent stocking	Limited funds to stock all identified dams. The Department is mobilising resources for this activity
Expand area under the GBI	2021-2025	On track	Nthola Ilola Rice irrigation	GBA	357 hectares water intake construction is at 60 percent. Construction of phase 1 activities for the rice processing factory is at 100 percent (factory building constructed, equipment installed, water and electricity connected); phase 2 activities to commence in the 2024/25 financial year	Insufficient and delayed funding, coupled with devaluation and late compensations, affected the progress
			Nkopola irrigation scheme	GBA	Rehabilitation of 200 hectares of the 800 hectares commenced and progress is at 50 percent. This is 29 percent of the total 800 hectares Nkopola irrigation scheme in Mangochi	None
			Lweya irrigation scheme	GBA	The contractor for the rehabilitation of the 780 hectares Lweya irrigation scheme in Nkhata-Bay was identified and site handover took place in March 2024 so that work could commence	None

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
<b>Anchor Farms</b>						
Support the establishment of anchor farms that connect with surrounding smallholder farmers in the production of localized agricultural products (livestock, crops [including horticulture], beekeeping, and fish) across the country	2022-2025	S l o w progress	Mega Farm Initiative	Pyxus	Combined land under groundnut production estimated at 5,000 hectares. Pyxus supported 120 medium- to large-scale farmers with land holdings above 20 hectares with seed and inoculant in 2023/24	None
			Mega Farm Initiative	Paramount Holdings	Paramount Holdings has identified 160 farmers for soybean production. A combined hectareage of 7,000 was cultivated with soybean	None
			Mega Farm Initiative	National Food Reserve Agency (NFRA)	NFRA is expected to have a total of 200 beef farmers	None
			Aquaculture Development Project (ADP)	Department of Fisheries	300 hectares of land has been identified at Kasinthula, Chikwawa district; 50 hectares of land has been earmarked for the development of a mega farm at Napoleon Dzombe Farm in Dowa; and 280 hectares dam has been identified for Cage farming in Nkhata-Bay	No challenges
Facilitate the establishment of at least one mega farm in each district as per the existing NES high-value crops, fisheries, and livestock	2022-2025	On track	Aquaculture Development Project (ADP)	Department of Fisheries	Facilitated the establishment of 1 mega farm (investor-driven) which will have ten (10) 1-hectare ponds in Dowa District. Three (3) 1-hectare Ponds have already been constructed.	Low participation of investors. The Department is engaging potential investors
			Mega Farm Initiative	Mega Farm Unit	To promote mega farming, the Government has established a Mega Farm Unit which is providing technical and financial support to farmers under mega-farms. The Unit has procured farm machinery for mega farming as well as partnered with National Economic Empowerment Fund (NEFF) and Malawi Agriculture and Industrial Investment Corporation (MAIIC) to provide financial access to mega farmers.	F a s t - t r a c k implementation of mega farms
			GBA and Mpatso Holdings Limited Partnership	GBA	GBA partnered with Mpatso Holdings Limited to form a new company, Mpatso Greenbelt Mega Farms Limited for crops, livestock, and aquaculture production. The company was incorporated in 2023	Capital injection by GBA is delaying the operationalization of the company
			GBA mega farm projects	GBA	The GBA Board approved the proposal to form new Joint Venture Companies with Bry Holdings Limited for wheat production, Bwanje Limited for ethanol production, and Medigrow Limited for medicinal cannabis production, respectively	GBA to incorporate the companies once all processes are finalized
			Katunga-Maseya Cooperative	AGCOM	The Cooperative as an out-grower of Press Cane Limited has successfully commenced operations	None
<b>Agriculture Inputs</b>						

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Establish at least four (4) zonal livestock and fish multiplication sites	2021-2023	On track	SFAD	Department of Fisheries	Capacitated three (3) aquaculture centres (Mzuzu, Domasi, and Kasinthula) to undertake fish multiplication through Genetic Improvement Programme (GIP); fingerling multiplication has commenced	Resources for the activity were locked at a regional office (WorldFish Zambia). The Department is replanning resource mobilisation for this activity
			ADP	Department of Fisheries	Intensifying crop/fisheries integration, where one (1) dam in Nkhata-Bay was stocked with 200,000 fingerlings and five (5) dams were identified for bathymetry and subsequent stocking	
Develop a fertilizer production plant	2023-2024	Off track	Recurrent	Ministry of Agriculture	All preparations and approvals to conduct a feasibility study were done in 2022/23 financial year, awaiting financial resources	None
Review farm input subsidy strategy for proper cost sharing, and diversification to other agricultural products and commercial farmers	2022-2024	S l o w progress	AIP	Ministry of Agriculture	As part of reforming AIP, Government is migrating some beneficiaries to more suitable programmes: i) 305,000 households (elderly and people with disabilities) migrated to SCT (K36 billion) ii) Over 1 million households remain on AIP to access fertiliser, seeds and goats (K161 billion) iii) Farmers with medium-scale land holding to access capital from NEEF for commercial farming (K30 billion) iv) Farmers with large-scale land holding to access support from AGCOM (K 600 billion) or mega farm project (K20 billion) v) 255,500 youth, women and those with disabilities to be supported in agro-businesses under the Youth Entrepreneurship for the Future of Food and Agriculture Programme	Targeting progressive farmers is key to ensuring AIP is effective
<b>Agricultural Mechanisation</b>						
Implement farm machinery and equipment hire and ownership scheme, especially targeting cooperatives and the youth	2021-2030	On track	DCD	Ministry of Agriculture	Procured eight (8) tractors, eight (8) ploughs, eight (8) harrows, eight (8) ridgers, and eight (8) planters to beef up existing machinery in Mzuzu, Kasungu, Salima, and Machinga ADDs.  60 plant operators and ADD staff members have been trained in the operations of new farm mechanization technology (planter)	The Ministry is buying extra four tractors and four planters to beef up the existing fleet of machinery to serve more mega and other farmers
Facilitate the production of low-cost and small-scale farm machinery for farmers through PPP arrangements	2022-2030	Not Started	No information	Ministry of Trade and Industry	No information	None
<b>Structured Markets</b>						

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Establish aggregation centres and commodity exchanges for small-scale farmers in rural areas	2021-2023	Off track	Not Applicable	MwAPATA, NPC, and Good Neighbours	A concept of aggregation centres was developed in liaison with MwAPATA, NPC and Fairway Enterprise with support from Good Neighbours Malawi. The project is working with 3,539 farmers in the aggregation and marketing of produce. The study is in progress.	None
Organise farmers into functional cooperatives	2021-2025	Slow Progress	Recurrent and Shire Valley Transformation Project	Ministry of Trade and Industry	Fifteen (15) cooperatives under the Shire Valley Transformation Project have been established to venture into irrigation farming utilising canals	More cooperatives need to be established and operationalised across the country
Reform ADMARC into a fully functional agriculture produce commercial entity with international market linkages	2021-2023	On track	ADMARC	Ministry of Agriculture	All positions in ADMARC were reviewed and aligned to the new structure which reduced 4063 employees to 1,565 employees. A new salary structure was implemented, ready with well-qualified professionals to manage the affairs of the entity with professionalism and integrity. The restructuring has selected 240 commercially viable markets which will be supported by an additional 119 seasonal social markets	ADMARC has an outstanding debt of K41 to be cleared. There is need to re-capitalize ADMARC to start value-addition
Set up agro-processing, packaging, and storage facilities for processing and value addition	2021-2030	Not Started		Ministry of Trade and Industry	GBA has constructed the rice processing factory in Karonga.	None
Expand storage capacity for grains and legumes	2021-2030	Not Started		Ministry of Agriculture	No progress reported	None
Expand the acquisition of quality accreditation equipment	2021-2023	On track	AGCOM	Malawi Bureau of Standards (MBS)	MBS has been expanding its capacity to assess and certify the products for both domestic and international markets	Need more equipment to increase scopes for trade facilitation
			Trademark Africa	MBS		
			Subset Africa	MBS		
Capacitate the acquisition of quality accreditation equipment	2021-2030	On track	Recurrent	MBS	Developed systems and implementation is in progress. The improvement processes are ongoing	None
<b>Agricultural Research, Innovation and Dissemination</b>						
Develop specialized tailor-made and bi-directional learning of extension services focusing on commercial agricultural value chains	2021-2025	Slow Progress	Department of Agriculture Extension Services (DAES)	Ministry of Agriculture	The Ministry has restructured the decentralized agriculture extension services, and a total of 1,200 DAES structures have been established including the Area Agriculture Stakeholder Panels, District Agriculture Stakeholder Panels, Village Agriculture Stakeholder Panel and District Agriculture Extension Coordination Committees.	The focus on the commercial value chain needs to be re-emphasized to ensure the full commercialisation of agriculture

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
					The Ministry managed to reach an estimated 4,000,000 farmers with various agriculture messages through the use of IEC materials and ICT-based media outlets such as radio, TV, documentaries, agriculture apps, mobile unit campaigns, publications, and the Esoko platform	
Scale up the Crops (cereals, legumes, Roots& tubers, horticulture) Genetic Improvement Programme	2021-2030	On track	Recurrent	Ministry of Agriculture	The country has released four high-yielding wheat varieties, being commercialized through PPP arrangements. Full commercialization of the wheat varieties will lead to annual forex savings of over US\$38 million	None
Develop guidelines, certification criteria, award systems, support, patenting, and marketing of agricultural innovations	2021-2030	On track	Recurrent	Ministry of Agriculture	The guidelines were done through the Agriculture Technologies Clearing Committee in 2022. The Government conducted seed certification and quality assurance with 27,319 metric tons of seeds of various crops sampled and tested against the annual target of 20,000 metric tons. Further, a total of 5,732.78 metric tons of seed was sampled and tested for the international market against an annual target of 7,000 metric tons, contributing to foreign exchange earnings	None
Build foresight capacity, including modelling and systematic analysis to better understand future scenarios on opportunities and challenges	2021-2030	On track	Recurrent	NPC, Climate Change, MwAPATA, Ministry of Agriculture, LUANAR	Produced a forecast of El Nino for the 2023/24 farming season. The consortium undertook a foresight analysis to map the likely impact of the El Nino on agriculture and other sectors. The policy brief provided policy direction to avert the likely impact of El Nino	None
Conduct a soil fertility analysis (soil carbon mapping) for specific fertilizer recommendations in agro-ecological zones	2021-2024	Off track	Department of Land Resources Conservation and DARS	Ministry of Agriculture	Fertiliser formulations have been developed and released through Agriculture Technologies Clearing Committee	None
<b>Completed</b>		<b>9%</b>				
<b>Started: On track</b>		<b>41%</b>				
<b>Started: Slow progress</b>		<b>15%</b>				
<b>Started off track</b>		<b>20%</b>				
<b>Not started/No info</b>		<b>15%</b>				

## Pillar 2: Industrialisation

The Industrialisation Pillar of MW2063 aims to cultivate a dynamic knowledge-based economy anchored by robust manufacturing, productive agriculture, and mining sectors. The Pillar embodies a strategic response to diversify and strengthen the national economy. Historically reliant on smallholder farming, Malawi seeks to reduce vulnerabilities related to agriculture, boost economic resilience, and foster job creation by industrialising. Industrialisation is pivotal to the overarching MW2063 aspiration of fostering inclusive wealth creation and self-reliance. By prioritising industrialisation, the nation seeks to transition from a predominantly consumer-driven and import-dependent economy to one focused on domestic production and export prowess.

Central to the pursuit of industrialisation is the establishment of strong backward and forward linkages between manufacturing and key sectors such as agriculture, mining, and services. This integration is essential for elevating per capita income, fostering the creation of quality jobs in both rural and urban areas, and fostering entrepreneurship opportunities for men and women alike. Moreover, a cohesive industrial landscape will broaden the tax base, enable the financing of vital social welfare programmes, and address trade deficits that are currently unsustainable.

Strategic sectors, like mining, pose the untapped potential to bolster industrialisation efforts.

Despite its modest contribution to the national income, the mining sector holds significant promise. By harnessing strategic minerals like uranium, rare earth elements, niobium, gold, and gemstones, and aligning them with local production of essentials such as fertiliser, steel, and energy, Malawi can promote import substitution and unlock high-value export opportunities. The value addition of minerals within the country will not only enhance returns from these resources but also generate employment opportunities for Malawians.

Progress indicates a gradual reduction in the share of manufacturing to GDP since 2020, dropping by 0.5 percent. Year on year, the share of manufacturing marginally reduced from 11.8 percent to 11.7 percent in 2022 and 2023, respectively. The value of manufacturing exports has also marginally dropped to below 2022 values. The export value surged to US\$135 million in 2022 from the US\$96 million recorded in 2021, before receding to US\$96 million in 2023.

At the intervention level, about 95 percent of the MIP-1 catalytic interventions have commenced implementation, of which about 54 percent are either on track or completed. This is an improvement from the previous year where only 21 percent of the interventions were either completed or on track. The implementation progress of Pillar 2 interventions is summarised in *Figure 7*.

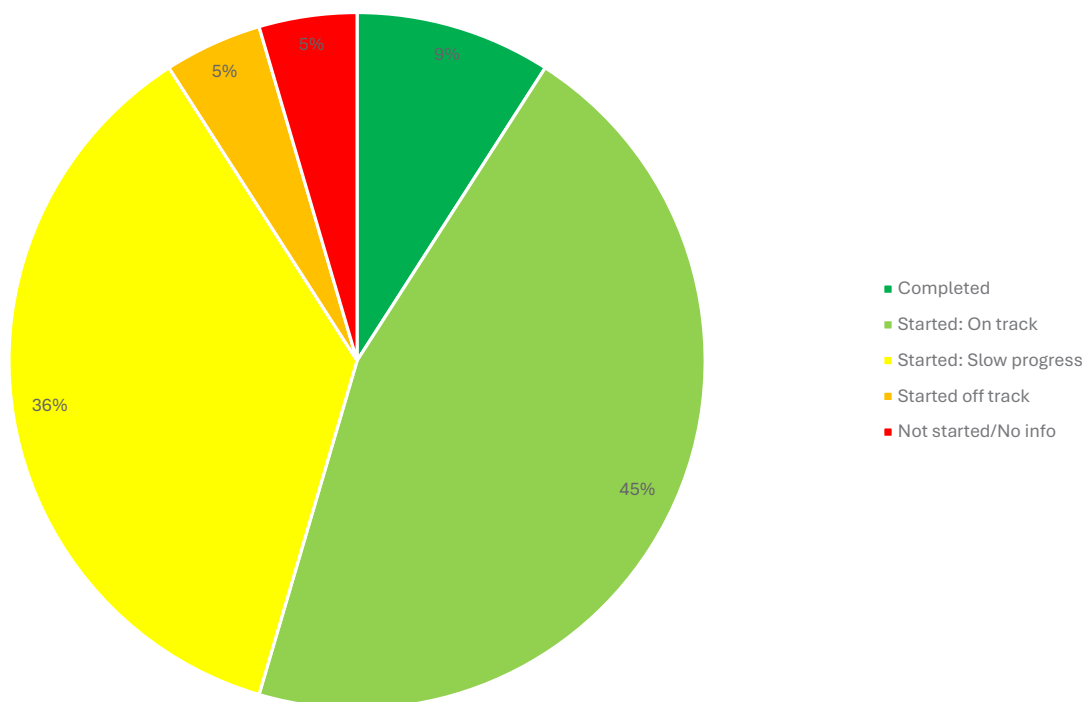


Figure 7: Overall implementation progress of Pillar 2 interventions

### Priority Area P2.1: Legislation

The long-awaited Special Economic Zones (SEZs) Act was enacted in November 2023. The SEZs Act will facilitate the designation of SEZs and coordination of SEZ developers. Alongside this, Parliament also enacted the Investment and Export Promotion Act. Further, the Malawi Investment and Trade Centre (MITC) is now backed by legislation through the Investment and Export Act to take up the role of operationalising SEZs as an Authority. The following is the progress on other policies and legislation:

- *The Mines and Minerals Act of 2023* was enacted into law and assented to by the President.
- *The Petroleum (Exploration and Production) Policy* was finalised and launched.
- *The Mines and Minerals Act No 8 of 2019* was repealed to accommodate the establishment of the Mines and Minerals Regulatory Authority (MMRA).
- *The revision of the Artisanal and Small-Scale Mining Policy* started in January 2024 with the assistance from Technical Assistance Partnership- Expert Deployment Mechanism (TAP-EDM) of Canada.

- *The draft Explosives Bill*, including the related subsidiary legislation, was developed and submitted to the Ministry of Justice for vetting.

### Priority Area P2.2: Industrialising Mining

The share of extractive industries (mining) to GDP has declined from 0.7 percent in 2021 to 0.6 percent in 2023. The value of 0.6 percent in 2023 is below the MIP-1 target of 2.5 percent. The potential of the mining sector is evident in the fact that despite a decline in the share of the mining to GDP, its export earning values increased by 3 percent in the same reporting period.

As a key step for the country to sustainably exploit existing mineral resources, the Government has established the MMRA to govern and regulate the mining sector. Additionally, a Mining Company has been established under the revamped MDC Holdings Limited to further facilitate the endeavours.



In 2023, the Government signed a Mining Development Agreement with Globe Metals & Mining to undertake the Kanyika Niobium project. The company is at an advanced stage in finalising the logistics of paying compensations and is also in the process of identifying off-takers to finance the operations of the project.

ASX-listed Lotus Resource Limited is finalising preliminary work programmes to allow an optimal restart of production at its Kayelekera Uranium Mine in Karonga in light of the positive market outlook for the yellow cake which has seen uranium prices rising. The uranium market continues to improve, with the uranium spot price maintaining levels above US\$90/lb in the early weeks of 2024, and recently rising to US\$104/lb.

Local firm Akatswiri Mineral Resources has completed the Phase 1 drilling programme for the Chambe Basin Rare Earths Exploration Project in Mulanje Mountain, Southern Malawi. The Company is now waiting for the drilling results as the samples extracted from the site are being processed at a laboratory in Perth, Australia. Chambe is one of the few large ionic clay-hosted rare earth elements (REE) deposits outside of China, where currently a significant portion of global REE production is sourced. Akatswiri is pursuing a Sustainable Mining and Tourism approach whereby adopting open-pit mining with responsible rehabilitation practices will be essential to conserve the environment while extracting REEs.

Due to the surge in Artisanal and Small-scale Gold Mining (ASGM) in various districts like Kasungu, Ntcheu, Machinga, Mzimba, Rumphu, Mangochi, and Zomba, the Government has made efforts in trying to formalise gold markets by issuing licenses to small scale miners, allowing them to sell gold to the Reserve Bank of Malawi (RBM). The structured market has resulted in artisanal gold miners forming cooperatives to sell their gold to RBM in a more structured way and at relatively higher prices ranging from K125,000 per gram for gold with a purity of over 75 percent to K145,000 with a purity of 95 percent and above.

### **Priority Area P2.3: Diversification and Value Addition in Export Products and Competitiveness**

The country recorded a negative trade balance of US\$ 2.28 billion in 2023, which is a US\$140 million drop from the 2022 trade balance. On a bright note, the trade balance has narrowed since the realignment of the Kwacha in November 2023. The trade balance improved from negative US\$528.6 million recorded in a quarter just before realignment to negative US\$495.8 million after the realignment. As noted in Figure 8 below, the country is yet to start diversifying its export earnings with agriculture remaining the major export earner at 59 percent, down from 60.5 percent in 2021.

In the reporting period many SMEs also expanded development of secondary products that were originally imported such as Kwithu Products.

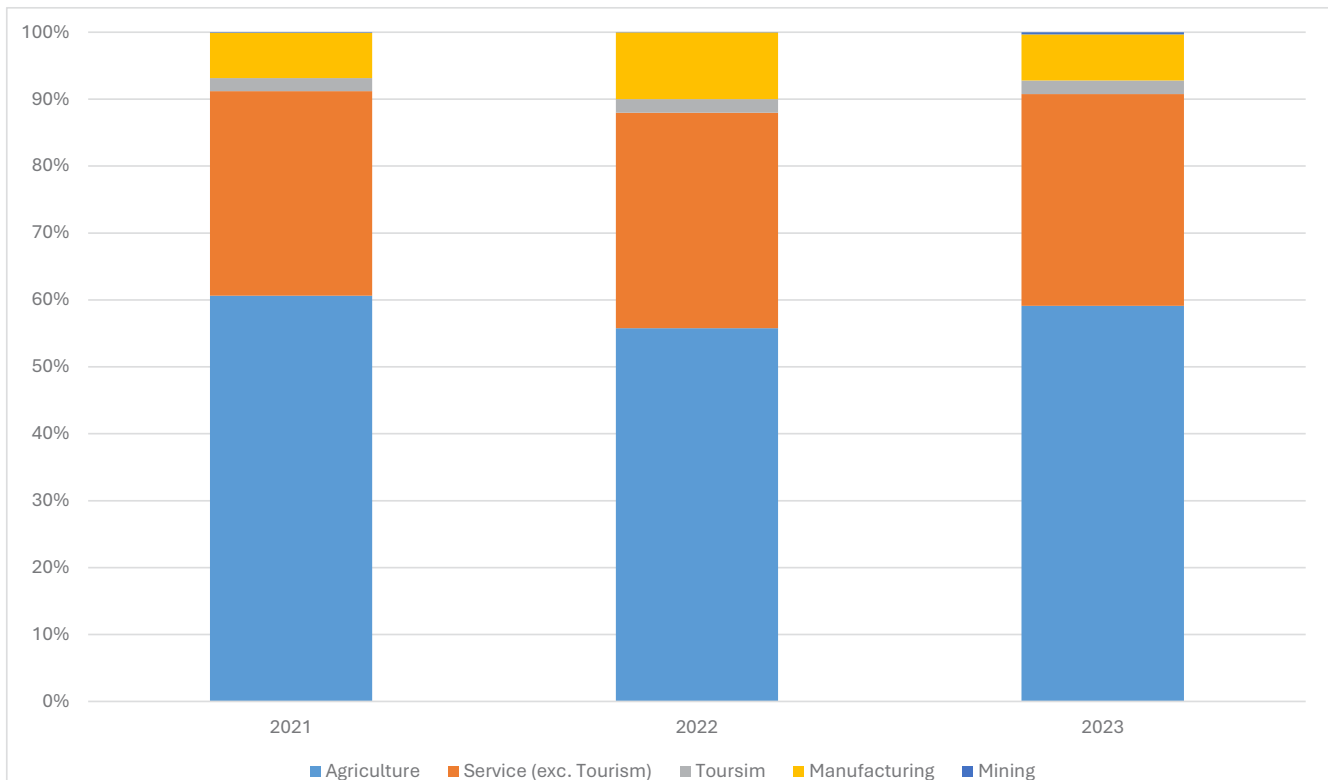


Figure 8: Share of export earnings by economic sector

## Kwithu Kitchen



Kwithu Kitchen is one of the largest SME producers of honey and one of the larger processors of tomatoes in Malawi. Their products are found in Shoprite and Chipiku stores which until recently, were imported from South Africa. The initiative is a big step in import substitution. In 2023, Kwithu Kitchens sold an average of 4 tons of honey and tomatoes per month.

### Priority Area P2.4: Creation of Special Economic Zones (SEZs) and Export Processing Zones (EPZs)

Out of the four (4) identified SEZs: Matindi and Chigumula in Blantyre; Area 55 in Lilongwe; and Dunduzu in Mzuzu, the Government initiated the development of one SEZ, Chigumula Industrial Park where the following progress has been made:

- Water and electricity were connected; however, the electricity capacity is for domestic use and ESCOM plans to court AfDB to plant a power station on the site to bring the supply to an industrial scale.
- There are ongoing assessments to compensate people residing along the proposed high-voltage supply lines and an Environmental Management Plan is underway.

- Negotiations with the identified road contractor were completed, and concurrent negotiations with the wastewater management contractor are ongoing.

The Government entered an agreement with ARISE Limited through Afrexim Bank to develop Area 55 in Lilongwe and Matindi in Blantyre. Area 55 has been prioritised between the two sites. The Government has started compensating the Area 55 residents.

In addition to the SEZs and EPZs, the country has also commenced the establishment of an Industrial Park in Nkhotakota and Chikwawa districts. For Nkhotakota, the following progress has been made:

- Conducting feasibility studies with support from the RBM.
- Working with the RBM to raise a municipal bond that will be used to raise the needed capital for investment in the park.
- Signed a Memorandum of Association with partners such as Ethiopia Industrial Parks Development Corporation and the Malawi University of Science and Technology (MUST) to technically support the development of the park.

For Chikwawa, a 100-hectare piece of land has been identified at Ngabu, along the Shire Valley Transformation Project (SVTP) water canal to establish an industrial park. A study was conducted to ascertain the economic viability of such investment. The area is conducive to the earmarked investment because it is central to the SVTP Irrigation Programme which will attract potential investors for the processing of agricultural raw materials from farmers.

### **Priority Area P2.5: Research, Science, Technology and Innovation**

Malawi aims to commercialize locally generated science, technology, and innovation and adapt for scaling up impactful innovations that are catalysing industrialisation in other countries. To catalyse research, science, and innovation, the Government set up a research fund which was allocated K70 million in 2023 and managed

by the National Commission for Science and Technology (NCST).

In 2023, the country witnessed an unprecedented boom of innovations, especially from the youth, that if commercialised can make the country a leader in innovations. The NCST, in collaboration with other development partners such as the United Nations Development Programme (UNDP) and Science Granting Council Initiative, supported these innovators to develop prototypes for commercialisation in Agriculture, Health, Energy, and Education. In addition, the UNDP supported the Malawi University of Applied Sciences (MUBAS) to develop a top-notch innovation and incubation centre with high-quality machinery – the University Innovation Pod (UNIPOD).

Some of the innovations that have shown potential for commercialisation include:

- The Cabinet Dehydrator prototype is used to dry different products such as flour, spices, and other powdered products. It is currently used for manufacturing a novel Nouri Instant Beans.
- The electronic power bank named EP Machine - a compact lithium battery-based device used as storage power for lightening, cooking, refrigeration, etc., when transitional power sources are unavailable.
- Eka-lite LED bulbs which use about 10 percent of energy than ordinary incandescent bulb – have longer life and are environmentally friendly.
- Space-Watt leverages advanced resonance-based technology to transmit electrical power efficiently over substantial distances, offering users unprecedented convenience and versatility.
- Low-cost tablets and FM radios that are designed to bridge the digital divide and contribute to the delivery of educational content.
- An Artificial Intelligence-powered education platform for personalised learning paths, collaborative features, and

effective assessments for students, catering to individual learning needs.

Through other funds from the UNDP, the NCST supported junior innovations that were exceptional during the science fair in 2023. Below is a list of some innovations that were supported:

- Baby incubator: A device that helps reduce the mortality rate of premature babies by offering appropriate conditions for their survival and, further, reduces the pressure that is inflicted on parents due to the use of the Kangaroo method.
- The Soya bean medicated soap: A cheap skin care soap.

## UNIPOD at MUBAS



With support from UNDP, MUBAS established a UNIPod to support youthful innovators with infrastructure for prototyping, experimentation, and small-scale manufacturing. Launched on March 6, 2024, the UNIPod fosters innovation through a Business Nursery program, Technology Transfer Office enhancement, and Intellectual Property registration. It includes collaborative ideation spaces, a Design Lab, and a Makerspace with specialized laboratories for electronics, mechanical fabrication, Computer Numerical Control fabrication, woodworking, and digital arts. The UNIPod aims to transform prototypes into commercially viable products, promoting export substitution and impactful innovations.

**Table 2: Implementation Progress of Pillar 2 Key Interventions**

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Establish a Mining Regulatory Authority	2021-2022	Slow progress	Recurrent	Ministry of Mining	MMRA has been established to regulate the development, management and utilization of the country's mineral resources. The draft organization structure of the MMRA is in place. Officers have been seconded to facilitate process	Inadequate funding led to slow progress
Review of monetary and fiscal incentives for the Mining Sector	2021-2025	On track	Recurrent	MoFEA MRA	Duty-free and VAT-free on importation of specialized goods for use in mining, such as machinery, plant and exploration equipment	None
Facilitate enactment of Special Economic Zones legislation and regulations to cover all strategic sectors	2021-2022	On track	Recurrent	Ministry of Trade and Industry	SEZ Bill passed into law	None
Operationalise National Mining Investment and Development Corporation	2022-2023	Slow progress	Recurrent	Ministry of Mining	The mining company was registered in 2020 awaiting recapitalisation, which will now be realised under the MDC Holdings Limited.	The Ministry lobbied for K12 billion. However, it has been allocated K2.5 billion
Support establishment of large private mining companies, largely promoted under PPPs	2021-2030	On track	Recurrent	Ministry of Mining	Currently, the Ministry is facilitating the administrative establishment and operationalisation of the Mining company which will drive the agenda of facilitating joint ventures.	Inadequate funding for capitalisation of the Mining Company
Finalize geo-mineral resource mapping across the country	2021-2023	Completed	Mineral Mapping	Geological Survey Department (GSD)	The geological, geophysical, and mineral resource data for the whole country and other hotspots were updated. This data is accessible at the GSD via intranet and on formal request. Contractual issues with the consultant slowed progress in moving the data from intranet to web-based.	Currently, in discussions with the World Bank to migrate the data to a web-based system.
Operationalise Kanyika Niobium Mining	2022-2024	Completed	Signing Mining Development Agreement	Ministry of Mining	Mining Development Agreement was signed and the mining license was awarded. Operator to commence construction and substantial production within thirty-six (36) months of being granted a mining license	None
Re-commission Kayelekera Uranium with properly negotiated agreements	2021-2023	Slow progress	Recurrent	Ministry of Mining	Mining Development Agreement is yet to be finalised due to some outstanding issues in the Agreement. Both parties are working round the clock to resolve those issues. Nonetheless, the operator is currently carrying out technical engineering and design work to revamp the mine and plant equipment	Protracted negotiations due to outstanding issues, mostly relating to the fiscal regime

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Facilitate increase in cement production	2022-2025	On track	Recurrent	GSD	Increased exploration activities in lime, iron and other related resources	Inadequate funding.
Facilitate development of Maligunde Graphite and Kasiya Rutile Project	2021-2023	On track	Maligunde Graphite project Kasiya Rutile project	Ministry of Mining	Exploration for graphite in Maligunde was completed and rutile exploration is underway. Sovereign Metals has been granted retention licence for the graphite project while awaiting to resolve issues on the ESIA for the project	Need to expedite the process
Facilitate development of mining of rare earth minerals in Phalombe (Songwe Hills)	2021-2023	Slow progress	Recurrent	Ministry of Mining	The Mining Development Agreement is at an advanced stage however the negotiations have been protracted.	Need to expedite the process
Establish structured markets for all high-value minerals	2021-2025	Slow progress	Recurrent	Ministry of Trade and Industry	So far Export Development Fund (EDF) is the only structured market in the reporting period that is purchasing gold and gemstone	None
Establish a Development Catalysing Corporation as an investment promoter	2021-2025	On track	Establishment of MDC Holdings Limited	MoFEA	The Company was incorporated in 2023	None
Support the creation of long-term development financing instruments in the existing commercial banks and other financial institutions	2021-2025	On track	Restructuring and development of long-term debt instruments  Integrated National Financing Framework (INFF) under UNDP	MoFEA  RBM  UNDP	The Ministry in conjunction with the RBM and other stakeholders embarked on several initiatives as follows: (i) develop a national framework for rating institutions and financial instruments; (ii) develop an asset-backed securities market for long-term debt; and iii. establish financial institutions that focus on long-term investments (e.g., DFIs, mortgage finance, leasing finance, and innovation funds) On the other hand, the UNDP is supporting the INFF (Development Finance Assessment, SDG Investor Map, Digital Finance Ecosystem Assessment and Strategy and Integrated National Financing Strategy) with proposed reform areas	Initiatives (i) and (ii) require special expertise which is yet to be engaged; while for initiative (iii), MAIC is operational and working on long-term investments
Establish job centres	2021-2023	No information	No information	Ministry of Labour	No information	None
Establish one-stop Business information and services provision centres in district councils across the country to cater for SMEs, Cooperatives and Industries (Mlambe Initiative)	2021-2023	Not started	Broadening the one-stop centre initiative	Ministry of Trade and Industry	Not started	None

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Develop the supporting infrastructure for the Special Economic Zones and Export Processing Zones	2022-2030	On track	Improving infrastructure for SEZs and EPZs	Ministry of Trade and Industry	<p>Identified four (4) sites for industrial parks, at Matindi and Chigumula in Blantyre, Area 55 in Lilongwe and Dunduzu in Mzuzu. Only Chigumula has registered progress. However, the electricity capacity is for domestic use and ESCOM plans to install an industrial power station on the site. Currently conducting assessments to compensate way leave for the high voltage supply lines where an Environmental Management Plan is underway. Negotiations with the contractor for constructing roads were successful, while negotiations with the wastewater management contractor are on-going.</p> <p>The Government has committed to honour outstanding compensations for Matindi, Area 55 and Dunduzu. Meanwhile, the Memorandum of Understanding (MOU) with ARISE (operator) for the Area 55 site was signed based on BOT and compensation for land relocation is underway</p>	There were delays in compensation funding
Establish a national single window for trade	2021-2022	Off track	Collection of customized user requirements from stakeholder agencies	Ministry of Trade and Industry	The National Single Window software developer commenced work on 8 <sup>th</sup> September 2023. The work started with a gap analysis for twenty-one (21) agencies. By March, 2024 the Ministry of Trade and Industry will go live; by June, 2024 another six (6) agencies will join the NSW; and by December 2024, all twenty-seven (27) agencies will be live on the platform	Challenge – lengthy procurement process of NSW system hosting infrastructure
Develop industrial parks in designated places (Area 55 in Lilongwe, Matindi in Blantyre)	2021-2025	Slow progress	Improving infrastructure for SEZs and EPZs	Ministry of Trade and Industry	Developer identified. MOU signed between Government and the developer for Matindi and Area 55 development	Need to conduct due diligence
Construct and rehabilitate minerals testing laboratories	2021-2022	Slow progress	Procure nine (9) lots of laboratory equipment Recruit thirteen (13) required laboratory staff	Ministry of Mining	The construction and rehabilitation works have been completed; four (4) out of nine (9) laboratory equipment has been procured and is awaiting installation and commissioning; and eight (8) out of thirteen (13) required laboratory staff have been recruited. Procurement delayed due to forex shortage. In addition, the equipment is inadequate as five (5) lots of the equipment remain outstanding.	The Ministry has also included in the 2024/2025 FY budget estimates K803 million to procure more equipment

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Create a large government led innovation fund targeting individuals and institutions to develop innovations that can be patented	2023-2030		No information			None
Promote rural-based agricultural value-addition infrastructure development to enable women, and youth participation in industrialisation	2022-2026	On track	Promote rural-based agricultural value	Ministry of Trade and Industry	Embarked on establishing Secondary Cooperatives (Cooperative Unions) for specific value chains identified for each district for value addition services for primary cooperatives. The preliminary works covered Mchinji, Kasungu, Karonga, and Mulanje districts. In Mchinji, an Oil Seed value chain based Secondary Cooperative has been facilitated; while in Mulanje, a horticultural value chain has been formalised. Five (5) machineries were distributed to SMEDI for Phalombe Incubation Centre.	The transfers had not yet been affected as at the date of compilation, but all processing was done. Reported cash-flow problems from Treasury/Accountant General
Organise farmers into functional cooperatives	2021-2025	Slow Progress	Establishment of cooperatives and Shire Valley Transformation Project	Ministry of Trade and Industry	Fifteen (15) cooperatives under the Shire Valley Transformation Project have been established to venture into irrigation farming utilising canals	None
Completed		9%				
Started: On track		45%				
Started: Slow progress <sup>7</sup>		36%				
Started off track		5%				
Not started/No info		5%				



## Pillar 3 - Urbanisation

Urbanisation is vital for economic growth, offering opportunities for innovation, entrepreneurship, and improved living standards. The Urbanisation Pillar of the MW2063 envisions a transformed Malawi characterised by modern urban centres and tourism hubs equipped with modern socio-economic amenities. Malawi is experiencing rapid urbanisation, ranking among the world's fastest-growing urbanising nations. However, with only 20 percent of the total population living in urban areas, Malawi is among the less urbanised countries.

Malawi's primary cities (Blantyre, Zomba, Lilongwe, and Mzuzu) collectively constitute the economic core, contributing a significant 33 percent to the national GDP, surpassing their population share of 20 percent. In contrast, rural areas, which account for 85 percent of the population, only contribute 66 percent to the national GDP. Focusing on developing the urban centres in economically promising areas as well as transforming existing cities is paramount to achieving Malawi's journey to middle-income status.

Prioritising tourism in the urbanisation agenda

is integral to the inclusive creation of wealth milestones as outlined in the MIP-1. Presently, existing tourist attractions lack essential infrastructure such as robust transportation, adequate quality accommodation, affordable and high-speed internet, suitable financial services, uninterrupted energy, and water supply. Branding Malawi as the 'Green Warm Heart of Africa' and promoting eco-tourism through the tourism masterplan emerge as critical strategies within the MIP-1. Urbanising all tourist sites is envisioned to tap into domestic, regional, and global tourist markets, thus enhancing Malawi's profile in the tourism sector.

Tourism, including travel, continued to make steady progress. The share of tourism and travel to GDP increased by one percentage point from 7 percent in 2022 to 8 percent in 2023. At the intervention level, about 94 percent of the MIP-1 catalytic interventions had commenced implementation; of which about 35 percent were on track, an improvement from the 11 percent reported in 2022. However, over 50 percent of the interventions are rated "slow progress". The implementation progress of Pillar 3 interventions is summarised in *Figure 9*, below.

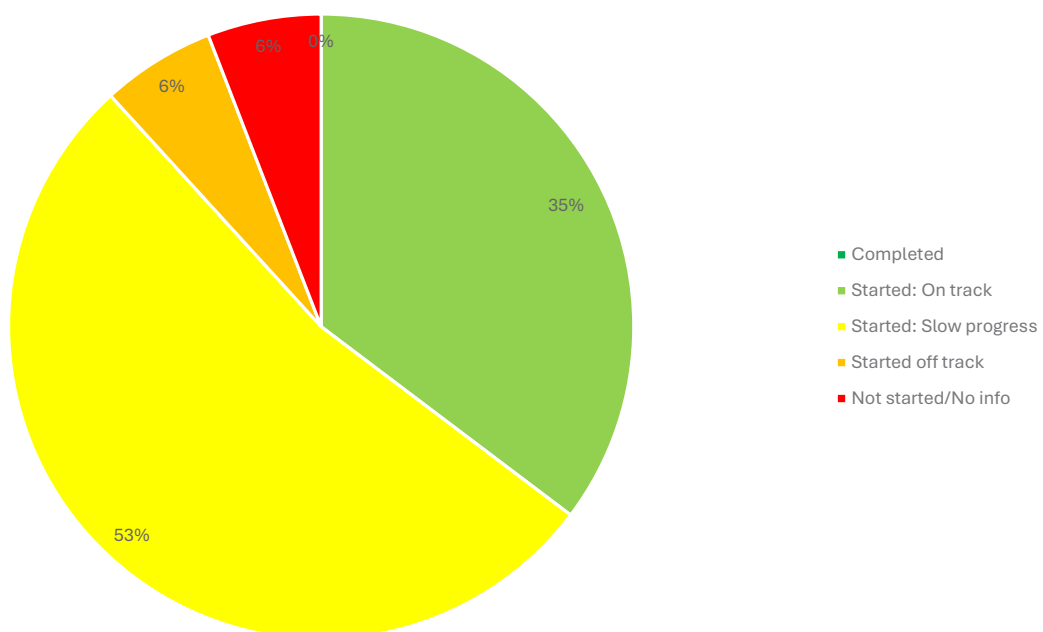


Figure 9: Overall implementation progress of Pillar 3 interventions

## Progress on Priority Areas

### Priority Area P3.1: Legislation and Institutional Capacity Building

Through the devolution of key sectors, which is being championed by the Ministry of Local Government, Unity and Culture (MoLGUC), the Ministry of Lands has fast-tracked the provision of land and urban technical services at district councils. Concurrently, the Ministry of Lands is expediting the establishment of land registrars across all district councils. Currently, 234 staff members, including physical planners, assistant surveyors, urban planners, and others, have been deployed to district councils. Additionally, the Ministry of Lands has successfully recruited 319 land clerks and 34 District Land Registers. These individuals are undergoing orientation and training to reinforce the devolution efforts and enhancing local capacities in the management of public land.

Significant progress has also been registered through the enactment of the Special Economic Zones Act which is going to leverage urbanisation to promote dynamic growth hubs to facilitate the creation of smart, well-planned, and serviced cities (both primary and secondary) anchored on sustainable economic activities in addition to the traditional industrial and science parks.

### Priority Area P3.2: Development of Secondary Cities

The MW2063 underscores the significance of urban development and advocates for the establishment of strategically planned and economically robust secondary cities. The creation of secondary cities began with the identification of eight (8) cities with the potential for transformation into economically vibrant urban areas. Identification of these sites was systematic and considered factors such as connectivity, economic activities, and the

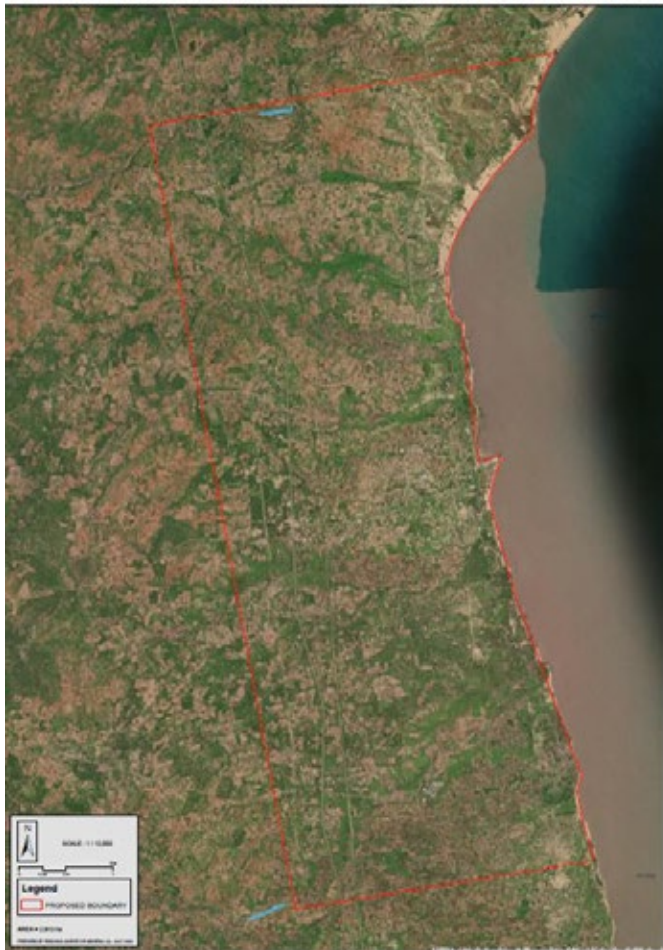
urbanisation potential. The selected sites include Karonga, Nkhata-Bay, Kasungu, Chipoka and Salima, Monkey-Bay and Mangochi, Liwonde in Machinga, Luchenza in Thyolo, and Bangula in Nsanje.

In 2023, the Government kickstarted the development processes for Bangula in Nsanje and Chipoka in Salima. Further, in Kasungu, the process of boundary identification commenced along with internal consultations among Government agents.

In Chipoka, a base map for the secondary city has been developed, delineating its boundaries across an area of 2,589 hectares, see Figure 10, below. The city's cornerstone is poised to be the logistics, tourism, and fisheries industry, with the Department of Fisheries undergoing the architectural and engineering design stage for aquaculture infrastructure-related development investments.

Progress for Bangula mainly includes the establishment of a base map, clearly marking the city's boundaries spanning 3,235 hectares for a start. The city is premised to be a hub for agro-processing, utilising the productivity from the Shire Valley Transformation Project (SVTP); and a transport and logistical hub, utilising the Marka-Bangula railway and Blantyre-Bangula-Nsanje road. The city will also be anchored by planned large-scale fish farming investments at Kasinthula, among others. Another key element planned for Bangula is an industrial park where 100 hectares have been earmarked for various industrial activities.

MAP SHOWING PROPOSED BOUNDARY FOR THE PROPOSED CHIPOKA SECONDARY CITY



CHIPOKA SECONDARY CITY

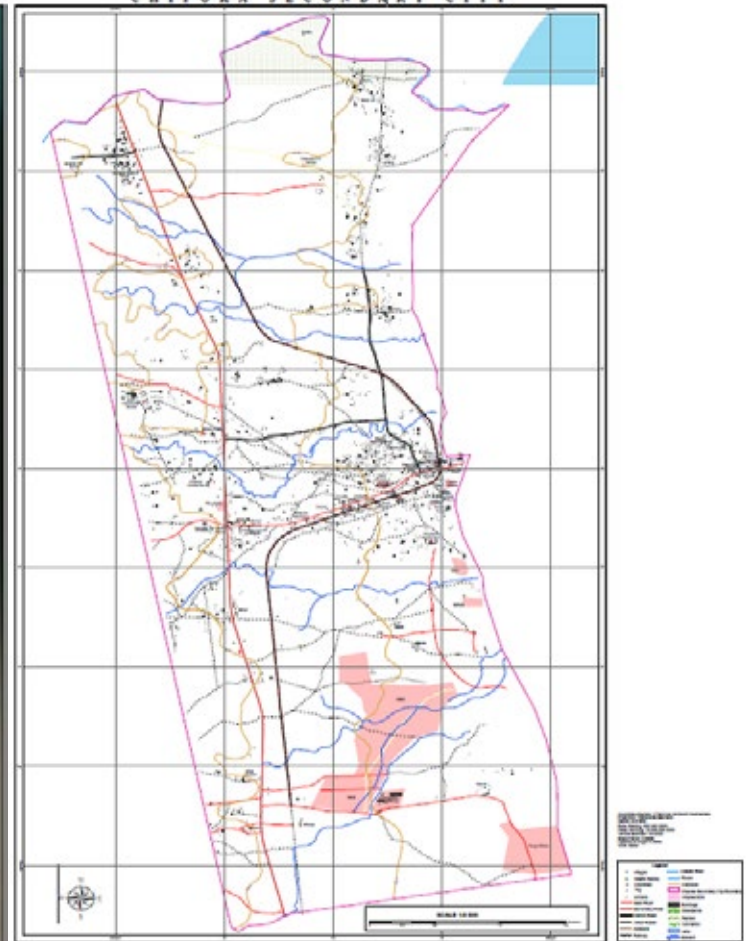


Figure 10: Chipoka secondary city base maps

### Priority Area P3.3: Infrastructure Development Planning and Investment in Cities and Towns

The MW2063 envisions world-class urban centres that are well-regulated and controlled, providing economic opportunities, easy communication, and closer connectivity to socioeconomic amenities. In the reporting period, the Government was bituminising 45.4 kilometres of township roads in the cities of Lilongwe (20.5 kilometres), Blantyre (13.9 kilometres), and Zomba (11 kilometres) to ease movement and ensure accessibility to standard social amenities. However, while no new

construction of township roads was reported as initiated for Mzuzu in the 2023/24 financial year, a number of urban roads that commenced in the previous periods were advancing albeit at slow pace, like the Dunduzu Bypass that connects to the Nkhata-Bay road. Through the Malawi Access to Electricity Project, the Government has facilitated the connection of 58,000 households in urban and peri-urban centres to the national grid.

## Urban roads – Rehabilitation of Ndola road in Zomba



In 2023/2024, the government constructed and rehabilitated urban roads in various locations in Zomba, Lilongwe and Blantyre. Among the roads was Ndola, rehabilitated within the locations of Zomba town. The completion of the project is a milestone for residents of Ndola and a contribution to economic infrastructure enabler of the MIP-1.

### Priority Area P3.4: Sustainable Municipal Self-financing Mechanisms

Embracing the principles of inclusive wealth creation and self-reliance outlined in the MW2063, local authorities must enhance their revenue collection mechanisms to sustain their operations. Notably, during the reporting period, the proportion of own revenue within district councils continued to decline from 11 percent in 2022 to 9 percent in 2023. City councils have also experienced a decline from 81 percent to 64 percent, which is of high concern. This comes in the backdrop of cities and district councils

experimenting with digital revenue collection techniques. Intervention in e-ticketing for car parking is being piloted in Lilongwe City; and e-ticketing of market revenue collection is being piloted in Mchinji, Zomba, Mwanza, Karonga, and Mangochi Municipal Councils.

On a positive note, the contribution of revenue streams such as market levies, property rates, and car parking to local councils' resources has increased from 40 percent in 2020 to 49 percent in 2023.

## Lilongwe E-ticketing



The newly introduced automated system provides an option to capture motor vehicle license plate numbers by using rugged smart phones and license plate recognition cameras with associated software. The initiative will address revenue leakages and significantly enhance revenue collection because all the money is going straight to the revenue account, giving no room for loopholes.

### **Priority Area P3.5 Tourism Development**

Tourism is a significant economic force in driving urbanisation. The MIP-1 set ambitious targets aiming to cultivate a robust tourism industry that is projected to contribute approximately 11 percent to the national economy and generate 15 percent of total employment by the year 2030. In 2020, the tourism sector contributed 6.7 percent to the national economy. The share of tourism and travel to GDP has steadily increased to 8

percent in 2023, a one percentage point better than in 2022. The increase has, in part, come as a result of increasing international arrivals in the country. In 2023, international arrivals were estimated to be around 1 million, up from the 708,000 registered in 2022. With the removal of visa requirements for over 50 countries, it is expected that international arrivals will increase further.

**Table 3: Implementation Progress of Pillar 3 Key Interventions**

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Create tailor-made anchor investments with the potential of pulling private investments in the eight (8) pilot secondary cities	2022-2030	Slow progress	Recurrent	Fisheries Department, Ministry of Trade and Industry	<b>Chipoka:</b> Fisheries industry was identified as an anchor investment. <b>Bangula:</b> Industrial Park development and fisheries farm were identified as anchor investments.	Limited Resources
Develop master plans for the eight (8) upcoming secondary cities	2022-2023	Off track	Establishment of Secondary City Development Operation	OPC, NPC, MoFEA and MoLGUC	<b>Chipoka:</b> A base map for the city was produced.; and boundaries of the city, which covers 2,589 hectares, were demarcated. The fisheries industry will anchor the city and the Department of Fisheries identified the potential area for aquaculture investment. <b>Bangula:</b> A base map for the city was produced; and boundaries were demarcated covering 3,235 hectares. 100 hectares has been earmarked for industrial activities. <b>Kasungu:</b> Commenced the processes of boundary identification and internal consultations among Government agencies are underway	Slow progress mainly due to limited resources, inadequate staff as focal persons in the implementing institutions, and land and compensation, among others
Develop /Update master plans for the existing cities of Lilongwe, Blantyre, Zomba and Mzuzu	2021-2022	Off track	Recurrent	Ministry of Lands and Urban Councils	Preliminary processes have started for Blantyre and Lilongwe cities	The exercise is very costly hence facing financial resource constraints
Enforce adherence to the physical master plans in all councils, including the development of ‘ecological corridors’	2021-2030	Slow progress	Recurrent	Councils and the Ministry of Land	Lilongwe ecological corridor of about 1.5 kilometres implemented. About 1 hectare of land has been afforested and councils have developed by-laws enforcing adherence to master plans	The exercise is very costly hence facing financial resource constraints
Digitize land records, systems, and processes	2021-2023	On track	Land Information Management System (LIMS)	Ministry of Lands	The development phase is being conducted alongside data capture and conversion phases. So far, twenty-six (26) officers trained in LIMS Landfolio and LIMS Portal; thirty-two (32) officers trained in LIMS systems design and maintenance; and 80% of ICT equipment was delivered	Faced delays in the delivery of ICT equipment by the supplier; and delays in data capture by the contractor.
Construct standard flats with necessities in selected high-density locations in the country’s cities and towns	2022-2030	On track	Slum upgrading	Department of Urban Development	Completed community engagements and profiling; conducted consultations with block leaders in M’gona, a pilot area; formulated a technical committee, but yet to set up a steering committee; and the Lilongwe City Council completed compensation assessments at Mchezi (relocation site) in November 2022	None

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Create municipal police for each of the major cities	2022-2023	Off track	Recurrent	Urban Councils	A Cabinet paper was prepared and submitted to OPC for further direction	Limited Resources
Conduct civic education on urban development, subsidiary legislation and emerging issues	2021-2023	Off track	Recurrent	MoLGUC	Civic education interventions have started in Chipoka, Salima where the Department of Urban Development prioritised its interventions in secondary cities	Need for collaboration among stakeholders as well as resource mobilisation
Implement innovative, cost-effective valuation and billing of all city properties to significantly spread the property tax burden and improve revenue	2022-2023	Off track	Development of Council Revenue Enhancement Strategy	NLGFC, Councils	Luchenza has updated its Oversees Vendor Registration	Limited resources. The activity is very costly
Modernize revenue collection by designing, developing, and operationalising the deployment of a digital geographic information database of all ratable properties in all councils	2021-2025	On track	Development of Council Revenue Enhancement Strategy	NLGFC, Councils	E-ticketing for car fees piloted in Lilongwe city. E-ticketing of market revenue collection in Mchinji, Zomba, Mwanza, Karonga, Lilongwe city, and Mangochi Municipal are also being piloted. In addition, a Local Revenue Management Information System, a localized innovation, is being piloted in Mwanza and will be extended to other councils	Challenges include high service charges by service providers such as NITEL
Develop a tourism infrastructure investment masterplan (to include a minimum tourism infrastructure package and setting aside land for tourism)	2022-2024	Slow Progress	Various	Ministry of Tourism	National Tourism Investment Masterplan was developed and launched but not much investment is coming through. Currently, the Ministry is promoting the implementation of the ten (10) priority projects. Two (2) projects are already getting strong investor interest. 52.7 hectares of Land has been secured in T/A Maganga for the Development of an Integrated Tourism Resort	Land unavailability for prioritised tourism investment projects is key challenge. There is need to secure and zone all 103 project sites to be investor-ready
Construct sports infrastructure in the lakeshore districts of Karonga, Salima, Nkhata-Bay and Mangochi	2022-2025	Not Started	Lake Shore sports facilities	Ministry of Sports and MoLGUC	The construction has not started; however, the swimming sports programme commenced in 2022, utilising lake water since no facility has been constructed. This initiative has unveiled raw talent among the participating youths,	There are few coaches and sports administrators in the councils to manage the programme
Rehabilitate air strips in all tourist attraction sites such as Club Makokola in Mangochi, Salima and Mzuzu	2022-2025	Slow Progress	Monkey Bay Aerodrome	Department of Civil Aviation	The concept note for the project is being developed. Further, the Government is exploring the option of implementing the project under PPP. Nevertheless, the aerodrome is being maintained and renovated	The airstrips along the tourist centres, especially along the lakeshores, have not been given financial attention in the national budget and development partner support
			Mzuzu and Karonga Airports	Department of Civil Aviation	Mzuzu and Karonga Airports were maintained for chartered air services to meet demands from tourism and other real sector operations	
			B a n g u l a aerodrome	Department of Civil Aviation	The rehabilitation of the Bangula Aerodrome was completed, and it was used during the Cyclone Freddy disaster response in Lower Shire	

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Review tourist visa requirements to attract tourists	2021-2023	Completed	Recurrent	Ministry of Homeland Security (Immigration)	Visa requirements for seventy-nine (79) countries to enter Malawi have been reviewed and gazetted	Need to strengthen the vetting process before entering Malawi to ensure
Organize promotional events, festivals, groupings, and awards for the youth in creative arts and sports	2021-2030	Inadequate Information		Ministry of Tourism	Promotional events, both locally and internationally, have shown promising progress.	None
Preserve museum artifacts, and specimens and upgrade the retrieval system	2022-2030	No information		Ministry of Tourism		None
Completed		0%				
Started: On track		35%				
Started: Slow progress		53%				
Started off track		6%				
Not started/No info		6%				



# Enabler 1: Mindset Change

In the pursuit of transforming Malawi into a lower middle-income nation and achieving the Sustainable Development Goals (SDGs) outlined in the MIP-1, the Mindset Change Enabler emerges as a crucial catalyst. The Enabler recognises that active participation in the nation's plans hinges on the individuals' thinking, perception, willingness, and ability to comprehend the intent behind these plans. A change in mindset can, therefore, create an enabling environment and lay the foundation for a self-reliant and inclusively wealthy nation. The achievement of an inclusively wealthy and self-reliant Malawi hinges upon the unwavering dedication of the populace, with a positive mindset, actively contributing to the nation's development trajectory. Realising the national developmental goals requires a fundamental

shift in perspectives and actions. Thus, fostering a paradigm shift at the individual, community, and national level is imperative to instil a culture of self-reliance, conducive to inclusive wealth creation. The MIP-1 underscores the importance of a value system promoting diligence, self-assurance, and moral ethics.

The implementation of 83 percent of the Mindset Change Enabler interventions commenced, with 41 percent of the interventions either on track or completed, an improvement from the 24 percent reported in 2022. However, aspects concerning patriotism appear to be experiencing delays. A graphical representation summarising the implementation progress of Enabler 1 is provided in *Figure 11*, below.

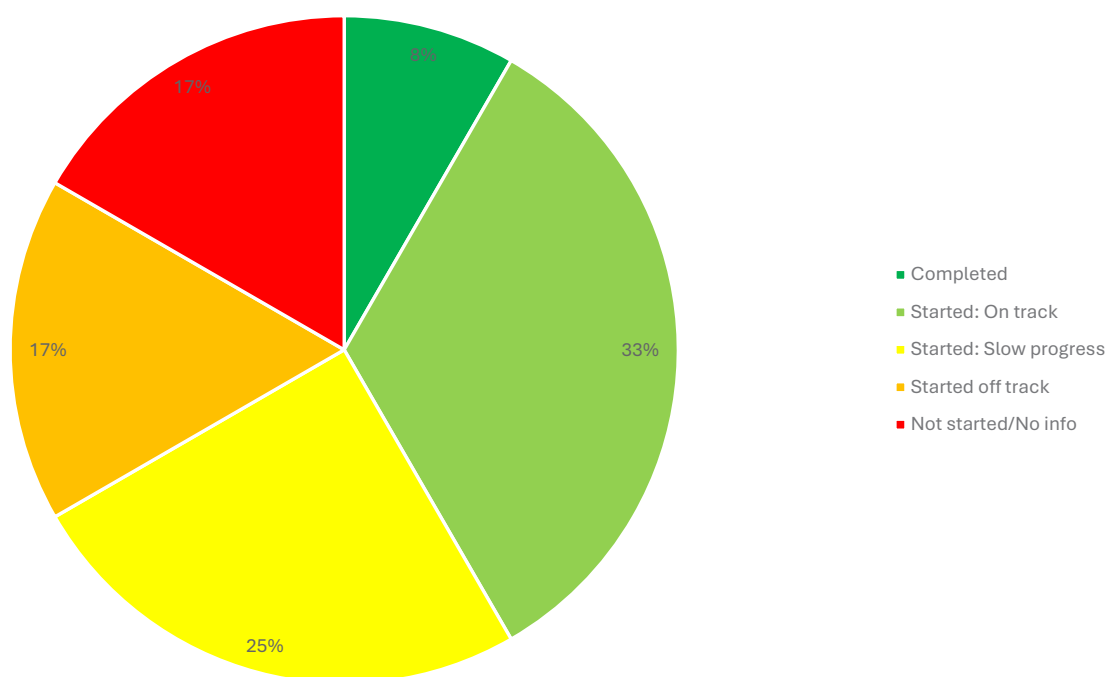


Figure 11: Overall implementation progress of Enabler 1 interventions

## Progress on Focus Area

### Priority Area E1.1: Legislation

Following the enactment of the Peace and Unity Act in 2022, the Government has established a Peace and Unity Commission. The Commission's mandate is to defuse conflicts and political violence, among others and to ensure harmonised programming within the space

in ensuring well-coordinated mindset change programmes. Further, the Government, through the Ministry of Local Government, Unity and Culture (MoLGUC) and NPC, is developing an Integrated National Mindset Change Programme.

## **Priority Area E1.2: Visionary and Transformative Leadership**

The country aims to create visionary and transformative leaders at all levels from the grassroots to the presidency. As a starting point, the Government is establishing Pabwalo, community hubs that serve as discussion forums on public issues. In 2023, the Government established eight (8) hubs in Karonga, Nkhata-Bay, Kasungu, Nkhotakota, Zomba, Machinga, Phalombe, and Nsanje. The hubs have also been included in the draft Civic Education Bill as part of the framework of structures that will facilitate civic education and mindset change at the community level.

NICE Trust conducted training in political, traditional, religious, and youth leadership and transformative leadership at the local level. These activities targeted opinion leaders because of their role as influencers. Among other things, the activities appealed to a mindset change in the communities so that they aspire for a positive change in the way development projects are perceived and implemented with a long-lasting impression for current and future generations. Definitions and descriptions of the mindset change focus areas such as visionary and transformative leadership, patriotism, religious values, integrity, hard work, self-reliance and building positivity were explained to different target groups. The target groups included traditional, faith, and political leaders; interest groups such as women groups, youth networks; the business community; persons with disabilities; and the general public. In some communities, there were immediate reactions that included practical ownership of some local development projects as a show of patriotism, as well as demand for more accountable and transparent service delivery in the public service. Fifty-six (56) engagements were conducted targeting 560 participants (336 males and 224 females) across the country.

### **Priority Area E1.2: Patriotism**

As a way of instilling patriotism, the Government, through the MoLGUC, continued to

commemorate cultural diversity in unifying the nation, including promoting national pride on Umodzi Day. In November 2023, the President, His Excellency Dr Lazarus McCarthy Chakwera, declared that the day be commemorated every first Thursday of November.

### **Priority Area E1.3: Religious values**

The MIP-1 advocates for the orientation of religious groups to promote mindset change towards hard work, inclusive wealth creation, prosperity, and self-reliance. In 2023, a number of non-state actors such as the Malawi Economic Justice Network (MEJN) spearheaded the coordination of religious leaders in following up on the implementation of the MIP-1. Through the *"Fighting Inequalities in the Social Sectors" Programme*, MEJN continues to engage religious leaders with regards to their role in the implementation of the MIP-1. Some key players in this space include the Catholic Secretariat and World Vision International.

### **Priority Area E1.4: Integrity**

The MoLGUC, in collaboration with the Ministry of Education (MoE) through the Malawi Institute of Education (MIE), started the processes of reviewing curricula for primary and teachers' education with support from the Boma Lathu Programme as a way of inculcating integrity, ethics and entrenching the spirit of ownership of national development.

The Anti-Corruption Bureau (ACB), in conjunction with MoE and MIE, launched the Anti-Corruption Source Book on 6th October 2023 with support from the UNDP. Five hundred (500) copies were printed for piloting in select schools in four (4) districts of Rumphi, Lilongwe, Machinga and Blantyre. A baseline survey is underway in the said select districts to assess the current status of knowledge on anti-corruption, ethics and moral values among children before the Source Book is rolled out to schools for implementation.

### **Priority Area E1.5: Hard-work and Self-reliance**

The Ministry of Youth and Sports empowered 150 district and community stakeholders responsible for overseeing the National Youth

Service (NYS) Programme. These stakeholders underwent induction into the NYS Programme and received training as trainers in Mindset Change and Business Management. Utilising district councils as conduits, a total of 3,582 youths from sixty (60) youth groups nationwide benefited from the Skills and Entrepreneurship Development Pathway. This comprehensive programme encompasses training in Mindset Change, Entrepreneurship, Business

Management, and Technical and Vocational Skills. Efforts are underway to ensure that the NYS Programme has the active participation of non-state actors through the provision of seed capital to youth cooperatives that can operate viable and profitable businesses across the country, including undertaking community social responsibilities such as rehabilitating local infrastructure; e.g. roads, bridges, and afforestation programmes

## National Youth Service (NYS)



Government through the Ministry of Youth and Sports, is implementing the National Youth Service Programme to address youth unemployment in the country. Youth groups are trained and in turn develop business plans. Based on the developed business plans, each group undergoes technical and vocational skills training under TEVETA. In the fiscal year 2023/2024, the program successfully reached 3,628 youths, making significant progress towards its target of 5,000 beneficiaries. Among these beneficiaries, 1,936 were female youths, while 1,704 were male youths.

### Priority Area E1.6: Building Positivity

Throughout 2023, the NPC identified *Ndizotheka* Initiatives for scaling. The *Ndizotheka* Initiatives aim to inspire optimism and highlight exceptional endeavours by local entrepreneurs, public and private institutions, other non-state actors and communities nationwide. By showcasing these initiatives, the programme seeks to encourage confidence and positivity among citizens while emphasising the attainability of the MW2063

through collective efforts. From this process, impactful and positivity-building initiatives were identified and categorised according to the MW2063 Pillars and Enablers. The initiatives profiled for scaling up were: Solar Energy and Ecology Institute; Apoche Fish Feed Factory; Montemo Chemical Fertilizer; Chingalire Cultural Village; Ntchanga Irrigation Scheme; and Mach Milk Company.

**Table 4: Implementation Progress of Enabler 1 Key Interventions**

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
<b>Legislation and Institutional Capacity Building</b>						
Develop a robust nation-wide communications strategy through which messages on mindset change will be created and disseminated	2021-2022	On track	Recurrent	MoLGUC	A strategy was developed and for it to be effective a consultant was engaged through the Boma Lathu Project with funding from the EU to draft a Civic Education Bill that will regulate and enhance the coordination of the civic education space. Validation of the draft is currently in progress. Through the same project, a consultant will be engaged to finalise the Civic Education Handbook	Slow funding in the year. Need for collaboration among stakeholders as well as resource mobilisation
Legislate criminalization of all harmful cultural practices	2022-2023	Off track	Recurrent	MoLGUC		None
Facilitate the enactment of the National Unity Bill.	2021-2022	Completed	Recurrent	MoLGUC	The Bill was enacted in 2022	None
<b>Visionary and transformational leadership</b>						
Mainstream participation of marginalised, vulnerable, and disadvantaged groups in the formulation, implementation, and realization of development plans	2021-2030	On track	Recurrent	MoLGUC	A deliberate direction has been enforced to ensure VDCs and ADCs composition includes men, women, and youth, at a minimum. Special interest groups, including people with disabilities are also deliberately targeted to be in development structures at the community, district, and national level	None
Establish and sustain local hubs and/or platforms (Pabwalo) as discussion forums for the communities to discuss public issues, including at the ADC level	2021-2030	On track	Boma Lanthu Project	MoLGUC	Eight (8) hubs were established. A concept to mainstream and speed up the operations/ functionality of hubs was developed. Further, the hubs have been included in the draft Civic Education Bill as part of the community civic education structures	Need to expedite the process
<b>Patriotism</b>						
Institute a cultural week as a hub for cultural marketing, eco-tourism and national unity	2021-2022	Off track	Establish a cultural week for marketing, tourism, and unity	MoLGUC, Ministry of Tourism	No progress. It could be planned for commemoration as part of the Umodzi Day/Week in the last week of November each year	No funds to implement the project.
Scale up the best-buy Malawi strategy campaign	2021-2030	Slow progress		Ministry of Trade and Industry	Being promoted as part of an annual event largely with the support of UNDP	To be scaled up to go beyond event-based promotion
<b>Religious Values</b>						

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Orient religions to promote mindset change towards hard work, wealth creation, prosperity, and self-reliance	2021-2030	Inadequate information	Recurrent	MoLGUC	No progress reported. To be implemented as part of the National Mindset Change Programme	None
<b>Integrity</b>						
Revise school curricula to include ethics, integrity, and positive values	2022-2024	On track	Recurrent	Ministry of Education/MIE	The Ministry of Education has commenced the curriculum review of which one key aspect is mindset change	None
<b>Hard work and Self-Reliance</b>						
Introduce the National Community and Youth Service to nurture the self-help mindset	2021-2023	Slow progress	National Youth Service (NYS)	Ministry of Youth and Sports	Capacity has been built for 150 district and community stakeholders anchoring the NYS Programme. The stakeholders were inducted into the NYS Programme and were trained as trainers in Mindset Change and Business Management.  Initiated procurement of start-up materials for six (6) youth groups. Through the councils, a total of 3,582 youths from sixty (60) youth groups across the country are benefiting from the Skills and Entrepreneurship Development Pathway	Erratic financing is negatively impacting the delivery of the programme. Need to bring non-state actors on board and include sustainability mechanisms
<b>Build Positivity</b>						
Profile and scale up transformative development initiatives and locally generated innovations and technologies – Ndizotheka Initiative	2021-2030	On track	N d i z o t h e k a Initiative	NPC	The following local companies/ initiatives were profiled for scaling up: Yami Gemstone Lab and Exports Private Limited; Solar Energy and Ecology Institute; Apoche Fish Feed Factory; Montemo Chemical Fertilizer; Chingalire Cultural Village; Ntchanga Irrigation Scheme; Sky Energy Africa; Mach Milk Company; and Sharp Chemicals	None
Scale up innovation competitions and scholarships	2022-2030	Not started				None
Completed		8%				
Started: On track		33%				
Started: Slow progress		25%				
Started off track		17%				
Not started/No info		17%				

## Enabler 2: Effective Governance Systems and Institutions

The existence of effective governance systems and institutions fosters an enabling environment for sustainable national development. This entails functional and accountable institutions by which authority is exercised within the framework of the constitution and the law. This also includes the electoral processes, the capacity of the Government to effectively formulate and implement sound policies, respect for the rights of citizens, and, more importantly, the effective functionality of governance institutions that regulate and manage the economic and social interactions of citizens.

Malawi aspires for effective and efficient governance systems with strict adherence to the rule of law and to increase the Corruption Perception Index (score) from 34 in 2023 to at least 42 by 2030. Malawi must also protect,

sustain, and enhance the justice and peace that protects human rights and civil liberties. The world ranking on the Rule of Law (percentile rank) will have to improve from 44 in 2022 to at least 55 by 2030. Moving forward, the MIP-1 aims to improve the Mo Ibrahim Index of African Governance (IIAG) from the 54.6 percent (2021) to at least 60 percent by 2030. At the global level, Malawi will have to improve the percentile World Governance ranking from 32nd in 2019 to at least 40th position by 2030.

In the reporting period, 88 percent of the prioritised interventions under Effective Governance Systems and Institutions commenced implementation. Out of these, 47 percent are on track, an improvement from 23 percent in 2022. The implementation progress of Enabler 2 is summarised in *Figure 12*, below.

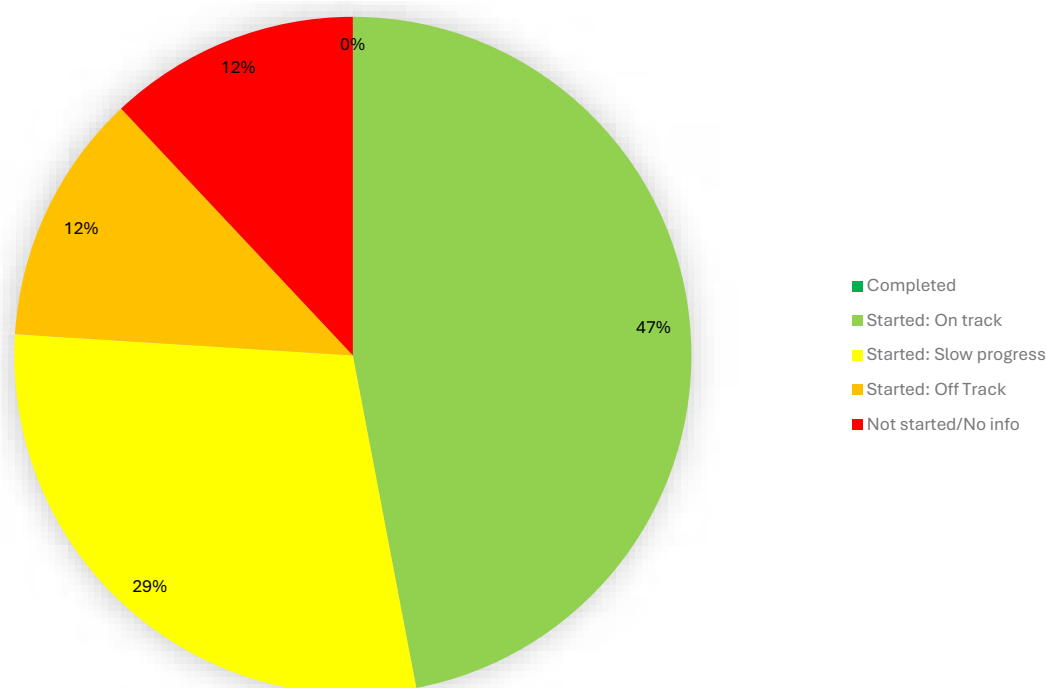


Figure 12: Overall implementation progress of Enabler 2 interventions

## Progress on Focus Area

### Priority Area E2.1: Rule of Law

As of April 2023, the Judiciary had registered 311 corruption cases in the Magistrate Court and managed to conclude 65 percent of the cases; while the High Court concluded 1 of the 6 cases registered. As for gender-based violence cases, the Magistrate Court registered 7756 cases of which 60 percent of the cases were concluded, while the High Court did not conclude the only one case it had registered. The average time taken to prosecute all types of cases was 51 months.

### Priority Area E2.3: Sound financial and economic management

On economic governance, the country prioritised diversifying development financing options, reducing the debt GDP ratio, and combating public finance-related fraud. However, the public debt stock rose by 38 percent from 6.84 trillion (or 63 percent of GDP) at the end of March 2022, to 9.4 trillion (or 75 percent of GDP) in March 2023 and 12.56 trillion (or 84.8 percent of GDP) by end of December 2023. The rising public debt stock is on account of the persistent budget deficit and response to climatic disasters.

### Priority Area E2.4: Sustainable peace and security

The 2023 crime rate was 217 per 100,000 population, a reduction from 234 per 100,000 population in 2022. The reduction in crime rate could be attributed to the improvement in police-to-population ratio. Police-to-population ratio has reduced from 1 police officer per 1378 people to 1 police officer per 1262 people, which is still below the 2023 target of 1 police officer per 1120 people. However, this ratio will improve further when over 1000 officers who

are currently undergoing training graduate at the beginning of the 2024/25 financial year. 50 new police houses were completed in 2023, compared to only 15 in 2022.

The country aspires to have less than 13 percent of the detainees to be un-sentenced by 2030. In 2023, 4,474 (28 percent) detainees in Malawi prisons were un-sentenced out of a total prison population of 15,978, a 7 percent increase from the year 2022. Un-sentenced detainees do not qualify for pardons. There is a need to accelerate the delivery of justice if Malawi is to achieve its aspiration. The increase in the number of un-sentenced prisoners was caused by delays by courts to confirm cases. In the same year, there was no reported incident of death in police custody as a result of police actions.

During the reporting period, the rehabilitation of the Salima Immigration Office was completed and is now awaiting equipment installation; and the rehabilitation of the Mzimba Immigration Office was at an advanced phase, while the rehabilitation of the Nkhotakota and Kasungu Immigration Offices had stalled due to low funding levels.

In 2023, there were 217 incidents of crime reported per 100,000 population, a 1.19 percent decrease from 234 in 2022; which is a positive trend toward the attainment of a safe and peaceful environment. The MIP-1 target is to reduce the crime rate to below 1.1 percent by 2030.

## Security Houses



The project to construct 10,000 houses for MDF, Police, Prisons, and Immigration is planned in three phases, with 1,028 houses in the first phase. In 2023, 50 new houses were completed, up from 15 in 2022. Currently, 943 houses in phase 1 are under construction, with 196 at 90% completion and 797 at 40% completion level. Phases 2 and 3, totaling 8,972 houses, are yet to start. The Ministry of Lands has awarded contracts to 75 contractors for building 2,300 houses in phase 2.



**Table 5: Implementation Progress of Enabler 2 Key Interventions**

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
<b>Legislation and Institutional Capacity Building</b>						
Develop and implement a secure digital electoral system	2022-2024	Slow progress			The Malawi Electoral Commission (MEC) is digitizing the electoral processes and systems. A supplier for new equipment was identified and piloting of the new equipment is likely to take place in July 2024. The new equipment will be used to capture voter data and registration and processing of nominations of candidates	None
Enforce a public expenditure tracking system	2021-2030	On track	Rolling out of IFMIS modules	MoFEA	The new IFMIS records all expenditures of the Government and acts as a tool for tracking expenditures; and has already been rolled out in all MDAs, including OPC and the Malawi Defence Force (MDF)	IFMIS rolled out in all MDAs
Introduce and sustain public hearings/inquiries on the performance of public functionaries	2022-2030	Inadequate information				None
Decentralise to district levels all public offices of governance oversight institutions (such as Anti-Corruption Bureau (ACB), Ombudsman, Office of the Director of Public Officers' Declarations (ODPOD))	2021-2030	On track	Recurrent	Various	Ombudsman has fully operationalised in four (4) districts. Legal Aid is currently in seventeen (17) districts and efforts to decentralise to the remaining districts are underway. The ACB has identified Karonga, Mchinji, and Mangochi districts to widen access to its services. ODPOD has engaged the DHRMD on the decentralisation drive. Preparations are underway for the setting up of the Directorate of Public Prosecutions Eastern Region Office. The Directorate is working with the Ministry of Lands to secure and renovate office space	Inadequate resources to facilitate the speedy establishment of satellite offices.  The lack of office spaces in the districts is another challenge
Build institutional and human resource capacity in the judicial system to handle cases timely	2021-2025	On track	Recurrent	Ministry of Justice	Several officers from the Ministry of Justice (MoJ) have gone to a number of trainings as follows: Seventeen (17) officers have undergone 8 different training programmes primarily on investigations; Seventeen (17) officers have attended a refresher course for prosecutors at the Malawi School of Government in Blantyre. The Financial Intelligence Authority (FIA) recruited five (5) members in the Monitoring and Analysis Department and ten (10) officers underwent training in analytical and investigation methods, and financial manipulation analysis	None

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Construction of Judicial Complex in Lilongwe	2021-2025	S l o w progress	Judicial Complex Project	Judiciary	A consultant was procured and is currently working on developing the designs. Designs are expected to be finalised in 2024. The Government has allocated funds for the construction of a perimeter fence. Following the expiry of the 'notice of intention to award a contract,' there will be a pre-contract meeting with the contractor in early 2024	None
Construction of offices for governance institutions	2021-2030	S l o w progress	National Audit Office Complex	National Audit Office	The project is in the pre-design stage	Inadequate financing is a challenge
			ACB Office Complex	ACB	The project is in the detailed design stage	Inadequate financing is a challenge
Improving court infrastructure (including construction of new primary courts)	2021-2030	On track	Recurrent	Judiciary	The Judiciary has rehabilitated six (6) courts, namely: Likoma Magistrate Court, Bolero Magistrate Court, Chipoka Magistrate Court, Dowa Magistrate Court, Rumphu Magistrate Court, and the Supreme Court building.	None
			Chilungamo Project - EU	Judiciary	Another ten (10) courts were rehabilitated under the Chilungamo Project funded by the EU	
Ringfence allocation to the development budget at an annual minimum of 25 percent of the national budget	2021-2030	On track	Development of the National Budget	MoFEA	For the 2023/24 Budget, the allocation to the development budget (including donor resources) stands at 30 percent of the total budget. However, while the allocation is above 25 percent, there is no proof of ring-fencing. Nonetheless, tracking expenditure will be key	Need to ensure the tracking of expenditure
Integrate local and central Government IFMIS systems	2021-2024	S l o w progress	Recurrent	MoFEA	The intention is for all local government councils to use SAP IFMIS going forward, but the systems are not fully integrated. To decentralise the preparation of salaries through IFMIS, two servers were procured and installed for the HRMIS to enable localised access to the IFMIS for the processing of salaries. Further, eleven (11) servers were installed in the following districts: Chitipa, Mbelwa, Kasungu, Mchinji, Salima, Lilongwe, Balaka, Machinga, Zomba, Blantyre and Mulanje	There is a need to accelerate progress
Establish a Debt Retirement Fund	2021-2022	Off track	Establishment of the debt retirement fund	MoFEA	Only the strategy was developed; however, the sources of financing were identified by an established Task Force	There is need for further engagements with stakeholders

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Formalise the informal sector largely through monetary and fiscal incentives, as well as digitization of trading systems	2021-2030	On track	Implementation of the Domestic Revenue Mobilization Strategy	MoFEA  MRA	MoFEA introduced presumptive tax rates for small businesses whose turnover is less than K12.5 million to encourage compliance of small taxpayers. Further, MoFEA introduced “Block Management” to ensure that all traders, especially in cities and towns, are tax compliant; and ensure that the informal sector and all other small business are paying their fair share of taxes	The informal sector remains huge and requires more efforts to raise awareness on benefits of formalising
Establish the Malawi Peace and Unity Commission	2022-2023	On track	Recurrent	National Peace and Unity Commission	Malawi Peace and Unity Commission was established in 2022/23 under the Peace and Unity Act 2022; and eight (8) Commissioners have been appointed, and confirmed by PAC. The Commissioners will commence work once the secretariat and budget vote are in place	Limited resource is a challenge
Integrate security databases	2022-2024	S l o w progress			The Visa system is integrated with Interpol and also aims to integrate with a new system called MIDAS as IBCS is phasing out. MIDAS is yet to be installed at all borders. The permit system is, however, integrated with MRA, FIU and Interpol	None
Construct houses and hostels for army, police, immigration and prison officers	2021-2026	On track	Construction of 10,000 housing units for security institutions	Ministry of Lands	196 out of 231 houses in Phase 1 Lot 1 at various stages of completion.  Twenty (20) prison houses completed and handed over to Mzuzu Prison  Ten (10) police staff houses at Jenda in Mzimba at 99 percent completion	1. Delayed procurement processes - the Ministry will be commencing preparatory works early on and implementing some activities across the phases concurrently. 2. Land encroachments in four other sites- moving forward, beneficiary institutions will have to secure their land first. 3. Delays in compensating affected people in some sites - beneficiary institutions to be identifying sites that will not require payment of compensation

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
					<p>40 houses at over 90 percent completion at Mvera Support Battalion in Salima</p> <p>146 houses at an average of 65 percent completion across the country</p> <p>787 houses (Phase 1 – Lot 2) at an average of 45 percent completion. For phase 2, land identification and site verifications were conducted in the 154 sites (in 27 districts). Topographic surveys were completed in 65 of the 154 sites</p> <p>Procurement process in progress for 2300 houses in phase 2. Soil testing for high-rise buildings in phase 2 is underway. For phase 3, construction sites were submitted by all beneficiary institutions</p> <p>The Ministry put in place a dedicated Infrastructure Management Unit comprising of Government-seconded and recruited experts to expedite the implementation process. This is expected to improve coordination with contractors and close supervision.</p> <p>So far K 1,374,615,396.74 has been paid in compensation as part of the payment to project-affected people at Nguluyanawambe in Kasungu, Meru in Chitipa and Wandumu in Nkhata-Bay</p>	
Construct three (3) Regional Police Headquarters (Eastern Region - Zomba, Central East - Kasungu, South East - Luchenza)	2021-2030	Not started	PSIP	MPS	There is no progress on rehabilitation of the Eastern region and the construction of Central East and South East regions as the projects were not prioritised in the PSIP; therefore,	

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Establish Police Forensic Science Laboratory	2022-2030	S l o w progress	PSIP	MPS	The project is in the Pre-design phase. The drawings are available from the previous joint project with MACRA. The project will be done by Malawi Police after MACRA pulled out. The 2024/25 financial year works to be done are. 1. Review of drawing to match with police needs. 2.Tendering of project 3.Evaluation of tenders 4.Identification of contractor. The sum of MK200,000,000 was approved for the project in 2023.	
Build capacity in forensic investigation	2022-2024	On track	UNDP spotlight initiative	MPS	Cumulatively since 2022 about 200 police officers have been trained in forensic investigations at the University of Malawi. 4 police officers obtained a Master of Forensic Science in India	
Completed		0%				
Started: On track		47%				
Started: Slow progress		29%				
Started off track		12%				
Not started/No info		12%				

## Enabler 3: Enhanced Public Sector Performance

The objective of this Enabler is to have a world-class high performing and professional public sector for the efficient delivery of public goods and services. An efficient public sector plays a vital role in the effective delivery of public goods and services. An effective public sector will encourage better decision-making in enacting legislation; distributing income through mechanisms such as taxation or social security payments; and strengthening accountability for the stewardship of state resources. The public sector is a substantial employer that plays a key role in the social and economic growth of the country.

To improve the efficiency of Government operations, eighty-seven (87) systems were developed as a way of digitising public processes

and operations. In addition, nine (9) systems are interfacing through the Malawi enterprise architecture and interoperability framework, surpassing the target of 1. The number of complaints against public institutions for corruption has, however, increased from 329 in 2022 to 391 in 2023.

The implementation of 84 percent of prioritised interventions under the Enabler commenced and 42 percent were on track, while 16 percent have not started or lacked information to assess, see *Figure 13*. The implementation progress is an improvement from 2022, where only 17 percent were on track.

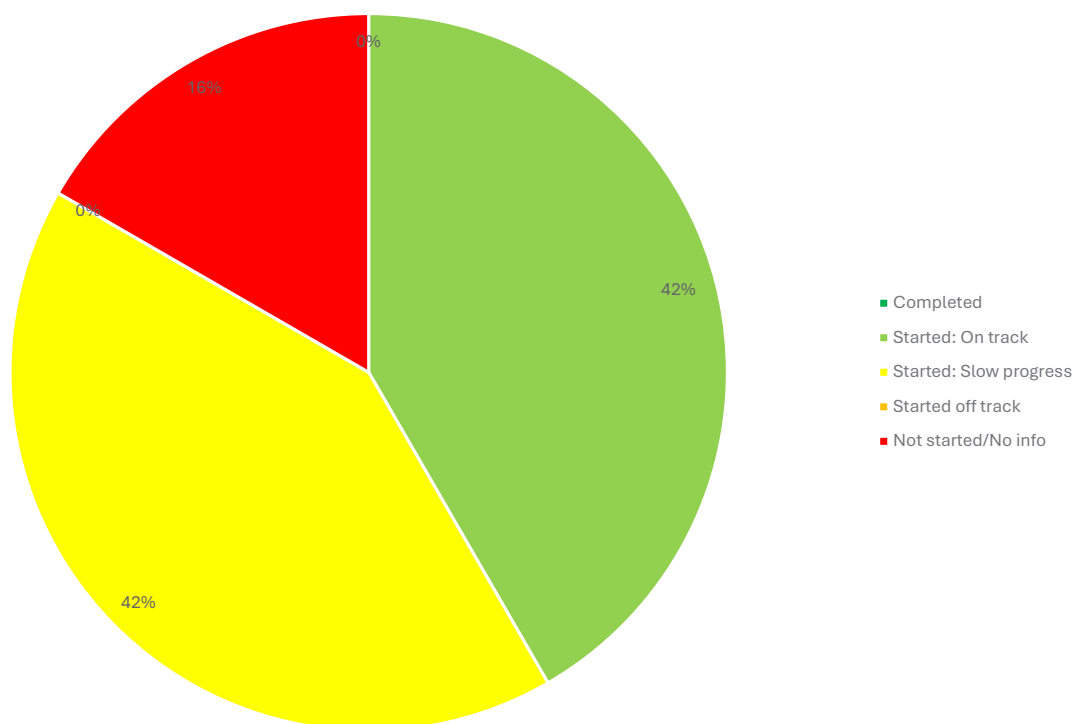


Figure 13: Overall implementation progress of Enabler 2 interventions

### Progress on Focus Area

#### Priority Area E3.1: Legislation and Institutional Capacity Building

The National Digitalisation Policy (2023-2028) and the Digital Economy Strategy (2023-2028) were finalised. The National Digitalisation Policy (2023-2028) was approved by the Cabinet and awaits its launch in the 2024/2025 financial year.

The Digital Economy Strategy (2023-2028), on the other hand, will operationalise the National Digitalisation Policy. The Digital Economy Strategy (2023-2028) will increase the provision of public digital services, e.g., e-agriculture, e-health, and digital traded services. Another progress in the intervention was the enactment

of the Data Protection Act which will enhance the implementation of the National ID system and other Government systems that collect personal data.

In the quest to build the institutional, technical, and human resources capacity in public institutions, a total of fifty-four (54) public servants went for long-term training, while sixty-five (65) public servants went for short-term training. In addition, the DHRMD conducted on-the-job training sessions for seventy-two (72) employees from twelve (12) local councils on the usage and management of the Human Resource Management Information System (HRMIS) and payroll module.

### **Priority Area E3.2: Public Sector Reforms**

The Government, through the Ministry of Lands, prioritised the construction of the Twin Tower

Building at Capital Hill. During the reporting period, the procurement process of designs for the Twin Towers started with the floating of adverts requesting for the submission of bids to provide architecture designs. To enhance public sector performance, the Malawi School of Government (MSG) was established with the enactment of the MSG Act (No.33 of 22). The MSG has merged the old Malawi Institute of Management (MIM), now the MSG Kanengo campus in Lilongwe, and the old Staff Development Institute, now the MSG Mpemba campus in Blantyre. The MSG has rolled out various capacity-building programmes targeting public officials. In addition, the Government has developed an individual performance management system handbook to provide the framework for rewarding and sanctioning public officials.

## **Malawi School of Government**



Malawi School of Government was established to train Civil Servants in the country to increase capacity and service delivery. The school integrates Malawi Institute of Management and Mpemba Staff Development Institute. The mission of MSG is to build capacity of the public service and the private sector through training, research, consultancy, and advisory services for enhanced performance. MSG has the task to develop capacities that will help to transform Malawi's public sector into centers of meritocracy, professionalism, and corruption-free zones.

### Priority Area E3.3: Public Service Delivery

To improve service delivery, the Government is accelerating the decentralisation of key services to local authorities and ensuring that key services are digitised and integrated. In the year under review, key services, including land management, had rolled out full devolution to local councils. In the same period, eighty-seven (87) modules of various public services were digitised and the integration is in progress. Some of the key systems which have been integrated include the e-visa and passport system which has been rolled out to all regions of the country. Further, an electronic procurement system was procured and will be installed in the 2024/2025 financial year.

### Priority Area E3.4: Ethical Conduct

The Government is working to build a public service that is corrupt-free and adheres to the rule of law. In 2023, the general public lodged 391 complaints to the ACB bordering on corruption

in public service. This is an 18 percent increase from the number of complaints lodged in 2022. The Government also commenced the rolling out of performance contract agreements with public officers. The Government is implementing public sector reforms to develop a public service that is professional and ethical. During the reporting period, MDAs were required to identify and develop their respective reform areas that are in line with relevant Pillars or Enablers of the MW2063 for reporting to the Cabinet. Through this process, Key Performance Indicators (KPIs) were developed for annual progress reporting.

Government has also developed frameworks for rewards and sanctions to enforce adherence to public service-related policies, laws and regulations in recruiting, rewarding, and sanctioning public servants. The frameworks include the Individual Performance Management System (IPMS) Operational Manual, Recognition and Rewards Policy, and Sanctions Policy.



*A representative of Central Medical Stores Trust (right) receives an award for being the most-compliant institution on Access to Information Act from Minister of Information and Digitalisation – Photo Credit: CMST*



**Table 6: Implementation Progress of Enabler 3 Key Interventions**

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
<b>Legislation and Institutional Capacity Building</b>						
Review and enforce the Malawi Public Service Regulations together with other public service laws and regulations	2021-2030	On track	Recurrent - Human Resource Management	DHRMD	<p>The Public Service Bill was drafted and is ready for presentation to the Cabinet. A Constitution (Amendment) Bill was drafted to support the revised draft Public Service Bill in terms of the harmonisation of Service Commissions.</p> <p>A Circular on the new Individual Performance Management System (IPMS) was issued. Rolled out the implementation of the IMPS with Phase 1 in eleven (11) select MDAs. Trained 67 master trainers (out of a target of 75) who will be responsible for IPMS training in MDAs</p>	No dedicated funding for the activity. However, there is support from UNDP to help with resource mobilisation
			Recurrent -Policy Management	DHRMD	<p>Frameworks for rewards and sanctions were developed and the Individual Performance Management System Handbook was drafted (with support from the Chandler Institute of Governance (CIG)). As part of the Individual Performance Management System Handbook, the IPMS Operational manual, Recognition and Rewards Policy, and Sanctions Policy were also developed and submitted to OPC. Development of Civil Service Workplace Anti-Sexual Harassment Policy and development of the guidelines for this policy is underway</p>	Lack of direct finance from the Government concerning this key task hence the delay
			Recurrent -Policy Management	DHRMD	<p>Heads of human resources in MDAs were oriented on the interpretation and adherence to various prevailing public sector policies and regulations. An External Pilot Phase will run in eleven (11) MDAs and eight (8) select councils.</p>	None

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Build the institutional, technical, and human resources capacity in the institutions that will be coordinating public sector performance (with adherence to minimum requirements)	2021-2023	Slow Progress	Recurrent - HRM	DHRMD	Supported eighty (80) people under the Malawi Government Scholarship Fund and donor funded scholarship programmes	Insufficient funds affect the programme
			Recurrent - HRM		Conducted the Leadership Development Program for thirty-two (32) Principal Secretaries and Heads of Government Agencies; co-facilitated the design and launch of the Leadership Milestone Programme for Directors and Deputy Directors at the MSG	
			Governance to Enable Service Delivery (GESD) Project		HRMS has been decentralised to districts, however DHRMD is yet to provide equipment to some local authorities and train staff	The system is unable to interface easily with other systems e.g. IFMIS
Construct Government offices to accommodate MDAs accommodated in rented premises	2021-2025	Slow progress	Government Offices at Capital Hill Phase 8 (GOCH 8)	Ministry of Transport and Public Works	The project is in the procurement phase. The Ministry is in the process of procuring consultancy services for the designs of the project	Delays in disbursement of funds to support preparatory activities
<b>Public Sector Reforms</b>						
Review and streamline the functionality of parastatals	2021-2023	No progress reported		OPC		None
Establish Malawi School of Government and Diplomacy (MSGD) with satellite centres in all the regions of the country	2022-2024	On Track	Public Sector Reforms	DHRMD	The MSG has since rolled out operations	None
<b>Public Service Delivery</b>						
Build capacity in the public service to effectively respond to citizen's demands	2021-2030	Inadequate information		OPC		None
Enforce the Access to Information Act	2021-2022	On track	Recurrent	Ministry of Information and Digitalisation	All MDAs have appointed Information Officers to facilitate information access and dissemination. These officers have been oriented on their roles by the Malawi Human Rights Commission (MHRC)	Need to enforce use of official email addresses as only 40 percent are active

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Integrate permit and visa systems with other key national systems	2021-2023	Slow progress	Public Sector Reforms -eGovernment	Department of Immigration	<p>The visa system is currently integrated with Interpol and aims to integrate with a new system called MIDAS as IBCS is phasing out. MIDAS is yet to be installed at all borders. Currently, the Department is in the process of improving the online payment gateway system (contract yet to be signed with Standard Bank).</p> <p>The Permit system was integrated with MRA, FIA, and Interpol. In addition, the Department is considering integrating the systems with other international systems, e.g., Advanced Passengers System. MIDAS timeframe is from 2024 to 2027</p>	Currently relying on ORT funding and need to ensure it is adequately allocated resources in the national budget
Rollout e-visa and passport system to all regions, districts and border posts	2021-2025	On track	Public Sector Reforms -eGovernment	Department of Immigration	Under the passport system, the Salima office has been rehabilitated and refurbished and the installation of LAN is at a 90 percent completion level. Currently, the rehabilitation of Mzimba office is at 75 percent completion level	Low funding to fully decentralize the passport system in the districts
					Equipment was procured and installed in regions, districts, and border posts; what is remaining is the installation of the e-visa system	Lack of funds to install Visa systems in regions, districts, and border posts.
Digitize the documentation, procurement and operations of all relevant Government services	2021-2024	On track	Public Sector Reforms -eGovernment	Ministry of Information and Digitalisation	Eighty-seven (87) systems were developed and upgraded such as E-Visa, E-Passport, AIP, NRB, SAP, and IFMIS. An electronic procurement system was procured, and 268 000 official email addresses were created, indicating 68 percent of progress	The plan is to develop more systems. Currently, seventy-six (76) out of eighty-seven (87) developed systems are in use.
Rollout the devolution and decentralisation process in its entirety to allow service delivery that is closer to the people	2022-2025	Slow progress	Recurrent	MLGCU	Development of lands, tourism, Department of Climate Change and Meteorological (DoDMA), mining, and fisheries devolution plans are at an advanced stage	The Devolution Policy is under review and is at the approval stage by OPC
			LGAP	MLGCU	Two (2) servers procured and installed at DHRMD using ORT. Eleven (11) servers have been installed in the following districts: Chitipa, Mbelwa, Kasungu, Mchinji, Salima, Lilongwe, Balaka, Machinga, Zomba, Blantyre and Mulanje	Connectivity problems: HRMIS servers not working properly; and upgrading of Local Area Network (LAN)
			Governance to Enable Service Delivery (GESD)	MLGCU	Seven (7) computers were procured and distributed to Dedza, Ntchisi, Neno, and Likoma	Shortage of equipment. DHRMD, with support from the Government and donors, provides equipment to local councils

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
<b>Public Service Delivery</b>						
Reform public service at national and local authority levels	2021-2025	Slow progress	Public Sector Reforms	OPC and Office of the Vice President		Needs acceleration
Completed		0%				
Started: On track		42%				
Started: Slow progress		42%				
Started off track		0%				
Not started/No info		16%				

## Enabler 4: Private Sector Dynamism

The MIP-1 underscores the role of the private sector in driving the country towards middle-income status by 2030. The Enabler aims to cultivate a dynamic and competitive private sector, essential for fostering structural transformation and nurturing a burgeoning middle class.

To enhance Malawi's economic competitiveness and attract investment, the MIP-1 has set targets to elevate the country's Global Competitive Index to a minimum of 57 by 2030; increase Foreign Direct Investment (net inflows) to at least US\$500 million; and raise domestic credit to the private sector to at least 27.8 percent of GDP by 2030.

The year under review encountered significant challenges, largely driven by exogenous shocks. These challenges included a surge in inflation,

and instability of the Kwacha against major currencies like the US Dollar which necessitated a currency devaluation, reduced import cover, and a decline in domestic credit to the private sector. Despite the challenges encountered in 2023, export growth registered positive results growing at 6.1 percent, thus signifying the potential and possibility that the private sector has instigating economic growth in the country.

In the reporting period, 76 percent of interventions under the Private Sector Dynamism Enabler commenced implementation, with 35 percent of the interventions either on track or completed; against 24 percent of the interventions which were on track in 2022. The implementation progress of Enabler 4 is summarised in *Figure 14*, below

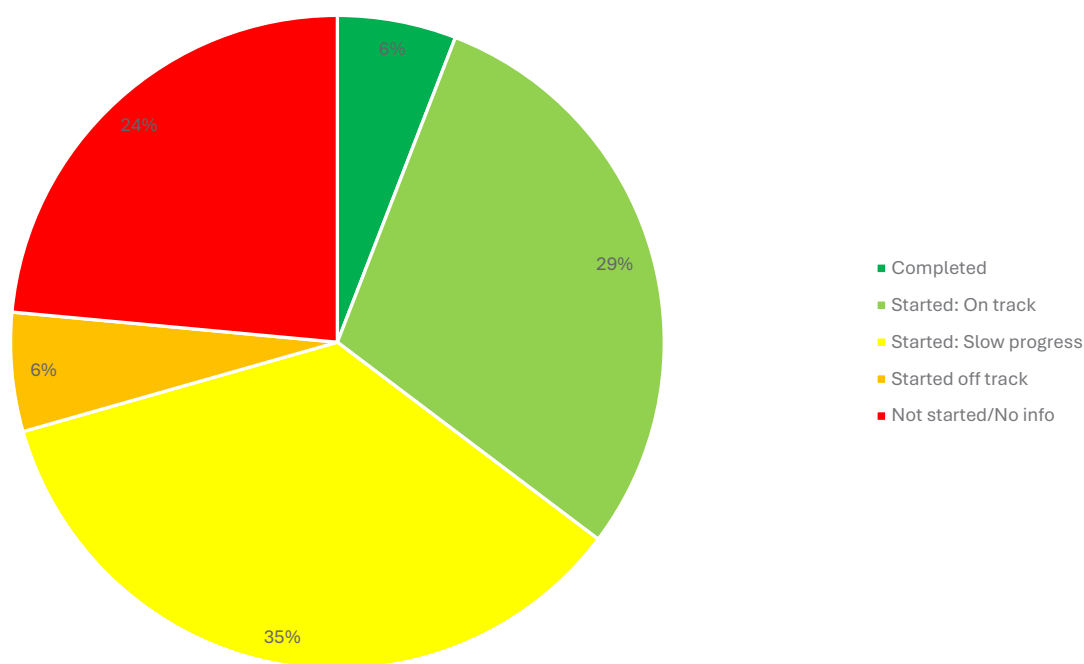


Figure 14: Overall implementation progress of Enabler 4 interventions

### Progress on Focus Area

#### Priority Area E4.1: Legislation

The Special Economic Zones (SEZs) Act and Investment and Export Promotion Act were enacted by Parliament and assented to by the President. These two pieces of legislation are expected to operationalise the Special Economic Zones framework under the MITC which is

empowered to act as the SEZs Authority. The development and drafting of the Micro, Small, and Medium Enterprises (MSME) Bill was completed in 2023 and the draft Bill is being processed for consideration by Parliament in 2024

Once enacted, the MSME legislation is poised to serve as a cornerstone for enhancing support mechanisms, fostering growth, and streamlining operations within the SME sector. It represents a proactive approach by the Government to address regulatory gaps and promote the sustainable development of SMEs. Furthermore, the draft Bill seeks to establish and operationalise an SME regulatory body.

#### **Priority Area E4.2: Creation of enabling business environment**

On economic governance, Malawi is targeting to have a stable macroeconomic environment with a minimum of 6 months of import cover by 2030, from around 1 month in 2023.

A stable macroeconomic environment is a prerequisite condition for creating a vibrant private sector. The MIP-1 underscores the need to develop such a business environment and enable economic infrastructure that is pro-investment.

**Private sector credit:** Despite a marginal decrease in the percentage of private sector credit from 8.6 percent of GDP in 2022 to 8.2 percent of GDP in 2023, the year-on-year growth of private sector credit in Malawi demonstrated a robust increase of 17.9 percent, rising from K1.0 trillion in 2022 to K1.2 trillion in 2023. Notably, 44.8 percent of the total credit extended has been directed towards the commercial and industrial sectors, fostering value addition within the country. This surge in private sector credit is indicative

of the banking sector's growing willingness to extend financial support, attributed to a reduction in the perceived risks associated with these sectors. The increase augurs well with the overall economic development and resilience of the Malawi economy.

#### **Priority Area E4.3: Micro, Small and Medium Entrepreneurship (MSME) development**

The development of MSMEs is paramount to fostering the active involvement of Malawians across diverse industries and fostering the growth of a resilient middle class. Within the framework of the MIP-1, the focus is on cultivating a vibrant MSME sector characterised by structure and adequate resources, enhancing access to finance for businesses and entrepreneurs, and elevating the quality of products originating from Malawi.

In the reporting period, the Government registered 899 new MSMEs under the SME Order. Cumulatively, 3677 operating MSMEs have been registered. These MSMEs are supplying different products to public institutions. Through this catalytic intervention, MSMEs have boosted their working capital to supply major supermarkets there by substituting some of imports.

Within the reporting period, the Government expanded operationalisation of the leather company in Blantyre which acts as a design and innovation centre for leather manufacturing in Malawi.

### **Revitalising Malawi Leather Design Studio and Incubation Centre**



Established in 2018 by the Government of Malawi with EU support, the Malawi Leather Design Studio and Incubation Centre aims to boost the country's leather industry. A significant milestone is the satellite depot in Blantyre, enabling SMEs to produce and sell leather products. The studio produces 150,000 pairs of shoes annually, contributing to 50% of local production but far below local demand of 16 million pairs annually. Challenges include sourcing local materials and obtaining foreign exchange for imported raw material imports.

#### **Priority Area E4.4: Anchor firm development**

This priority area promotes the establishment of anchor firms across strategic sectors of the economy. The MIP-1 seeks to promote large-scale firms with strong connections to small and medium local firms that can access global market value chains such as Sparc Systems. Malawi is already a signatory to regional and international agreements that allow the exportation of products at preferential rates.

During the period under review, the Government re-established the Malawi Development Corporation Holdings Limited (MDC Holdings

Limited). The re-establishment of MDC Holdings Limited is a big step in catalysing investments in green fields, including mining and manufacturing.

The Government is also rolling out investments through large-scale cooperatives. To this end, two secondary cooperatives have been established to facilitate primary-producing cooperatives to venture into processing of their raw materials. The secondary cooperatives have been established in Mchinji (processing oil seeds and grains) and Mulanje (processing fruits).



*Private sector Office complex at City Centre in Lilongwe – Photo Credit: Sparc Systems Limited*

**Table 7: Implementation Progress of Enabler 4 Key Interventions**

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
<b>Legislation and Institutional Capacity Building</b>						
Facilitate the enactment and gazetting of the Special Economic Zones Bill	2021-2022	Completed	Recurrent	Ministry of Trade and Industry	SEZ Bill passed into law in November 2023	Development of regulations to operationalise the SEZs Act is underway with support from UNECA
<b>Creation of Enabling Business Environment</b>						
Manage monetary policy to stabilize interest rates, exchange rates and inflation that beats regional averages	2021-2030	Slow progress	Recurrent	RBM	Inflation skyrocketed closing the year at 33.1 percent, with an annual average of 28.8 percent from an annual average of 21 percent in 2022. The gap between the official exchange rate and the parallel market widened further resulting in a significant exchange rate misalignment that led to a 44 percent re-alignment in November 2023. To counter the inflationary and exchange rate pressures, the bank raised the policy rate twice from 18 percent to 24 percent.  However, by December 2023, the exchange rate gap significantly narrowed, and the outlook improved	The domestic economy faced multiple challenges in the year, including scarcity of foreign exchange as the trade balance kept widening.  Fiscal policy, external sector policy, monetary policy as well as the real sector must be working together to achieve the same goal
Provide fiscal and monetary incentives for helping businesses to build back better from COVID-19 effects	2021-2023	On track	FinES Project	MoFEA RBM	Financial Inclusion and Entrepreneurship Scaling (FInES) Project aims at increasing access to financial services, promoting entrepreneurship and capabilities of Micro Small and Medium Enterprises (MSMEs) in Malawi including addressing COVID-19 implications by supporting SMEs access cheaper credit through MFIs.	None
<b>Digital Economy Promotion</b>						
Provide fiscal incentives that promote digital services through reduction in device costs	2021-2022	On track	Recurrent	MoFEA	Reduced duty on Point-of-Sale Machines  Removed withholding tax on mobile wallets or Electronic Funds Transfers (EFT)	None
<b>MSME Development</b>						
Implement the MSME Policy	2021-2030	On track	P r o m o t i n g MSMEs	Ministry of Trade and Industry	Implementation of MSME Policy is on track. Draft MSME Bill which is currently being processed for consideration by Parliament will provide the institutional and legal framework to support the implementation of the policy	None



MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Institute an MSME regulatory board	2022-2023	Off-track			The draft MSME Bill covers the institutional and legal framework to support policy implementation	Need to accelerate progress
Establish and sustain a Public-Private Dialogue (PPD) forum for SMEs and Cooperatives	2021-2030	On track	P r o m o t i n g MSMEs	Ministry of Trade and Industry	The Ministry developed Terms of Reference (ToRs) for the PPD forum. The draft MSME Bill provides the institutional and legal framework to support policy implementation	None
Set up sector specific Design and Innovation Centres (jewellery, fashion, wood, leather, etc.)	2023-2026	Slow progress	P r o m o t i n g MSMEs	Ministry of Trade and Industry	A leather design studio was opened in Blantyre	None
Restructure and recapitalize financing instruments for business finance for youth, women and persons with disabilities	2021-2025	Inadequate information	FARMSE and FinES Project	MoFEA	Providing capital to recapitalize through banks and MFIs focusing on reducing collateral requirements, and provision of tailor-made financial products.	None
Expedite automation of licenses and permit systems to allow interoperability among designating authorities	2022-2023	Slow progress	D i v e r s i f y i n g financing sources for MSMEs	Ministry of Trade and Industry	The Ministry, with support from UNDP, developed the Malawi Electronic Trade Licensing System. The System aims to streamline and automate the process of issuing trade licenses; and simplify the licensing procedure for businesses and traders, thus making it more efficient, transparent, and accessible. Development of the electronic system has been delayed as the consultant is yet to finalise the work	None
Establish special purpose vehicles (SPVs) for major partnership projects with private sector	2022-2023	Inadequate information	Project Preparation Facility (PPF)	MoFEA	Through the Project Implementation Facility, Government intends to improve readiness of submitted projects hence ensuring bankability of Public Investment Projects including PPPs.	None
<b>Anchor Firms</b>						
Establish the Development Catalysing Corporation as a trailblazer parastatal to set up anchor firms in alliance with the private sector	2021-2024	Slow progress	Recurrent	MoFEA	The development entity has been duly registered as MDC Holdings Limited. Processes to operationalize the entity are already underway	Accelerate efforts for operationalising the MDC Holdings Limited
Provide tax incentives to firms (both local and foreign) investing in priority sectors of the economy as guided by the MW2063	2022-2030	On track	Provision of fiscal incentives for programmes such as Export Processing Zones (EPZs), Mega Farms, etc.	MoFEA and MRA	The Government, through the Taxation Act, VAT Act, and Customs and Excise Act. offers the following fiscal incentives: specific customs and excise tax incentives that cover ten (10) sectors, namely the construction sector, energy sector, tourism sector, agriculture sector, transport sector, mining sector, education sector, health	None

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
					sector, manufacturing sector, and export processing.  Further, the MRA implemented the exemption of duty, excise, and VAT on raw materials used in manufacturing, subject to approval (industrialisation); and exemption of duty, excise and VAT on industrial machinery and equipment. The MRA also did a comprehensive review of taxes	
Facilitate investment in the manufacturing of steel products, including from scrap metal	2022-2030	Slow progress	Recurrent	Ministry of Trade and Industry	The Ministry plans to commence value chain mapping from the sector and have the MDC Holdings Limited taking an active role	None
Develop the pharmaceutical sector, especially for products that are currently being imported	2022-2030	Slow progress	Recurrent	Ministry of Trade and Industry	The role of the Ministry is to provide a catalytic role and provide incentives that will attract investment in the pharmaceuticals	Facilitated the setting up of Crown Pharmaceuticals in Mapanga, Blantyre. More companies will be invited to invest in the SEZ Areas
Set up sector specific Design and Innovation Centres (jewellery, fashion, wood, leather, etc.)	2023-2026	On track	Recurrent	Ministry of Trade and Industry	Leather design studio in Blantyre	None
Expedite automation of licenses and permit systems to allow interoperability among designating authorities	2022-2023	On track	Digital Project Malawi	Ministry of Information and Digitalisation, World Bank	A framework which will enable integration and interaction of key systems in Government has been done. Already, nine (9) key MDAs, including National Registration Bureau (NRB), Public Procurement and Disposal of Assets (PPDA), and Immigration have been identified to run the pilot phase. Data Exchange and Digital Services Portal requirements were gathered. Prototype done and hardware installation done at both Blantyre production site and Lilongwe Accountant General DR site. A launch is scheduled in the 4th Quarter of the FY2023/24. Overall progress is at 80 percent	Resistance of some MDAs to connect to the framework
Completed		6%				
Started: On track		29%				
Started: Slow progress		35%				
Started off track		6%				
Not started/No info		24%				

## Enabler 5: Human Capital Development

The spine of the MW2063 aspiration of transforming the country into an inclusively wealthy and self-reliant nation rests on enhancing the economic productivity of the citizenry. Human resource as a key factor of economic production requires adequate skills to optimise its efficacy and efficiency. Malawi's human development index of 0.51 is an indication that the country needs to invest a lot in its human resources, specifically in education and skills development, health and nutrition, population management, gender equality and social protection to realise the desired human capital mix for production towards inclusive wealth creation and a self-reliant economy.

To actualise this vision, Malawi has identified eight (8) strategic levers, namely: health and nutrition; education and skills development; science, technology, and innovation; population growth management; water, sanitation, and hygiene; sports and creative arts; gender equality; and social welfare. The synergistic collaboration of these elements is anticipated to yield a globally competitive, highly knowledgeable

and healthy motivated labour force that can effectively contribute to national development.

A successful implementation of the MIP-1 demands positive changes in the quality of human resources by, among other things: improving in the key areas of literacy levels from 68.6 percent in 2019 to 81 percent by 2030; increasing life expectancy at birth from 64 years in 2019 to 74 years by 2030; and reducing stunting levels among under-five children from 37 percent in 2019 to 20 percent by 2030. It is also expected that during the period, the Gender Gap Index will improve from 0.664 in 2020 to 0.832 by 2030.

In the reporting period, 89 percent of the interventions under the Human Capital Development Enabler were under implementation; with 46 percent of the interventions either on track or completed, an improvement from 16 percent of the interventions which were on track in 2022. The implementation progress of Enabler 5 is summarised in *Figure 15*, below

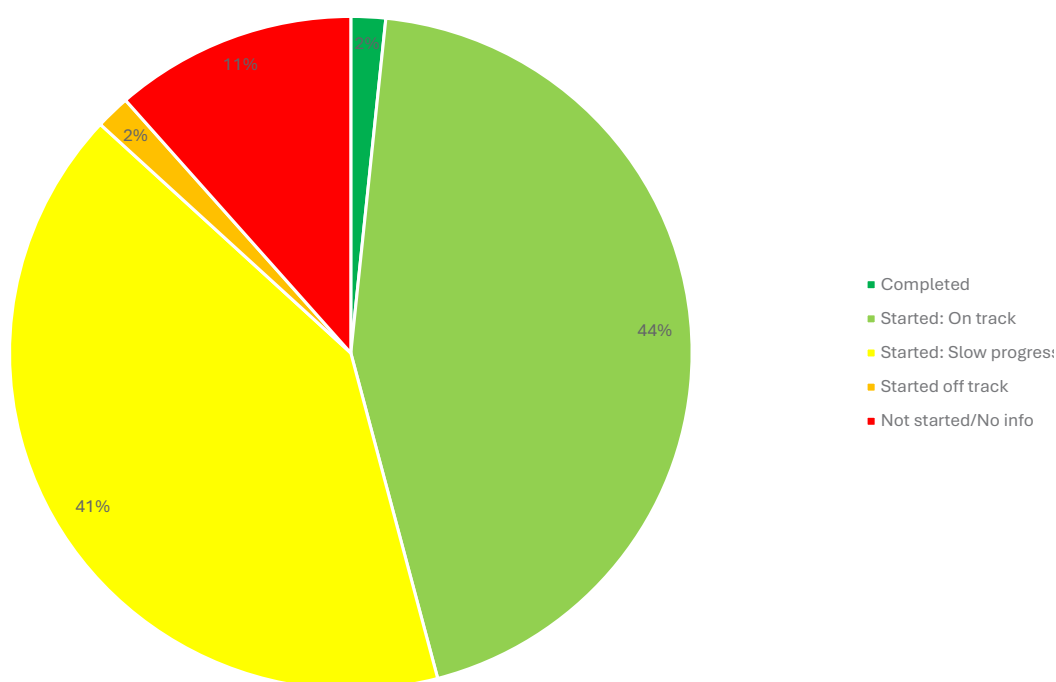


Figure 15: Overall implementation progress of Enabler 4 interventions

## Progress on Focus Areas

### Priority Area E5.1: Legislation and Institutional Capacity Building

*Legislation for mandatory early child, primary, and secondary education*

The Ministry of Education developed a new set of reforms among which is the review of the Education Act to make secondary education compulsory. Currently, the Early Childhood Development Policy which seeks to also make early childhood education compulsory, among others, is undergoing review. Primary school education is already compulsory for all school-going children but there is need for effective enforcement and improvement in infrastructure to fully achieve this.

#### *The national STI policy*

In the reporting period, an STI policy was drafted. The Nairobi-based Science Foundation for Africa was secured to finalise the policy. The policy is planned to be launched in May 2024.

*Review of the technical and vocational skills training curricula to increase trades that should meet the current market demands*

TEVETA is currently developing several curricula, including Leather and Leather Products, Industrial Engineering Technician, Refrigeration and Air Conditioning Mechanics, Upholstery, Street Vended Food, Meat Processing and Bee Keeping. These new trades have been developed in response to market demands. The National Skills assessment being supported under the Skills for a Vibrant Economy Project will inform further areas of curriculum development.

### Priority Area E5.2: Education Skills and Development

To enhance human capacity development, the education sector prioritised infrastructure development, aiming to ensure equitable access to quality education. New schools were established and commenced operations, accompanied by the rehabilitation and construction of classroom blocks. The

infrastructure development initiative has significantly improved educational accessibility for primary, secondary, and tertiary students, as evidenced from the following indicators:

- *The enrolment rate for primary education has risen to 91 percent, a notable increase from the previous year's 88 percent, although slightly below the targeted 92 percent. During the reporting period, a total of 693 classroom blocks were constructed in various primary schools across Malawi through Government supported projects and support from the Non-governmental Organisations (NGOs). Out of the 693 classroom blocks, 334 double blocks (which is 668 classrooms) were constructed through the Malawi Education Reform Programme (MERP) from the target of 10,500 classroom blocks; 3 double classroom blocks (6 classrooms) by World Vision Malawi; and 21 classroom blocks by the Mai Aisha Trust. This has increased the number of learners with learning space from 51,060 in 2022 to 86,640 in 2023.*
- *The net enrolment rate in secondary schools has experienced a minor decline to 17 percent from 18 percent last year, while the primary to secondary school transition rate has surpassed the 2030 target of 37.6 percent. The transition rate has surged to 47 percent from 36.5 percent in 2022, showcasing a commendable achievement. Additionally, there has been an equal transition rate of boys and girls to secondary school during this reporting period. With financial support from USAID, the Government is constructing fifty-nine (59) Community Day Secondary Schools (CDSSs) with thirty-four (34) completed, while the remaining twenty-five (25) are at various stages. Under the World Bank EQUALS Project, the Government is expanding the capacity of 103 CDSSs across the country.*

- *Tertiary education enrolment capacity increased from 64519 in 2022 to 74200 in 2023. Key interventions include the provision of student loans and capacity expansion in public universities. During the reporting period, a total of 22,423 students accessed loans through the Higher Education Student Loans and Grants Board; out of which 14,887 were male students and 7,536 were female students. The Ministry is implementing infrastructure development projects in all public universities and the two Colleges of Education – Domasi and Nalikule.*
- *Gender parity has experienced a reduction from the previous year in both primary (1.03 down from 1.05 in 2022) and secondary education (0.92 down from 0.96 in 2022).*
- *The primary completion rate has dropped from 56 percent in 2022 to 48 percent in the reporting period against the baseline target of 51.2 percent, while the secondary completion rate has increased from 19.4 percent to 22 percent in 2023. Withdrawals of students due to economic hardships and the high prevalence of teenage pregnancies among girls are identified as contributing factors to educational setbacks.*
- *Pupil to qualified Teacher Ratio increased to 65:1 from 62:1 in 2022 for primary school; while improving from 38:1 in 2022 to 26:1 in 2023 for secondary school. To ensure quality teaching and maintain the recommended pupil-teacher ratio, the Government recruited 2,257 primary school teachers and 2,293 secondary school teachers; and promoted 380 secondary school teachers. The Ministry is also undertaking a functional review for secondary education to ensure teacher levels reflect the increasing number of students.*

Overall, quality education has marginally improved in secondary school while in primary school, the quality has dropped. This is evident by the following quality indicators:

## SEED CDSSs/ SEED School Project



The SEED project, implemented with support from the USAID has completed 34 Community Day Secondary Schools (CDSSs), with two nearly complete and 23 under construction. Additionally, 88 of 118 secondary teachers' houses are 88.2% finished



The K3.5 billion UNIMA School of Economics, funded by the African Development Bank, has enhanced economic graduates' quality and increased university access. The new facilities include a 250-seat lecture room, two 100-seat classrooms, a 60-seat restaurant, a 100-seat undergraduate computer room, two 35-seat postgraduate lecture rooms, a 35-seat postgraduate computer room, and a 20-seat meeting room.

### **Priority Area E5.3: Science Technology and Innovation**

The Ministry of Education is mainstreaming Science Technology and Innovation into programmes implemented across all levels of the education system. One such platform is Milab whose objective is to allow students to conduct unlimited virtual experimentation in physics and chemistry, especially students in rural areas. During the reporting period, an additional fourteen (14) secondary schools had virtual laboratories, making a total of thirty-three (33) secondary schools with such laboratories. The Ministry has also trained over fifty (50) science teachers who are training fellow teachers and students in their respective schools and are earmarked to become Master Trainers to enhance knowledge and skills sharing.

### **Priority Area E5.4: Health and Nutrition**

The main objective of this priority area is to provide universal health coverage, which is of high quality, equitable and affordable to improve health status, financial risk protection, and client satisfaction. During the period of

reporting, Malawi registered significant progress in the improvement of the health and nutrition outcomes of its population as follows, among others:

- Spectrum results indicate that HIV prevalence among the 15 – 49 years old population has reduced from 7.05 percent in 2022 to 6.8 percent.
- The prevalence incidence rate for malaria has remained lower at 10.5 in every 1,000 people.
- The infant mortality rate has reduced from 40 per 1,000 live births to 36 per 1,000 live births, while the maternal mortality rate remained 27 percentage points higher than the projected 300 deaths in 100,000 live births despite 97 percent of the births being attended by skilled health personnel.

Of key importance has been construction and rehabilitation of health facilities at all levels, including finalisation of the cancer centre in Blantyre, recruitment of healthcare personnel and establishment of the National Health Fund.

## Transforming Healthcare: International Blantyre Cancer Centre



The center has the capacity to serve 10,000 patients annually. Services provided include computerized tomography scanning, radiotherapy, and chemotherapy, with plans underway to expand offerings to include magnetic resonance imaging, mammography, and brachytherapy in the future. Previously, there was no cancer centre in the southern region and only one cancer centre in Malawi at Kamuzu Central Hospital.

### **Priority Area E5.5: Water, Sanitation and Hygiene (WASH)**

On WASH, Malawi has reduced the proportion of the population reporting open defecation from 7 percent in 2022 to 5.8 percent in 2023 and increased the proportion of the population using safely managed drinking water from 88 percent in 2022 to 93 percent in 2023. The proportion of the population using improved sanitation facilities also increased from 55 percent to 57 percent in the period under review. The improved sanitation facilities include clean toilet and hand washing facility with soap and clean water.

### **Priority Area E5.6: Sports and Creative Arts**

To foster physical and mental development and cultivate careers in creative arts and sports with an international competitive edge, the Ministry of Youth and Sports is creating a conducive environment suitable for a thriving sports and creative art industry. The Ministry of Youth and Sports has formulated the Youth Mainstreaming Guidelines which is designed to facilitate the incorporation of youth-related concerns across

various sectors, particularly in the programmes and projects of MDAs. The endeavours of the Ministry of Youth and Sports appear to be yielding positive results, with 40 percent of sports disciplines participating in national competitions, exceeding the base value of 35 percent. The contribution of sports and creative arts to the national economy has been steadily increasing since 2020 when the share of sports and creative arts to GDP was 0.49 percent. In 2023, the share of sports and creative arts to GDP increased to 0.61 percent, a point higher than the target.

### **Priority Area E5.7: Gender Equality**

The main objective of this focus area is to address gender inequalities by empowering women and girls, facilitating their access to economic resources, and promoting their involvement in decision-making processes at various levels. In 2023 Malawi's score on the Gender Index was about 80 percent, surpassing the Southern Africa average score of 74 percent. The improvement of the gender score is on the backdrop of strides made on women empowerment. The proportion

of women in senior positions has improved. The Cabinet gender ratio meets the 40:60 threshold with 40 percent of the Cabinet members being women. The proportion of women in managerial positions stands at 32 percent; though below the 40:60 ratio, this is an improvement from the 26 percent reported in 2022. Despite such significant progress, the proportion of women aged 20-24 years who are married or in a union before age 18 remains at 38 percent while the gender-based violence prevalence is at 24 percent against the target of 10 percent. This means that gender-based violence is still a major issue which must be decisively addressed. However, the fight against early marriages is on the right track.

#### **Priority Area E5.8: Managing Population Growth**

The main objective of this focus area is to address the challenge of unplanned population. The aim is to manage the size and quality of the population which is to be characterized by a healthy, well-educated and skilled workforce, as well as a market provided by relatively wealthy individuals. To this effect, a revised National Population Policy was approved which will be central in implementing strategies aimed at managing the size and quality of the population in the country – building on the positive strides around the declining total fertility rates as well as infant, child and maternal mortality rates. Relatedly, the Ministry responsible for economic development is now responsible for coordinating population issues in the country

– a clear recognition of the cross-cutting nature of population issues hence requiring a multi-stakeholder and multi-sectoral approach beyond the health sector.

#### **Priority Area E5.9: Social Welfare**

This focus area is dedicated to ensuring that marginalised and vulnerable individuals receive support and essential social needs. At the national level, the proportion of the population covered by social protection floors/systems (programmes targeting households) stands at 12 percent, exceeding the targeted 6 percent. Notably, the beneficiaries are mostly women, constituting 55.4 percent. The Government actively distributed monthly transfers to beneficiaries of the Social Cash Transfer Programme across all twenty-eight (28) districts. Additionally, the Ministry implemented shock response transfers to assist victims of challenges such as Cyclone Freddy and fluctuations in food prices. In the 2023/24 fiscal year, a total of 323,900 social cash transfer households received monthly cash transfers amounting to K39.6 billion. Further, K33 billion was disbursed to 226,000 households through early recovery cash transfers in nine (9) Cyclone Freddy-affected districts. This initiative further supported 240,000 households in peri-urban hotspots of poverty in the cities of Blantyre, Zomba, Lilongwe, and Mzuzu, mitigating the impact of acute food shortages and price shocks. Details on the implementation progress of interventions under this enabler are provided in the *Table 8* below.



**Table 8: Implementation Progress of Enabler 5 Key Interventions**

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
<b>Legislation and Institutional Capacity Building</b>						
Legislate for mandatory early child, primary, and secondary education	2021-2023	Off track	Recurrent	Ministry of Education	The draft Education Bill is yet to be validated by stakeholders before being processed for submission to Cabinet and subsequent consideration in Parliament. The draft Bill includes making secondary education compulsory, among others. Primary education is already free and compulsory but requires effective enforcement. However, the process of making secondary education mandatory has not yet started	Accelerate the process of making secondary education mandatory
Review the non-formal education curriculum (Functional Literacy)	2021-2030	On track	Recurrent	Ministry of Gender -Child Affairs Department	Reviewing the Adult Literacy Education curriculum so that students can progress to an equivalent of standard 5 and 8 primary education has been done and now awaiting validation.	None
<b>Education and Skills Development</b>						
<b>Early Childhood Development</b>						
Formalize employment of Early Childhood Development (ECD) instructors	2022-2024	Slow progress	Recurrent	Ministry of Gender -Child Affairs Department	The Ministry is lobbying for an increase of caregivers on honoraria. ECD caregivers have not been formally employed and are lobbying for formal employment. The Ministry is advocating for the formal employment of ECD instructors, with efforts to increase their numbers and honoraria. Currently, 63,000 instructors are actively working but only 2,000 are on the Government payroll	None
Construct standardized gender and disability-friendly ECD structures	2021-2030	Slow progress	Investing in Early Years for Growth and Productivity Project (IEYP)	Child Affairs Department	The Project plans to construct 150 Model ECD Centres. In the year of reporting, significant progress was achieved with the construction of 75 model Community-based Child Care Centres (CBCCs) under IEYP across 10 districts, namely Nsanje, Chikwawa, Thyolo, Neno, Machinga, Mwanza, Rumphi, Chiradzulu, Ntcheu, and Mchinji. The model CBCCs include teaching rooms, kitchens, child-friendly washrooms, and communal gardens	Slow progress by contractors in the upgrading of the CBCCs
Design and implement a mentorship and training programme for ECD instructors	2021-2030	On track	Recurrent	Child Affairs Department	Provided Integrated training for 3,400 ECD instructors and mentors. 3,200 CBCC caregivers received an integrated training package. Currently, only 40 percent of the 63,000 hired instructors have been trained	Inadequate resources to train more caregivers

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
<b>Primary and Secondary Education</b>						
Construct new primary schools; new classrooms in existing primary schools; new secondary schools; and laboratories in secondary schools and in primary schools	2021-2030	On track	Construction of 14 New Primary schools in Urban areas	Ministry of Education	Commenced the construction of fourteen (14) urban primary schools out of which two (2) were completed and commissioned, 4 were partially completed as children started learning though teachers' houses were yet to be constructed. Construction for the remaining eight (8) schools is at different levels.	None
			SEED (USAID)-Rural Phase II	Ministry of Education/ USAID	Fifty-nine (59) new CDSSs are under construction. Across the country, 34 CDSSs have been constructed under the Secondary Education Expansion for Development (SEED) Project and are in operation. Two (2) CDSSs are almost complete and are awaiting handover. The remaining twenty-three (23) CDSSs are still under construction at different stages	
			EQUALS	Ministry of Education	Under the Equity with Quality Learning at Secondary (EQUALS) Project, progress is being made for the expansion works of 103 secondary schools, currently at 90 percent. The project scope includes sixty-five (65) new classroom blocks, forty-five (45) ICT/library blocks, eighty-nine (89) twin laboratory blocks, and 105 latrines. With additional financing under the same EQUALS, the project is constructing cost-effective classroom blocks in ninety-two (92) secondary schools whose progress is at 60 percent	None
			Construction of library and hostel at Mdika CDSS	Ministry of Education	Construction of a library and girls' hostel at Mdika CDSS was completed	To be handed over in 2024
			MERP -	Ministry of Education	Construction works for 334 classroom blocks (668 classrooms) across the country is underway	None

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
			Construction of Schools by Mai Aisha Trust	Mai Aisha Trust	<ul style="list-style-type: none"> <li>• Ngala Primary School with eight (8) classroom blocks, one (1) administration block, and three (3) teachers' houses, a total of eight (8) toilets for both boys and girls were constructed in Mangochi with funding from Mai Aisha Trust (to be opened in 2024/25).</li> <li>• Matuwi Primary School with eight (8) classroom blocks, one (1) administration block, and ten (10) teachers' houses at the finishing level, a total of eight (8) toilets for both boys and girls was constructed in Mangochi with funding from Mai Aisha Trust.</li> <li>• Four (4) classroom blocks and four (4) toilets for both boys and girls were constructed at Mulimba Primary School in Mtwala Village (Masuku) T/A Bwamnanyambi, Mangochi with funding from Mai Aisha Trust (already opened for standard 1 to 3).</li> <li>• One (1) classroom block was constructed at Mpenjere primary school in Mikundi Village T/A Mbwanyambi in Mangochi District (completed).</li> <li>• Kwiyiputi CDSS with one (1) classroom block under construction in Mangochi is under construction.</li> <li>• Nangapoche CDSS with four (4) classroom blocks, one (1) laboratory, eight (8) teachers' houses, one (1) administration block, and a total of eight (8) toilets for both boys and girls, and one (1) staff toilet in Mangochi with funding from Mai Aisha Trust (already opened)</li> </ul>	To be opened in the 2024/2025 academic year
			Construction of primary schools in Ntcheu	World Vision	<ul style="list-style-type: none"> <li>• One (1) classroom block was constructed and is now operational at Malenga Primary School in Ntcheu District.</li> <li>• One (1) classroom block was constructed and is now operational at Kalande Primary School in Ntcheu District -Bwanje</li> </ul>	Both schools completed and handed over

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Establish an online education big data centre to support online education expansion	2021-2022	Completed	National Data Centre (NDC)	Ministry of Education	The Ministry has created a digital space on the NDC at Upper Mandala, Blantyre under the Government Enterprise Service Bus (ESB) Architecture. Through this initiative, the Ministry migrated and hosted some of its digital content that supports online education like Note master and eCPD	All education systems will be integrated into the web-based EMIS
Support marginalized students across all levels of education	2021-2030	On track	Support of needy students	Mai Aisha Trust	The trust supported 150 marginalised students	None
			Meritorious Scholarship	Press Trust and Standard Bank	Supports seventy-four (74) students per cohort throughout their secondary education. As part of the programme, constructed a 112-bed hostel at Lilongwe Girls Secondary School	
			Provision of loans to higher education students	Higher Education Students Loans Grants Board	In 2023/24, 22,423 needy students (14,887 male and 7,536 female) were supported to attend tertiary education	
Equip every secondary school with functioning ICT centres to facilitate the development of a science and technology and innovation-driven education system	2021-2030	Slow progress	E Q U A L S ; M A C R A (Universal Access Fund)	Ministry of Education and MACRA	Designs have been approved by the Ministry of Education and construction works were set to commence during the 4 <sup>th</sup> Quarter. EQUALS – construction of forty-five (45) ICT laboratories. MACRA (Universal Access Fund) - construction and equipping of seventy-five (75) ICT Labs	75 Labs are in the first phase and MACRA intends to continue with other subsequent phases using Universal Access Fund
			ADB, UNDP	Ministry of Information and Digitalisation	A proposal to set up tech hubs and youth innovation and job creation was submitted to ADB	
Install free broadband Internet service in public universities and other selected public spaces	2021-2023	On track	Installation of ICT Broadband Internet Service	Ministries of Education and ICT	Procurement of a contractor was completed and works on connecting 500 sites across the country have started. Clearance for the 500 building sites was done with around 280 sites connected to the public internet	Low bandwidth to support capacity within institutions has led to inefficiency
Build decent housing for teachers in secondary and primary schools	2021-2030	Slow progress	Construction of houses for primary and secondary teachers	Ministry of Education and MoLGUC	The Government continued the construction of 88 of the 118 houses for secondary teachers under the SEED Project and progress is at 88.2 percent. The Ministry will also be finalising the construction of 414 cost-effective primary teachers' houses. It should be noted that the Ministry has requested the Treasury to change the funding mechanism to grants so that resources can be transferred to the concerned primary school accounts	Inadequate funding for the Project

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Recruit and deploy more primary and secondary school teachers	2021-2030	On track	Recruitment of teachers	Ministry of Education and MoLGUC	With the allocation of K8.9 billion in the financial year, a total of 2,257 primary school teachers were recruited in all the thirty-four (34) education districts of the country. For secondary school teachers, the Ministry has recruited 2,293 and promoted 380 teachers. The Ministry also conducted the Functional Review for Secondary School and when the Establishment Warrant and Authority to Recruit is issued by the DHRMD, the number of teachers to be recruited may reach 5,000	None
Build Special Needs Learning Centres (SNLCs) in every council	2023-2030	On track	Build SNLCs	Ministry of Education and Development Partners	178 SNLCs are in place: 142 in primary; 22 in secondary and 14 in tertiary institutions	None
Train a critical mass of teachers for special needs education	2021-2025	Slow progress	Training of teachers for special needs education	Ministry of Education and Development Partners	269 primary and secondary school teachers trained in sign language; 145 teachers successfully completed SNE Diploma course; 135 teachers successfully completed the Inclusive Education Certificate course; and 21,000 primary school teachers trained in inclusive education pedagogy	More teachers require training in special needs education and inclusive pedagogy
Construct a special needs education institute	2021-2027	Not started		Ministry of Education and Development Partners	No progress	Requires resources for the construction of an Institute for Special Needs Education
Establish an inclusive non-formal education programme	2021-2030	On track	Functional literacy	Ministry of Youth and Sports	The Ministry developed a package for functional literacy for out of school curriculum. The Ministry provided 4,010 out of school youth with second chance education through a 9-month non-formal education and 181 of these youths re-enrolled in the mainstream education system. Targeted districts are Kasungu, Dedza, Mangochi and Salima	None
Provide adequate and relevant teaching and learning materials (textbooks, teachers' guides, lab equipment, desks, etc.), including special needs TLMS for all primary, secondary and tertiary schools	2021-2030	On track		UNICEF	Provided 30,000 double-seater primary school desks	None
		On track	World Vision Programme	World Vision	80,000 textbooks, 110,000 supplementary reading materials, 441 double desks, and 392 pupil chairs were donated in primary schools	None

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Expand existing infrastructure in existing public universities to provide fit-for-purpose offices, more learning space, and hostels	2021-2025	On track	Various projects	UNIMA	<p>Construction of an administration block is at 70 percent and is expected to be completed in 2024. Construction of two (2) prefabricated classrooms with a total capacity of 1082 is underway and the project is on course to meet the deadline of 2024.</p> <p>Phase II construction of the School of Economics has been completed at 100% and is in use.</p> <p>On the construction of 50-bed postgraduate and 3,900-bed undergraduate residence halls, a designer has been identified following procurement procedures and the design and supervision contract are about to be awarded.</p> <p>Construction of a Teaching and Learning Centre under the Skills for a Vibrant Economy (SAVE) project – the designs have been completed and the university is currently working on addressing Environmental and Social Management Plan (ESMP) issues from the World Bank. To commence in 2024</p>	None
				Mzuzu University (MZUNI)	<p>Construction of a 5000-capacity three storey modern library and a 500-capacity auditorium is in progress with an expected completion date of October 2024. The construction of a 400-student capacity skills application centre for tourism and hospitality management has been completed; but there have been delays in the procurement of furniture and equipment due to forex issues.</p> <p>The university received K400 Million in the 2023/24 FY to be used for designs in the construction of a 500-bed capacity hostel. Evaluation of financial proposals was done on 23<sup>rd</sup> November 2023 for the appointment of a consultant who will do the design and supervision of the work.</p> <p>Construction of an Entrepreneurs Training and Incubation Centre under the SAVE project – contract signed with the design and supervision consultant and construction is expected to commence in 2024</p>	

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
				Malawi University of Science and Technology (MUST)	<p>Construction of a purpose-built science lab complex. The work is progressing well with an overall rating between 25 percent to 40 percent and expected to be completed by June 2025.</p> <p>Construction of two (2) lecture theatres of 250 seating capacity each under the SAVE project – design and supervision consultant recruited, and designs are almost complete. Construction scheduled to start early 2024</p>	
				Malawi University of Business and Applied Sciences (MUBAS)	<p>Construction of a UNIPOD is between 89 percent to 99 percent in terms of progress and remaining with the installation of equipment which commenced in November 2023.</p> <p>Construction of a teaching complex comprising classrooms, a workshop, a laboratory, offices and e-library facilities at the Lilongwe Campus site. The negotiations with the design and supervision consultant have been done</p>	
				Lilongwe University of Agriculture and Natural Resources (LUANAR)	<p>Construction of the Open Distance and e-Learning (ODEL) Hub at Bunda Campus is almost done at 99 percent completion rate. The building is currently in use with equipment now installed in the six (6) recording rooms.</p> <p>Construction of a multi-purpose hall at Bunda Campus – progress ranges from 99 percent to 100 percent and it is in use with installation of air conditioning units completed in October 2023.</p> <p>Progress of the construction of a new teaching complex at the Natural Resources College (NRC) campus is still at 9 percent as works have stalled due to contractual issues and the university plans to terminate the contract with FAGO.</p> <p>Construction of a Textile and Fashion Design Learning Complex under the SAVE project – design and supervision consultant were recruited, but construction work has not started.</p> <p>Construction of a Centre for Agricultural Transformation at NRC campus is at 50 percent</p>	

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
				Kamuzu University of Health Sciences (KUHeS)	<p>Construction of an administration block at the Blantyre Campus which includes a 600-seating capacity graduation hall, 40 offices, 7 meeting rooms, a staff cafeteria &amp; an in-house clinic for staff and students. Progress ranges from 32 percent to 46 percent and it is expected to be completed by May 2025.</p> <p>Construction of a Skills Lab – progress is at 21 percent to 25 percent, and it is expected to be completed in October 2024.</p> <p>Construction of an integrated teaching and innovation hub at the Blantyre campus under the SAVE project – the hub incorporates a Clinical Dental Teaching facility. Designs were completed and the university is finalising the construction contract.</p> <p>Construction of a teaching complex (4 classrooms, 2 Science labs) and ODeL space in Blantyre under the SAVE project – a design and construction supervision consultant was recruited. Designing is in progress and construction is expected to commence in 2024</p>	
				Domasi College of Education	Construction of ODeL Hub under the SAVE project – a design and supervision consultant was recruited; an Environmental and Social Management Plan was developed; and construction is expected to commence in 2024	
				Nalikule College of Education	Construction of a Skills Centre under the SAVE Project - recruitment of a design and supervision consultant is in progress and construction is expected to commence in 2024	
				Inkosi Ya Makosi M'belwa University (IMMU)	The IMMU will be constructed in phases and the scope of work for the first phase includes the construction of the School of Basic Sciences, student hostels, staff houses, administration building, commercial complex, multipurpose hall, and a cafeteria. Procurement of consultants and contractors for the first phase using the Design and Build approach was finalised and construction of the hostels has started	



MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Develop digital libraries to increase access to teaching and learning materials at all levels of education	2021-2027	On track	MyLab	Ministry of Education	Introduced Mi-Lab to 33 public secondary schools and universities. 227 public secondary school teachers were trained against the target of 1,722 teachers. So far 13 secondary school subjects have digital content	None
Construct at least one TVET teacher training institution	2022-2026	Slow progress		Ministry of Labour	A feasibility study for the construction of a 60-capacity Technical Tutors Unit to be funded by a US\$2.4 million grant from the Africa Development Bank (AfDB) is underway. It will focus on theoretical instruction and administration	None
Upgrade and construct well-equipped and staffed technical and vocational skills centres in each district	2023-2030	On track		Ministry of Labour	Sixteen (16) out of the planned twenty-eight (28) community technical colleges have been constructed and are operational. The Republic of China supported with the construction of five (5) Community Technical Colleges	None
<b>Science, Technology and Innovation</b>						
Re-establish a national research fund	2021-2030	On track		Ministry of Education	The research fund was established in 2021 as the Science and Technology Fund and the Government recapitalised the fund with K291 million and K450 million in the 2021/2022 and 2022/2023 financial year, respectively	None
Re-design education curriculum to incorporate requisite skills needed for the fourth industrial revolution	2021-2024	Slow progress	Education Curriculum Review for Pre-Primary, Primary, Secondary and Teacher Education	Ministry of Education	The activity is at the consultation stage	Accelerate efforts at finalising the task
<b>Health and Nutrition</b>						
Scale-up school-feeding programmes based on evidence of communities most in need	2021-2030	Inadequate information				None
Construct, rehabilitate, and upgrade all existing health facilities and ensure they are well-equipped	2021-2030	Slow progress		Imaging The World Africa-Malawi	Provision of six (6) ultrasound scanning machines to health facilities in rural Malawi -Blantyre DHO (AMECA Health Centre and Chikowa Health Centre) -Mangochi DHO (Namwera Health Centre, St Martins Hospital, Monkey Bay Community Hospital and Mangochi Maternity Wing). The service has improved the uptake of ANC services as ultrasounds act as a motivation for pregnant women	Challenges – financial; and underutilisation of the ultrasound machines in some sites due to the workload of midwives who are the USS providers

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
			Maternal and Child Health Technical Programme	World Vision Malawi	Construction of Tchesa Maternal Wing in progress Construction of five (5) village clinics – two (2) in T/A Chitekwe/Mazengera, one (1) in T/A Chulu, one (1) in T/A Phambala, and one (1) in T/A Chiwalo in progress	None
			Infrastructure rehabilitation	Ministry of Health	Rehabilitated thirty (30) health facilities. The rehabilitation of Kasungu District Hospital, OPD at Kamene Health Centre and construction of a gully at Chikwawa District Hospital were completed, while rehabilitation of the female ward at Dowa District Hospital and Chisasu Health Centre in Chitipa are nearing completion	None
Construct the University Tertiary Teaching Hospital (UTTH) to also act as a referral for central hospitals	2021-2025	Slow Progress		KuHES	A concept note was collaboratively developed with input from counterparts in Uganda. Land, totalling 487 hectares in Chileka, Blantyre, has been identified, though its full acquisition is pending. The Ministry of Lands has conducted land assessments, but the finalisation of the land acquisition process is still in progress. All other processes awaiting land acquisition	None
Construction of a referral military hospital that provides specialized health services	2022-2026	Not started	Not started	Not started		Not started
Construct four (4) specialist state-of-the-art Infectious Disease Treatment Centres in the country's four cities (Blantyre, Zomba, Lilongwe, and Mzuzu) to manage outbreak-prone infectious diseases, existing and emerging	2023-2030	On track	Construction of infectious disease treatment centres	Ministry of Health – DPPD/ GIZ	In Zomba the project is completed and in operation while in Mzuzu the construction works are at roofing level. For Kamuzu and Queen Elizabeth Central Hospitals, Government is in the process of contracting	Financing of the project is a challenge
Construct modern district hospitals in Blantyre, Zomba, Lilongwe, and strategic locations in each of the four regions to decongest the existing central hospitals	2023-2030	Slow progress	Construction of district hospitals	Ministry of Health – DPPD/ ADB	All the central hospitals in Malawi are in the four cities which do not have a district hospital as a second tier of healthcare service delivery. This makes the central hospitals more congested as they are also made to provide secondary level health services. To decongest the central hospitals, the Government plans to upgrade some health centres into community health centres offering secondary level health service. With assistance from ADB, suitable facilities have been identified; and assessments and architectural drawings have been completed.	None

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
					Construction works on the Phalombe District Hospital were completed in the period under review, and the facility is operational. Dowa, Rumphu and Chikwawa District Hospitals are under construction – in the period under review, the Ministry conducted feasibility studies and land verification exercises for these projects	
Facilitate the establishment of a local pharmaceutical manufacturing industry to enhance the production of essential drugs and PPEs	2023-2025	Not started	Not started	Ministry of Trade and Industry	Not started	Not started
Increase the number of District Environmental Health Officers (DEHOs) and Health Surveillance Assistants (HSAs) for more preventive health services at the community level	2021-2030	On track	Health/Global Fund	Ministry of Health	Recruited 2,000 HSAs in the past two years. In 2024, the Ministry plans to recruit an additional 2,436 HSAs and provide training for around 540 existing HSAs to improve their skills and knowledge in community health services	None
Increase the number of technical health personnel, especially doctors, nurses and clinical officers, at all levels of the health sector	2021-2030	On track	HR/Global Fund	Ministry of Health	The Ministry has deployed 6,766 healthcare workers to various health facilities. However, the initiative faces the challenge of inadequate resources to support the promotion/retention of health care workers since partners support recruitment at entry level only	None
			Health Systems Strengthening under Human Resources for Health	Global AIDS Interfaith Alliance Malawi (GAIA)	Provision of nursing scholarships to 7 training institutions, namely: KUHeS, MZUNI, St John of God, Nkhoma College of Nursing and Midwifery, St Luke College of Health Science, Trinity College of Health Science and Holy Family	None
			Human Resources for Health	Global AIDS Interfaith Alliance Malawi (GAIA)	Provision of one year nurse fellows/internees to nine (9) District Councils, namely: Mzimba District Hospital, Kasungu District Hospital, Lilongwe DHO, Mulanje DHO, Blantyre DHO, Chikwawa DHO, Thyolo DHO, Dowa DHO, Mangochi DHO	None
			Health Systems Strengthening	Global AIDS Interfaith Alliance Malawi (GAIA)	Capacity building for Maternal Neonatal and Child Health for nurses ( Maternal and Neonatal Health clinical mentorship) in 7 Facilities in Blantyre	Funding slowing progress to other health facilities
Establish a universal national health insurance scheme	2024-2025	Slow progress	Health reforms	MoFEA Ministry of Health	A technical study was conducted and based on the result the recommendation was to look for other avenues of financing	None

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Establish the National Health Fund (NHF) to increase domestic health financing and improve long term sustainability of health financing	2023-2024	On track	Health reforms	MoFEA Ministry of Health	During the period under review, the Ministry of Health launched the National Health Financing that provides for the establishment of the fund. The two Ministries identified commodities on which resources for the fund can be drawn. Currently, the MoFEA is in the process of undertaking an analysis of the fiscal impact of establishing the fund. Malawi plans to establish a health fund to increase financial resources for health service provision	Currently Malawi spends US\$40 per capita in a year which is far below the required US\$86 per capita for optimal delivery of the universal health coverage
Provision of integrated platforms of care at all levels of the health system	2021-2030	On track		Ministry of Health-DPPD	The clinical service delivery reform started on a work plan for integrated service delivery in January 2023 – defining and delivering integrated health service packages. The Ministry has finalized the Health Service Packages to set targets and provide instructions for service delivery in line with the MW2063, MIP-1, and HSSP III. The packages will be presented to the Service Delivery Technical Working Group on 5 <sup>th</sup> December 2023 and endorsed in early 2024. The overall progress it at 10 percent.	None
			Sample Transport Programme	Riders 4 Health	578,577 clinical samples and 534,103 laboratory test results were transported between October 2022 and September 2023. The programme is currently being implemented in all 28 districts in Malawi, reaching out to a total of 790 health facilities (Drop-in Centres [DICs]), community hospitals, health centres, district and central hospitals)	None
			Provision of integrated health services for youth	Family Planning Association of Malawi (FPAM)	Quality services provided in seven (7) districts of Lilongwe, Dedza, Ntcheu, Mangochi, Kasungu, Dowa, and Mzuzu	These are clinics managed by FPAM providing affordable services
			Human Resources for Health, Universal Health Coverage Health Systems Strengthening	Global AIDS Interfaith Alliance Malawi (GAIA)	Provided Mobile Health Outreach Clinic for integrated services, including health education, HIV testing and linkage to care, management of communicable diseases, and management of non-communicable diseases to three (3) districts in the Southern Region, namely: Mulanje, Phalombe, and Mangochi	Inadequacy of funding is slowing the progress to expand the MHCs to other districts
<b>Water, Sanitation and Hygiene (WASH)</b>					Provided outreach ART to tea estates in Mulanje	

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Construct new piped water supply systems	2021-2030	On Track	Construction of new solar powered systems in constituencies	Ministry of Water and Sanitation	24 schemes have been developed, representing about 12 percent completion rate. The project will benefit about 463,200 people	None
			Water Supply Improvement Project for Liwonde and Balaka Town	Southern Region Water Board	The project just commenced. Currently in procurement processes. The project will benefit 161,542 people	None
			Kholongo Water Supply Project	Central Region Water Board	The project is on track, but yet to integrate with Kholongo multipurpose dam. The Water supply Project for Dowa Town and surrounding areas to benefit 150,000 people	None
			Water Supply and Sanitation Project for Blantyre	Blantyre Water Board	The project commenced recently and is currently in the procurement process. The project will benefit 1,200,000 Blantyre residents	None
			Lilongwe - Salima Water Project	GVT SPV	Implementation of Water Supply Project to Salima Senga Bay to benefit 81,518 people through the implementation of the Salima Lilongwe Water Supply project. The project commenced in the 2023/24 financial year and the contractor is on the ground. Currently, the assessment of the compensation is underway	None
			Rumphu Water Supply and Sanitation Project	Northern Region Water Board	The project is at an 80 percent completion rate and will benefit 40,000 people	None
Develop sustainable water, sanitation and hygiene facilities and networks in rural areas and hard	2021-2030	On track	SAND - DAMS Project - Strengthening Climate Resilience of Smallholder Farmers in Malawi”	CARD	<p>The project drilled five (5) boreholes in target districts, provided (5) water kiosks to the communities, rehabilitated seventeen (17) boreholes and provided materials for the construction of seventy-two (72) pit latrines and mobile pit latrines in the camps.</p> <p>Conducted awareness campaigns on cholera and the uptake vaccines (Covid and cholera) to 230,000 people in all areas.</p> <p>Constructed three (3) sand dams to communities in Nsanje and Chikwawa to ensure to access clean water</p>	None

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
			WASH Technical Program	World Vision Malawi	<ul style="list-style-type: none"> <li>• Construction of Kapeni (T/A Phambala) community water mechanisation was completed.</li> <li>• Construction of water mechanisation at Gowa and Gonthe Primary schools was completed.</li> <li>• Construction of water mechanisation at Bwengu CDSS, T/A Njaravikuwa was completed.</li> <li>• Construction of water mechanisation at Chamitu Primary School, T/A Kayembe was completed.</li> <li>• Construction of water mechanisation at Kayembe Primary School, T/A Kayembe was completed.</li> <li>• Construction of Chakhaza Health Centre Water System, T/A Chakhaza was completed.</li> <li>• Construction of Kayembe Health Centre Water System at T/A Kayembe was completed.</li> </ul>	None
Construct/install and/or upgrade well-serviced sanitation facilities (such as toilets, washrooms, dust bins) in all public places such as markets, bus terminals);	2021-2030	Slow progress	Lilongwe Water and Sanitation Project	Lilongwe Water Board (LWB)	241 onsite sanitation facilities have been constructed. The target is to construct 302. The Project has completed the construction of 12 public toilet blocks in schools and 10 public toilet blocks in public markets	None
			MRDRMP	Ministry of Water and Sanitation	Completed emptying, disinfecting, and disposing of sludge for public toilets in Lilongwe, Salima, Mangochi, Balaka, Machinga, and Blantyre. Construction of safely managed sanitation facilities in public institutions; markets schools health facilities, marketplaces in 15 cholera hot spot districts is underway	
			Not started		Construction of solid waste disposal facilities in Lilongwe, Blantyre and Mzuzu cities not yet started	

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
			WASH Technical Programme	World Vision Malawi	<ul style="list-style-type: none"> <li>Construction of four (4) bathrooms and four (4) toilets at Bwanje Health Centre (T/A Ganya) was completed.</li> <li>Construction of three (3) latrines at Chipula and Mulana Primary School was completed.</li> <li>Construction of a seventeen (17) holed latrine at Chulu Primary School, T/A Chulu was completed.</li> <li>Construction of a (17) holed latrine at Chisuwe Primary School, T/A Chulu was completed.</li> </ul>	
			Chiradzulu WASH	World Vision Malawi	<ul style="list-style-type: none"> <li>Construction of Namadzi Health Centre Washroom, placenta pit, ash pit and latrine, T/A Ntchemba was completed.</li> </ul>	
			Lilongwe Water Sanitation Project	CARD	Under the Lilongwe Water and Sanitation Project, 241 onsite sanitation facilities have been constructed. The target is to construct 302	
Support catchment protection measures, especially main river sources	2021-2030	Slow Progress	S o n g w e River Basin Development Programme		A new agreement has been made with ADB for Tanzania and Malawi to increase funding to expedite implementation processes. Procurement processes in progress especially of contractors and consultancies Construction of Lower Songwe Multipurpose Dam for water supply, irrigation, and power generation. The targeted direct beneficiaries are the inhabitants of the Songwe River Basin with a population of 341,104 and indirectly benefiting over 5 million people	
			Protection of catchment areas	National Water Regulatory Authority (NWRA)	NWRA is collaborating with Blantyre Water Board (BWB) for the protection of the Mudi catchment, Northern Region Water Board (NRWB) for Mzimba and Mzenge catchments, and LWB for the Lilongwe River catchment	
Integrate and enforce catchment protection services within the Water Board Operational Framework, especially main river sources	2021-2030	On track	K h o l o n g o Multipurpose Dam – Mponela water supply expansion project	Central Region Water Board (CRWB)	<p>The project aims to increase access to potable water supply to over 153,000 people in Mponela town and surrounding areas and improve food security and community livelihood to 4,400 households around the project area through irrigation and fish farming.</p> <p>Compensations have been paid and the construction progress is at 20 percent (largely included the excavation of the dam site)</p>	

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Rehabilitation of gravity fed water supply schemes	2021-2030	On track	S a n k h u l a n i scheme in Thyolo benefiting 114,000 people	Ministry of Water and Sanitation	Overall progress at 52 percent	
			Zomba East and Zomba West Gravity Schemes in Zomba District benefiting 98,000 people	Ministry of Water and Sanitation	Construction of three (3) intake screening tanks and one (1) treatment plant is in progress	
			C h a p a n a n g a East scheme in Chikwawa district to benefit 185,000 people	Ministry of Water and Sanitation	Contractor is on the ground and works commenced	
			Lichenya scheme in Mulanje to benefit 78,000 people	Ministry of Water and Sanitation	Contractor is on the ground and works commenced	
			Chididi scheme to benefit 3,000 people	Ministry of Water and Sanitation	Through MRDRMP – overall progress is at 71%. To be concluded by March 2024	
			Phalombe Major water supply scheme to benefit 85,000 people	Ministry of Water and Sanitation	Contractor is on the ground and works commenced	
			Sekwa and Chinthekwe in Chitipa district to benefit 55,000 people	Ministry of Water and Sanitation	Contractor is on the ground and works commenced	
			Nkhata-Bay South scheme to benefit 20,015 people	Ministry of Water and Sanitation	Contractor is on the ground and works commenced	
			Mchinji water supply scheme to benefit 54,806 people	Ministry of Water and Sanitation	Contractor is on the ground and works commenced	



MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
			Mvula water supply scheme in Dedza to benefit 100,000 people	Ministry of Water and Sanitation	Contractor is on the ground and works commenced	
			Mfundazi water supply scheme in Neno to benefit 57,030 people	Ministry of Water and Sanitation	Contractor is on the ground and works commenced	
			Chipoka water supply scheme in Salima to benefit 24,030 people	Ministry of Water and Sanitation	Contractor is on the ground and works commenced	
Develop and operationalise urban water supply and waste water management Master Plan for all major cities and secondary cities- (develop a Sanitation Master plan for Blantyre City, Mzuzu City)	2021-2025	Slow progress	Develop a Sanitation Master Plan for Blantyre City, Mzuzu City	Ministry of Water and Sanitation	Dump site under the Nkhata-Bay water supply project is 90 percent complete but already in use.	None
Accelerate the integration of wastewater management within the Operational Framework of the urban Water Boards, including exploring PPPs for the management of the waste management facilities	2021-2030	Not Started	Construct decentralised wastewater treatment systems (sewerage systems) in the cities of Blantyre and Lilongwe - Construct solid waste disposal facilities and procurement of solid waste vehicles for Blantyre, Lilongwe, Mzuzu and Zomba	Ministry of Water and Sanitation	Lack of financing	None

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Institute and enforce the mandatory installation and/or ownership of household latrines by homeowners and landlords in urban, peri-urban and rural areas-	2021-2031	Not Started	The Ministry will implement Sanitation and Hygiene Promotion through CLTS and sanitation marketing in fifteen (15) cholera hotspot districts	Ministry of Water and Sanitation	Lack of financing	None
<b>Sports and Creative Arts</b>						
Promote and commercialize arts festivals	2021-2030	Slow progress	Provision of grants to support the organisation of arts	Ministry of Local Government (Department of Arts)		Government did not release the funds to support artists
Construction of sports village at Kamuzu Institute for Youth	2021-2025	Slow progress	Aquatic sports complex	Ministry of Youth and Sports	Construction works and physical progress still stand at 60 percent as works stalled due to delays in approving addendum. Due to adverse macroeconomic environment, the TEC rose to K16 billion from K8 billion. The Ministry submitted an addendum to PPDA who, together with the Auditor General, conducted an audit to verify additional works and costs	None
Implement a 'minimum sports infrastructure package' for all primary and secondary schools and tertiary education institutions	2022-2030	Slow progress	Recurrent	Ministry of Youth and Sports; and Ministry of Education	The Ministry of Youth and Sports is in the process of developing guidelines for standard sports facilities. Further, the Ministry of Youth and Sports collaborated with the Ministry of Education in conducting assessments of the required sports facilities in all learning institutions nationwide	None
Rehabilitate/Upgrade dilapidated sports infrastructure in all learning institutions	2021-2030	Slow progress	Rehabilitation of Sports facilities in Learning Institutions	Ministry of Youth and Sports	The Ministry identified four sports development centres in Ntchisi, Rumphi, Zomba and Chiradzulu for the rehabilitation works. Masangano LEA primary school in Ntchisi was selected as the first phase for these works	Works are relying on ORT funds which has been characterised by unreliable funding
Construct world-class sports facilities for various inclusive sporting disciplines with ability to host international competitions	2021-2030	Slow progress	Construction of multi-purpose youth centres	Ministry of Youth and Sports	Construction of Mzuzu centre continued and it at 25 percent completion rate	None

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Introduce the National Community and Youth Service to nurture the self-help mindset	2021-2023	Slow Progress	National Youth Service	Ministry of Youth and Sports	The Ministry of Youth and Sports empowered 150 district and community stakeholders responsible for overseeing the National Youth Service (NYS) Programme. The stakeholders were inducted into the NYS Programme and were trained as trainers in Mindset Change and Business Management. Initiated procurement of start-up materials for 81 youth groups. Through the Councils, a total of 3,628 youths from 81 youth groups across the country are benefiting from the Skills and Entrepreneurship Development pathway, which covers the Mindset Change training, Entrepreneurship and Business Management as well as Technical and Vocational Skills training	Erratic and dwindling financing is negatively impacting the delivery of the Programme
Create an effective National Sports Talent Search System	2021-2023	Slow Progress	National Sports Talent Search and Development System	Ministry of Youth and Sports	Due to inadequate funding, there is no specialized programme on this item. However, the Ministry is utilizing existing junior sports competitions such as the Malawi Youth (school sports) Games and the National Schools Swimming Programme to search for talent. About 6,000 schools (public and private), 12,000 students and 2,000 officials participated in the 2023 Malawi Youth School Sports games. Some athletes from this programme have already been incorporated into clubs and national teams and are performing well. The Ministry intends to formalise the talent searching process by developing guidelines for the system and thus enhance talent identification and selection	Inadequate funding affecting implementation
Adapt and improve disability friendly sports programmes	2021-2030	Slow progress	Disability-friendly sports facilities and programmes	Ministry of Youth and Sports	Started the incorporation of disability-friendly considerations in the designs of the new facilities being constructed and in the development of the guidelines for standard sports facilities. The Ministry established two (2) associations with a focus on the inclusiveness of disability athletes in sports, namely : the Special Olympics Association and Paralympics Association. The Special Olympics Association focuses on mental disability and the Paralympics Association focuses on physical disability. There are plans to merge the two associations	Inadequate funding hence the need for special and adequate funding

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
<b>Managing Population and Growth</b>						
Enforce laws and policies that will help to protect the girl child from early marriages and unwanted pregnancies	2021-2030	On track	Recurrent	Department of Economic Planning and Development	A revised National Population Policy was approved which will be central in implementing strategies aimed at managing the size and quality of the population – to be characterized by a healthy, well-educated and skilled workforce	None
Offer universal access to SRH, including family planning methods in schools and health centres	2021-2030	On track	Provision of integrated health services for youth	FPAM	Quality services provided in the seven (7) districts of Lilongwe, Dedza, Ntcheu, Mangochi, Kasungu, Dowa, and Mzuzu	These are clinics managed by FPAM providing affordable services
				Ministry of Health	As part of essential package	None
Gender Equality						
Increase women and youth representation and participation in decision making position through deliberate policies	2021-2030	Slow progress	Recurrent	Ministry of Gender, Children, Disability and Social Welfare (MoGCDSW)	Currently reviewing the National Gender Policy and the National Plan of Action on Political Empowerment of Women	There is inadequate funding for youth interventions
Enforce laws protecting the rights of women, girls, boys, and men against violence, including measures to end child marriage	2021-2030	Slow progress	Recurrent	MoGCDSW	Ministry is working on gazetting gender related laws to protect the rights of women, girls, boys and men against violence, including measures to end child marriage. The Ministry also launched the National Male Engagement Strategy to improve the participation of males in addressing Gender-based Violence (GBV). The implementation of the National Male Engagement Strategy has been initiated to actively involve males in addressing GBV	Some delays by Ministry of Justice to gazette gender related laws
<b>Social Welfare</b>						
Provide catalytic and transformative social cash transfer to the elderly, orphans and persons with disability	2021-2030	On track	Categorical targeting	MoGCDSW	The Ministry is rolling out categorical retargeting in Thyolo district. This will ensure that persons with disabilities, the elderly, and orphaned children are included in transfers	None

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
			Social welfare programme	MoGCDSW	The Ministry is delivering regular transfers to the Social Cash Transfer Programme beneficiaries across all 28 districts; and implementing shock response transfers	Failure to increase coverage because of resource constraints
Update the Unified Beneficiary Registry (UBR) annually for informed targeting and provision of social support services	2021-2030	On track	UBR retargeting	MoGCDSW	The Ministry has successfully completed the UBR retargeting for the social cash transfer programme in sixteen (16) districts, namely Nsanje, Chikwawa, Thyolo, Neno, Machinga, Mwanza, Lilongwe, Ntchisi, Kasungu, Rumphu, Chiradzulu, Nkhotakota, Blantyre, Karonga, Ntcheu, and Dowa. The initiative is poised to extend its coverage to the entire country, awaiting the results of the UBR	None
Scale-up early childhood development and pre-school education	2021-2030	Slow progress	Recurrent	MoGCDSW	The Ministry is in the process of reviewing the Early Childhood Development Policy and drafting the Early Childhood Education Acceleration Plan. Simultaneously, the drafting of the Memorandum of Understanding (MoU) between the Ministry of Gender and the Ministry of Education is underway.	None
Completed		2%				
Started: On track		44%				
Started: Slow progress		41%				
Started off track		2%				
Not started/No info		11%				

## Enabler 6: Economic Infrastructure

Economic infrastructure includes energy, transportation and information and communication technology (ICT). The enabler plays a pivotal role in expediting the growth of various sectors. Access to reliable and readily available energy yields substantial economic and social benefits, triggering significant multiplier effects. Well-functioning transport systems enhance market accessibility, fostering employment opportunities and attracting investments. The ICT sector, acting as the backbone of business activities, productivity, trade, and social progress, continues to make

significant contributions to the GDP. ICT possesses the transformative potential to drive entrepreneurship, innovation, and overall economic growth. It also plays a key role in overcoming barriers of distance and cost in the delivery of services by both businesses and government entities.

Implementation of 87 percent of the enabler interventions had commenced. Out of those interventions, 25 percent are on track, an improvement from 22 percent in 2022. The implementation progress of Enabler 6 is summarised in *Figure 16* below.

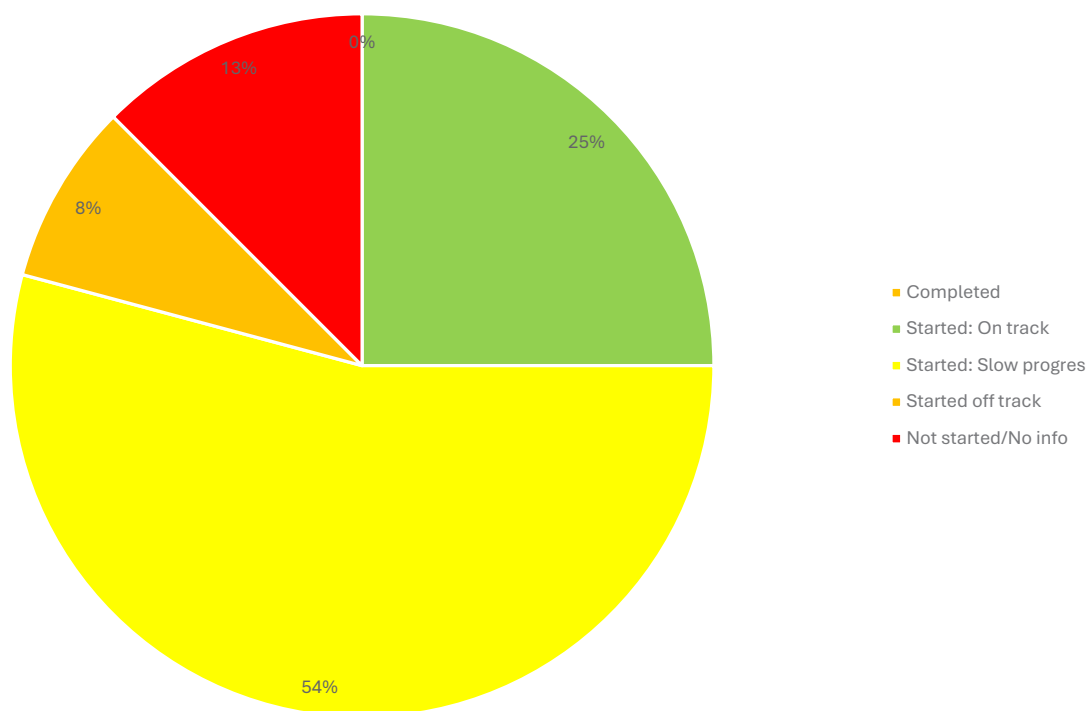


Figure 16: Overall implementation progress of Enabler 6 interventions

### Progress on Focus Area

#### Priority Area E6.1: Energy Development and Supply

In the year under review, the total installed generative capacity declined from 590 megawatts (MW) in 2022 to 519.4MW in 2023. The decline was mainly due to the phasing out of 78MW Aggreko diesel generators and a reduction in the importation of electricity from neighbouring Zambia from 20MW to 6.4MW. Nonetheless, 21MW from Serengeti solar power plant was added to the grid in the year under review. All four power generation machines at the Kapichira

power plant which were damaged by Cyclone Ana in 2022 were reinstated.

Electricity access has increased to 20.58 percent from 19 percent in 2022 with expansion of other programs such as The Malawi Electricity Access Project (MEAP). However, only 1 percent of the population is reliant on clean cooking energy against a projected 2.83 percent; and only 18 percent utilise clean energy for lighting against a targeted 28 percent.

## Malawi Electricity Access Project



MEAP, financed by the World Bank, started in January 2020 to boost electricity access in Malawi. MEAP focuses on grid electrification and off-grid solar systems. ESCOM connected 71,000 households to the grid (target: 180,000), while the Ministry provided solar systems to 35,000 households (target: 200,000). Electricity access increased from 12.4% in 2020 to 20.5% in 2023.

### Priority Area E6.2: ICT Development

ICT development is a catalyst for the fourth industrial revolution. Malawi is making strides in improving access to reliable and affordable ICT services. The proportion of individuals who owned a mobile telephone rose from 43.2 percent in 2020 to 57 percent in 2023 while internet penetration increased from 40 percent in 2022 to 43 percent in 2023. Within the reporting period, the retail price of monthly 500MB data volume reduced from an average of US\$1.32 to about \$US0.82. In the period of reporting, Malawi registered an increase in the use of mobile payments which has grown by 482 percent (K13,007.28 billion in 2023 from K2,235.17 billion in 2020).

### Priority Area E6.3: Transport Development

In the reporting period, the country constructed 42km of tarmac roads against the target of 190km. The construction industry faced several challenges mainly due to Cyclone Freddy in March 2023 which caused unprecedented destruction of road infrastructure in the country, particularly in the Southern Region. Additionally, scarcity of forex resulted in supply chain disruptions for fuel,

cement and other imported raw materials, hence causing severe bottlenecks in the construction and upgrading of major road projects. Despite these challenges, significant progress was made in the upgrading of the various roads. Notable roads include the 3.9km Parliament Roundabout to Game (Kenyatta Drive) project; the Crossroads project from Kamuzu Central Hospital to Lali Luban/M001 junction (Mzimba Street and Lali Luban) and city township roads. By the end of the 2023/2024 financial year, the M1 road from Lilongwe to Mzimba and M5 road from Salima to Nkhonkhotakota were in the preliminary stages. Contractors were on site and had started working on the diversions to be used when the actual road construction starts.

The usage and utilisation of other transport modes other than roads have been declining since 2020. *Table 9* below shows that volumes of both passengers and freight for water transport had decreased significantly whereas in rail transport, volumes for freight declined while volume of passengers increased by 12 percent. *Table 10* provides details on the progress made under this enabler.

**Table 9: Utilisation of transport modes**

<b>Transport modes</b>	<b>Baseline</b>	<b>2023</b>	<b>% change</b>
Rail - Passenger	21,157,000	23,752,000	12%
Rail - Freight	2,940,000,000	2,883,053,881	-2%
Water - Passenger	3,626,844	3,195,494	-12%
Water - Freight	400,600	344,709	-14%

## M1 Kanengo-Crossroads road



The construction of one lane of the dual carriageway from Kanengo to Crossroads is complete, translating to about 40% completion rate. This is part of decongesting the city roads and a move towards efficient and reliable economic infrastructure.



**Table 10: Implementation Progress of Enabler 6 Key Interventions**

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
<b>Legislation and Institutional Capacity Building</b>						
Legislate the utilisation of pension funds for development/ infrastructure projects	2021-2023	Off track	Drafting of directives	Pensions Trust Fund MoFEA  RBM	The MoFEA in collaboration with RBM has drafted directives for “Investment management of pension funds”, including infrastructure development, to promote the investment of pension funds in infrastructure. The directives are yet to be approved	None
Facilitate fiscal guarantees towards bankable private projects requiring huge investments that can be financed through external loans	2021-2030	Slow Progress	UNECA Support	MoFEA	With support from UNECA, the Government is working to create a conducive policy and regulatory environment for private sector participation in electricity markets. This work complements parallel support on advancing PPPs in infrastructure development, including the articulation of action plans and pipelines of potential PPP projects	Further capacity-building and resource mobilisation support are planned for 2024
<b>Energy Generation and Supply</b>						
Identify and develop sites for hydro, coal, geothermal, natural gas, solar, wind, agricultural waste, forestry waste, and biogas resources through Independent Power Producers (IPPs) and PPP arrangements	2021-2030	Slow Progress	M p a t a m a n g a H y d r o p o w e r Project	Mpatamanga Hydro Power Ltd	Mpatamanga Hydro Company Limited has been incorporated; negotiations of Implementation and Power Purchase Agreements are ongoing. Environmental studies and Resettlement Action Plans are set to be completed by May 2024. Construction of the Bailey Bridge is one of the preconditions for the implementation of the project	The complexity of the Project has caused delays in the commissioning of numerous project studies
			Tedzani IV	EGENCO	19MW plant was commissioned in 2021 and is operational	None
			Wovwe 4.5MW (Extension)	EGENCO	The ESIA studies for doubling the generation capacity of the Wovwe Hydropower Plant to 9MW have been finalised and have already been approved. Currently, EGENCO is in discussions with ESCOM for Power Purchase Agreement (PPA) tariff negotiations	None
			Songwe Hydro-power Project	EGENCO	Mobilisation of financing in progress. the plant will generate 180MW to be shared with Tanzania	None
			Mbongozi Hydro, Dowa	HE Power	Mobilisation of financing in progress	PPA negotiations were suspended on the Attorney General’s directive
			Vidul Energia Ltd	Vidul Energia Ltd	Full feasibility studies being conducted	
			Chimgonda Hydro Power Project	EGENCO	Full feasibility studies completed	

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
			Fufu Hydro power Project	EGENCO	Full feasibility studies completed	None
			K h o l o m b i d z o Hydro-power Project	EGENCO	Full feasibility studies completed	None
			Nyika Hydro-power		PPA negotiations underway	None
			Kammwamba Coal Fired	EGENCO	Assumed 150MW (129MW) net	None
			Jindal Coal Fired, Balaka	Jindal	Not Started, but full Feasibility studies being conducted	PPA negotiations were suspended on the Attorney General's directive
			Rukuru Coal Fired, Rumphi	Rukuru	Not Started but PPA Negotiations are underway	
			Sim Energy Coal Fired, Rumphi	Sim Energy	Not Started. Full Feasibility studies being conducted	
			Millenium Coal (Gas) Fired Plant		Not Started. Full Feasibility studies being conducted	
			EGENCO CCTG, Chintheche	EGENCO	Not Started. Full Feasibility studies being conducted	
			UR (AZA) Gas, Salima	AZA	Not Started. Full Feasibility studies being conducted	
			Aspin Gas, Salima	Aspin Gas	Not Started. Full Feasibility studies being conducted	
			Salima, JCM	JCM	Plant was commissioned in 2021 and is operational	
			Golomoti, JCM	JCM	Plant was commissioned in 2022 and is operational	
			N k h o t a k o t a , Serengeti	Serengeti	Plant construction was completed and commissioned in July 2023. The Plant is operational	
			EGENCO Solar, Salima	EGENCO	The project is progressing as scheduled, currently at implementation stage	None
			Quantel Bwengu Solar	Quantel	Not Started. Full Feasibility studies being conducted	PPA negotiations were suspended on the Attorney General's directive
			Press Corporation Group, Kasungu	Press Corporation Group	Not started. Land has been identified	

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
			Greencells Changalume Solar	Greencells	Not Started; at PPA Negotiations	
			Elswedey (Solar with BESS), Chintheche	Elswedey	Not Started. Full Feasibility studies being conducted	
			AMEA, Lilongwe	AMEA	Not Started. Full Feasibility studies being conducted	
			L&T Solar, Phombeya	L&T Solar	Not Started. Full Feasibility studies being conducted	
			Atlas Balaka Solar PV	Atlas	Not Started; at PPA Negotiations	
			Volitalia - Dwangwa	Volitalia	Not Started. Full Feasibility studies being conducted	
			Gebis WasteEnergy Gas Plant, Blantyre	Gebis	Not Started. Full Feasibility studies being conducted	
			Droege Mzimba Wind	Droege	Not Started. Full Feasibility studies being conducted	
			YM Kindwe Wind Farm	YM	Not Started; at PPA Negotiations	
Provide incentives for renewable energy equipment to promote investments and adoption of renewable energy	2021-2030	On track	Recurrent	MRA MoFEA	<p>There are two forms of incentives:</p> <p>1. Energy sector-specific incentives</p> <p>a) Duty-free importation but VAT payable at 16.5 percent on electricity generation equipment such as fuses, transformers, sling, ring main unit, insulators, gale chain equipment, conductors, surge arrestors, column duplex, AAC/PVC and electricity supply meters.</p> <p>b) Duty-free importation but VAT payable at 16.5 percent on energy saver bulbs, solar batteries, solar battery chargers, energy lamps, generators and inverters.</p> <p>2. General Customs &amp; Excise Tax Incentives</p> <p>a) Import duty and import VAT exemption on importation of most machinery.</p> <p>b) Import duty exemption while VAT remains payable at 16.5 percent on importation of specific type of machinery.</p>	None

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
					c) Import duty and import VAT exemption on importation of special purpose motor vehicles other than those principally designed for transport of persons or goods. Examples of special purpose vehicles are concrete mixer lorry, mobile drilling vehicles, etc. d) Solar products are imported duty-free while VAT remains payable at 16.5 percent. Examples of such solar products include solar batteries and solar energy lamps	
Scale-up the Rural Electrification Programme to widen national electricity coverage	2021-2030	On track	Malawi Rural Electrification Programme (MAREP)	Ministry of Energy	Construction of 438 sites under MAREP Phase 9 has commenced	
			Malawi Electricity Access Project	ESCOM Ministry of Energy	The Project aims to connect 180,000 households by the middle of 2024 to the national grid and install standalone solar home systems for 200,000 households. As of March 2024, approximately 75,000 households (about 330,000 people) and 13,000 households (about 57,000 people) were connected to the national grid and standalone solar home systems, respectively	Project funds were reallocated to other projects
Invest in new high-capacity power plants and construct new distribution lines and substations to support energy generation and distribution capacity	2021-2030	Slow Progress	400kV Nkhoma to Songwe Backbone – Western Transmission Line	ESCOM	ESCOM and TANNESCO signed an MOU to jointly source funds for the project whose scope includes interconnection with Tanzania. Members of a Joint Working Group are yet to be appointed from both countries	None
			132kV Eastern Transmission Line Project (Nkhoma-Nanjoka-Nkhokota-Dwangwa-Chintheche)		SWEDFUND is funding ESIA studies; and procurement of consultants is in progress	None

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
			Transmission lines and substation projects		Several transmission lines and substations including 132kV Dwangwa to Chatoloma Transmission Line & Substation Project 132kV Phombeya to New Blantyre Transmission Line & 132/33 kV Zomba Substation Project; Chintheche – Chikangawa (Raiply) 132kV Transmission Line and Substation Upgrade; 132kV Golomoti - Monkey Bay/132/33kV Mangochi Transmission Line with Monkey Bay Substation, 132/33 kV Nanjoka Substation Upgrade; Upgrade of Bunda Substation; 132/33 kV New Blantyre Substation; Salima 33kV overhead line ring; Chatata 33/11kV Distribution Substation; Lunzu 33/11kV Distribution Substation; Thyolo ‘C’ 33/11kV Distribution Substation Upgrade; Senga-Bay 33/11kV Distribution Substation are yet to commence	None
Fast-track the commencement & completion of the interconnection of Malawi’s power system with that of Mozambique and Zambia	2021-2025	On track	400kV Malawi-Mozambique Interconnector	ESCOM	The commercial operation date was planned for December 2023. However, there were some delays due to changes in the wind speed design in Mozambique which has resulted in modifications to the tower design; slow implementation by the contractor, and encroachment of the way leave by a mining company. Further, all compensation pay-outs on the Malawi side for the Project Affected Persons (PAPs) were fully completed. Currently, the construction of PAPs houses on the Mozambique side is in progress, and livelihood restoration activities are ongoing.	The overall project is now set for completion by October 2024
			400kV Malawi – Zambia Interconnector	ESCOM	Slow Progress.	None
			400kV Malawi-Tanzania Interconnector	ESCOM	Slow Progress.	None
Scale-up the Rural Electrification Program to widen national electricity coverage	2021-2030	On track	MAREP		Construction of 438 sites under MAREP Phase 9 has commenced. The devaluation of the Kwacha has been exerting pressure for price adjustment on contracts, thereby reducing the availability of resources for other assignments. The scarcity of fuel affected the revenue available to the Fund	Non-compliance by MERA to honour arrears from the 2022/23 FY

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
			MEAP		The Project aims to connect 180,000 households to the national grid and install standalone solar home systems for 200,000 households. As of March 2024, approximately 75,000 households and 13,000 households were connected to the national grid and standalone solar home systems, respectively	None
Intensify production of energy from waste, especially in towns and cities	2021-2030	Not Started	Gebis Waste Energy Gas Plant, Blantyre	Gebis Blantyre City Council	Full Feasibility studies being conducted	None
<b>ICT Development</b>						
Implement “connect to a school” ICT programme	2021-2025	slow progress		Ministry of Information and Digitalisation, Ministry of Education, MACRA/USF	The target is to connect at least 500 schools and, so far, works have started through TEVETA on 90 schools which are concurrently scheduled to be completed by end of this financial year.	None
Upscale on-going projects on ICT infrastructure development, e.g. last mile rural area connectivity, NACIT enhancement project, digital Malawi project	2021-2023	Off track		Ministry of Information and Digitalisation	Cumulatively, 30 out of 136 towers that were constructed are operational across the country.  On 500 public places such as schools, hospitals etc., being connected to the internet – the procurement of a contractor was done and works on connecting all 500 sites across the country have started concurrently. Overall progress is 56 percent	The resources allocated in the 2023/24 FY are not adequate for five (5) towers with K320 Million not being enough for even one tower
Build a fibre backbone from Nacala to Lilongwe to reduce landing costs which are a significant driver of high data cost in Malawi	2024-2027	On track		Ministry of Information and Digitalisation, Ministry of Transport and Public Works, MACRA	The project seeks to Establish a Fibre Optic Cable along the Nacala-Liwonde Railway Line. Concept note was finalised and currently conducting technical, economic and financial feasibility assessments. Overall progress is at 30 percent, and the project will run up to 2027	Concept note was finalised for submission to the OPC for PS’s Committee to review
<b>Transport Development</b>						

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Undertake systematic maintenance and rehabilitation of road infrastructure including in rural areas	2021-2030	Slow progress	Conduct routine and periodic road maintenance.	Roads Authority	The country's classified road system is 15,451km long (paved and unpaved), the Authority managed to conduct routine maintenance on a total of 4,603km of paved roads while the figures for periodic maintenance stood at 40.23km during the same reporting period	Road maintenance resources from the road levy are usually insufficient
			Rehabilitate a total of 1,602km of roads	Roads Authority	The transport sector had prioritised the rehabilitation of a total of 540.5km of paved roads. The rehabilitation of the total is at various stages of implementation with a large majority of projects at procurement stages and only 2km was rehabilitated	Key challenges include: the weak capacity of contractors; non-adherence to social safeguard standards
			Construction of Nkhotakota Weighbridge	Directorate of Road Traffic and Safety Services	The initial contract for the weighbridge was cancelled and progress was estimated at 80 percent. The Ministry of Transport and Public Works is currently working on reworking the contract to engage a contractor to finalise the remaining 20 percent of works	None
			Construction of Dedza Weighbridge	Roads Authority	Construction of Dedza weighbridge is ongoing. Physical progress is estimated at 10 percent	Contractual issues and heavy rains have affected the progress
Upgrade urban roads to bitumen standards	2021-2027	Slow progress	Upgrading of 3.9km Parliament round-about-Game (Kenyata Drive)	Roads Authority	Slow progress. The road was earmarked to finish in March 2024. During the reporting period, the bridge deck for Lingadzi and interchange bridge was completed. Physical progress is at 37 percent	Cashflow and forex challenges affected the implementation of the project
			Crossroads – KCH to Lali Luban/M001 junction (Mzimba Street and Lali Luban)	Roads Authority	Off track. During the reporting period, earthworks and pavement layer works were done. Overall physical progress is at 41 percent	Relocation of utilities was delayed, and capacity of contractor affected the progress
			KIA Turn Off - Kanengo (11km)	Roads Authority	Slow progress. In the 2022/23 FY, a feasibility study on the project was done and a final feasibility study report was submitted and approved. The consultant is expected to commence the development of detailed engineering designs of the road	Delays in the processing of payments to the consultant affected the completion of the study within the agreed timeframe

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
			N a m i w a w a Dualisation 0.8km	Zomba City Council	On track. In the 2022/23FY, the road section was surfaced, streetlights installed, line marking was completed, and construction of drains was recorded at 80 percent. Overall physical progress was reported at 96 percent	Delays in the processing of payments as well price escalations affected progress
			Upgrading of 11km of roads in Zomba	Zomba City Council	On track. The 11km road was divided into five (5) separate sections. Progress was reported at different stages, with the majority expected to be completed this financial year	Price escalation and encroachment of roads reserve by developers affected the progress
			C o n s t r u c t i o n and upgrading of 13.9km of roads in Blantyre	Blantyre City Council	Some projects have been completed, and handed over to Blantyre City Council, with the exception of a few projects which have stalled due to delays in approval from the Mudi Catchment Area Management Committee. Two other sections of 340m and 450m are yet to start due to land acquisition issues. Overall average physical progress was estimated at 70 percent	Delays in approvals and land acquisition issues delayed some three (3) projects
			Lilongwe township roads	Lilongwe City Council	All road sections were completed and handed over to the city council. In total, 20.5km of have been constructed or upgraded which include: (i) Lilongwe Bus deport road; (ii) Area 25 to Dzenza road; (iii) Kauma road; (iv) Ntandire to airwing road; and (v) Mchesi to area 23	None
			(i) Area 38 to Penyenye road (7.8km); and (ii) Gulliver to Area 49 Sector 6 road (4km)	Lilongwe City Council	On track. Works under both road works continued in the reporting period. 4km of the 7.8km has been constructed and the 3.8km will be completed in the coming final year. Physical progress for the Gulliver to area 49 road was estimated at 40 percent	None
			Increase the lengths (kms) of paved roads to above 50 percent, especially targeting rural roads and tourism and mining potential areas	2021-2025	No information provided	No information
Dualize prime city roads and district urban centres according to master plans	2021-2030	Slow progress	D u a l i s a t i o n of Mchinji Roundabout – Chendawaka / M001 at Kanengo (10km)	Roads Authority	The project is at procurement phase, with the Authority in the process of procuring a contractor and supervising engineer for the project	Foreign currency scarcity affecting importation of bitumen and other materials that are not locally available



MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
			Dualisation of M1 Crossroads – Kanengo (10km)	Roads Authority	Surfacing on the right side of the dual carriage was done, construction of a road over rail bridge was completed while one bridge at Lingadzi was completed and construction of another bridge was in progress. Overall physical progress was recorded at 48 percent	
Establish tollgates in designated points through PPPs according to master plans	2021-2025	Slow progress	Recurrent	Roads Authority	Two (2) toll gates were commissioned in 2022. Feasibility and technical designs for another two (2) toll gates are in progress	None
Build Bus terminals in Blantyre, Lilongwe Karonga and Mzuzu; and railway terminals in Blantyre and Lilongwe	2021-2027	Not started	Construction of Morden passenger terminals	MoLGUC, Local Authorities, and Ministry of Transport	No progress	Potential investors not forthcoming
Build domestic bus terminals in cities and districts	2022-2030	Not started	Construction of domestic bus terminals in district councils	MoLGUC, Local Authorities, and Ministry of Transport	No progress	Potential investors not forthcoming
Rehabilitate jetties and ports in designated areas such as Chipoka, Likoma, Chilumba, Nkhata-Bay and Monkey Bay	2022-2027	Slow progress	Construction of Likoma Port	Department of Marine Services	Construction works are still ongoing and in the reporting period construction focused on the jetty deck, passenger lounge/restaurant, Customs, Immigration, Warehouse Port Offices, ablution block, guard house, access road to gate, fencing, port equipment and external works. Overall progress is estimated at 80 percent	The project was affected by delays in funding, price escalations, rising water levels
Modernise and expand existing international airports (Chileka, KIA) and build one in the Northern part of Malawi	2021-2028	Slow progress	Expansion of Chileka Airport	Department of Civil Aviation	The masterplan for the expansion of the airport was developed with support from JICA. Government is engaging EIB and AFD to support the implementation of the masterplan	None
			Modernisation of KIA	Department of Civil Aviation	Identified development partner who is doing a masterplan of the aero city at KIA. Some preliminary investments expected in 2024. The development partner is expected to be in the country in February 2024 for discussions and signing of an MoU	Delayed approvals due to bureaucratic processes and lack of funding
			Construction of New Mzuzu Airport	Department of Civil Aviation	No physical progress. However, procurement of consultancy services for feasibility study is in progress with support from the Opec Fund for International Development and BADEA	Long procurement process due to donor requirements

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Rehabilitate air strips in all tourist attraction sites such as Club Makokola -Mangochi, Salima and Mzuzu	2022-2025	Slow progress	Monkey Bay Aerodrome	Department of Civil Aviation	The concept note for the project is being developed. Further, the Government is exploring the option of implementing the project under PPP. Nevertheless, the aerodrome is being maintained and renovated	None
			Mzuzu and Karonga Airports	Department of Civil Aviation	Mzuzu and Karonga Airports were maintained for chartered air services to meet demands from tourism and other real sector operations	None
			B a n g u l a Aerodrome	Department of Civil Aviation	The rehabilitation of the Bangula Aerodrome was completed, and it was used during the disaster response in lower shire	None
Renovate and expand water sports	2022-2025	Slow progress	Upgrade and rehabilitation of Chipoka Port	Department of Marine Services	The Department is yet to commence procurement of a consultant to conduct the feasibility study. Procurement processes are expected to commence in the 2024/25 FY	None
Expand railway coverage to international and local routes for cargo and passengers and intercity railway system	2022-2025	Slow Progress	Marka and Bangula rail	Department of Railway Services	Construction of the first phase was completed and is being used by the contractor to transport construction materials from Beira port to Marka station. Overall progress is estimated at 22 percent against time lapse of 95 percent	Implementation was affected by flooding leading to revision of several designs;
			Development of a Northbound Railway and Associated Services in Malawi	Public Private Partnership Commission (PPPC)	Not started. The first phase of the project will involve a feasibility study on the northbound railway line and associated services. In the reporting period, a consultant was identified to conduct the feasibility study and, pending conclusion of contract negotiations, the consultant will proceed with contract execution	The conclusion of the feasibility study will depend on the availability of financing
			Rehabilitation of Nkaya -Kanengo - Mchinji rail line (411km)	Department of Railway Services	Construction of the railway line was halted at 240km of the 411km in 2022 due to contractual disagreements. In the current reporting period, the Concessionaire was working on rehabilitating a bridge at Nanyangu that was washed away due to Cyclone Freddy	None
Completed		0%				
Started: On track		25%				
Started: Slow progress		54%				
Started off track		8%				
Not started/No info		13%				

## Enabler 7: Environmental Sustainability

A sustainable environment is undeniably the cornerstone of sustainable development and inclusive wealth creation. As countries strive for progress and economic growth, it is often the environment that bears the brunt of agriculture production, industrialisation and urbanisation. Environmental degradation leads to significant disruptions in ecosystems, which, in turn, has far-reaching consequences for both the businesses and natural ecosystem services. The concept of sustainable development recognises that the pursuit of economic prosperity must go hand in hand with the preservation and responsible stewardship of our environment.

The country is making some progress in preventing environmental degradation, with

the forest cover slowly improving from the 23.3 percent recorded in 2018 to 24.4 percent in 2023. Despite the progress in the reforestation drive, the country is grappling with climate change effects with the frequency and intensity of cyclones worsening. In March 2023, Malawi was severely affected by Tropical Cyclone Freddy.

Implementation of 90 percent of the enabler interventions commenced. Out of those interventions, 57 percent are either on track or completed, an improvement from 27 percent in 2022. The implementation progress of Enabler 6 is summarised in *Figure 17*, below.

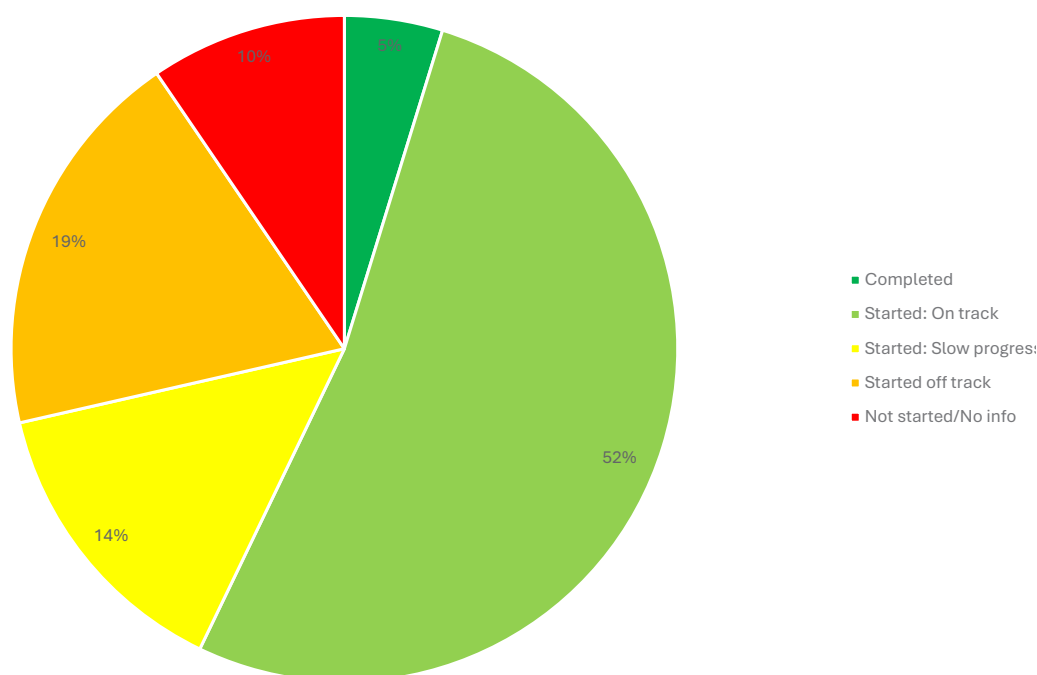


Figure 17: Overall implementation progress of Enabler 7 interventions

### Progress on Focus Area

#### Priority Area E7.1: Ecosystem Conservation and Environmental Management

The country is making progress in conserving environmental ecosystems, with the forest cover slowly improving from the 23.8 percent recorded in 2020 to 24.4 percent in 2023. This is

a major reverse to the recent past trend in which Malawi's forests and woodlands were degraded at an alarming rate. Between 2000 and 2020, the country lost around 8.9 percent of its forest area as a proportion of the total land area, see *Figure 18*, below.

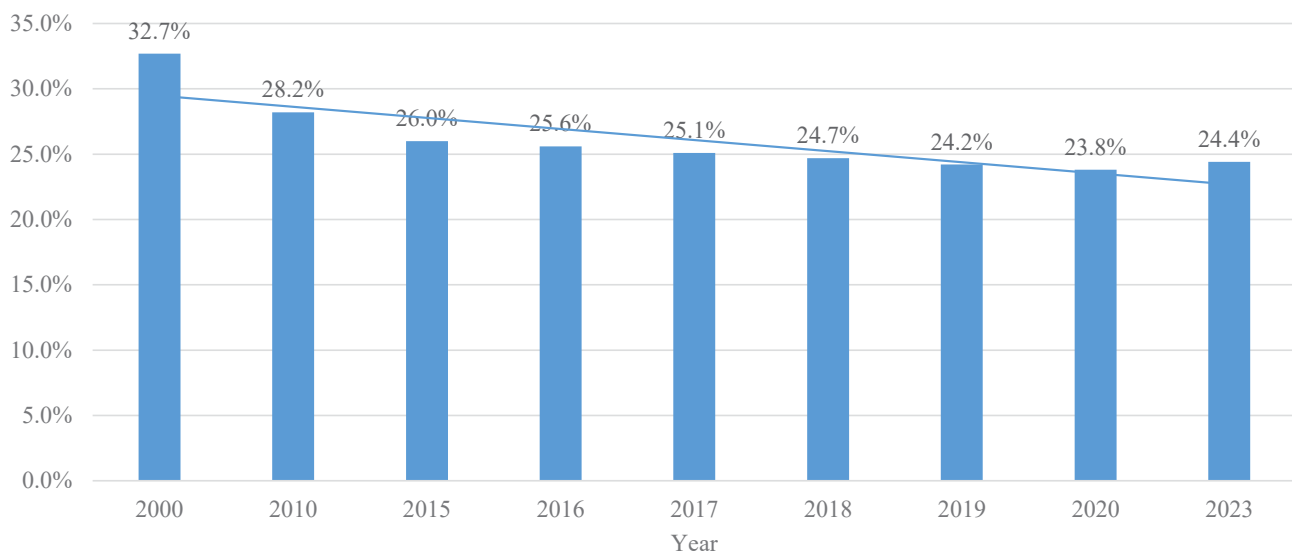


Figure 18: Forest area (%) of total land area

The improvement in forest cover is a result of the following concerted efforts among stakeholders, both state and non-state actors:

- The Government rehabilitated, protected, and managed 101,924.21 hectares of the plantation across the country as well as raised 37,923,207 seedlings. Further, the Government strengthened the enforcement of environmental laws to ensure the effective protection of the forest resources, which resulted in ninety (90) completed cases with three hundred and thirty-three (333) arrests and three hundred and twenty-three (323) convictions.
- Non-state actors complemented Government efforts by supporting the reforestation of about 708.4 hectares through different initiatives; and the private sector is also managing forests through the “Adopt a Forest” initiative.

## Reafforestation Dzodzi-Mvai Plantation



As Malawi aims for lower middle-income status by 2030, environmental preservation is crucial. MIP-1 emphasizes on the importance of ecosystem conservation. One significant initiative is the reforestation of Dzodzi-Mvai forest, covering over 3,000 hectares of hilly terrain in Ntcheu district. This initiative serves a dual purpose: safeguarding the environment while advancing economic livelihoods of the surrounding communities.

### Priority Area E7.2: Waste Management and Green Economy

To ensure industrial-generated waste is safely disposed, the Government enforced compliance with relevant legislation and policies. In 2023,

35 percent of industrial-generated waste was safely disposed of, registering an increase from the reported base value of 30 percent in 2020. The country aims for 70 percent of domestic waste properly recycled by 2030. The domestic

recycling rate remains unchanged at 10 percent. The country also established a modern dumping site in Nkhata-Bay. Modernisation of dumping

sites in major cities is facing challenges due to the scarcity of appropriate land sites.

## Nkhata-Bay Dumpsite



The Nkhata-Bay dump site was constructed under “Nkhata-Bay water and Sanitation Project” to improve sanitation in the district. The project, which is being funded by African Development Bank, started in 2020 and is already in use at 90% completion. The development is assisting all communities in Nkhata-Bay district to dispose their waste and maintain a clean environment.

### **Priority Area E7.3: Climate Change Management**

To enhance resilience to climate change impacts, 60 percent of sectoral policies and strategies already mainstreamed climate change issues against a target of 40 percent. In addition, to improve weather and climate monitoring for early warning, preparedness, and timely response, six (6) local councils adopted disaster risk reduction strategies against a target of (21) councils. In the period of reporting, the Government trained eleven (11) National Monitoring Unit (NMU) staff in monitoring tools and methodologies and collection of various data through the National Forestry Inventory. This is a continuous process that will promote efficient and effective generation and utilisation of reliable climate services.

### **Priority Area E7.4: Environment and Climate Change Financing**

The country aspires to have a coordinated and innovative financing mechanism for climate change, conservation, adaptation and

mitigation measures by 2030. To achieve this, the Government planned to build capacity for accessing local and international climate change financing, including the Climate Change Adaptation Fund and Green Climate Fund.

In the reporting period, the Government developed Guidelines for administering climate change funds. The Guidelines will operate together with the Standard Operating Procedures (SOPs) and a revision of the SOPs will be done after the finalisation of the Guidelines to ensure synchronisation. In addition, the Government developed a Carbon Trading Regulatory Framework that will guide the actual process of carbon trading. Articles 6.2 and 6.4 of the frameworks for International Carbon Market will guide Malawi's participation in Carbon Trading. Further, the Government has also developed a National Biodiversity Finance Plan. However, the number of environmental and climate change funding sources has reduced to 2 as compared to the 3 which was targeted.

**Priority Area E7.5: Natural Disasters and Climate Adversities Preparedness**

Heavy rains, multiple flood events, and landslides were reported in the 2022/2023 season for Balaka, Blantyre, Chikwawa, Chiradzulu, Machinga, Mangochi, Mulanje, Mwanza, Neno, Nsanje, Ntcheu, Phalombe, Thyolo, and Zomba local authorities. The number of affected persons rose to 2,267,458 people, including more

than 659,278 displaced, with 679 deaths, 537 missing, and 2,186 injured, see Table 11, below. It is estimated that among the total affected population, 1,308,064 were women and girls of reproductive age, accounting for 58 percent of the total affected population and about 100,297 of these were pregnant women, representing 8 percent.

**Table 11: Number of people affected by Disasters**

Number of people	2022	2023
Persons affected	995,000	2,267,458
Number of Deaths	46	679
Missing Persons	18	537

The disasters caused damage mainly to health, education, housing, agriculture, energy, transport and water infrastructure. The estimated cost of this damage to the country amounted to US\$500 million.



*Effects of Cyclone Freddy - Photo Credit: Trust Africa.*

**Table 12: Implementation Progress of Enabler 7 Key Interventions**

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
<b>Legislation and Institutional Capacity Building</b>						
Review environmental guidelines and legislation to incorporate environmental sustainability principles, including outlawing the use of bricks burnt by wood for construction	2021-2023	Off track	Recurrent		Finalising the development of Guidelines for administering the law and climate change funds. The Guidelines will operate together with the SOPs and a revision of the SOPs will be done upon the finalisation of the guidelines to ensure synchronisation	None
			Recurrent		Developed a Carbon Trading Regulatory Framework that will guide the actual process of carbon trading. Developed articles 6.2 and 6.4 framework for International Carbon Market to guide Malawi's participation in Carbon Trading. Developed National Biodiversity Finance Plan.  UNECA supported Malawi to showcase its key carbon sequestration and market opportunities at the Africa Business Forum 2023 and provided technical assistance in the establishment of the Malawi Carbon Market Initiative. Further support towards the development of the carbon market activation plan and local capabilities once pledged resources are secured	None
Review environmental policy to set up proper governing structures and clarify the mandate of institutions, including the Malawi Environmental Protection Agency (MEPA) and Atomic Energy Regulatory Authority (AERA)	2021-2023	Off track	Recurrent		Commenced planning process for the review of the National Environment Policy – a Roadmap was drawn, and consultations conducted with the OPC. TORs were developed, and a concept proposal was also developed – currently seeking funding	None
Review existing laws and policies related to economic and fiscal instruments to raise revenues for the sustainable conservation and management of natural resources and the environment	2021-2023	Off track	Recurrent		The forestry sector developed the Charcoal Valuation Technical Order to establish a single standard for the valuation of charcoal as a forest product. Further, the Wood Valuation Technical Order has been drafted. In addition, drafted a review of forestry fees and royalties to regulate access to forest goods and services	The charcoal Valuation Technical Order is being enforced in courts of law when sentencing illegal charcoal perpetrators
<b>Ecosystem Conservation and Environmental Management</b>						
Enforce mandatory Environmental and Social Impact Analysis (ESIA) on all national or local level development projects	2021-2030	On track	Recurrent	Environmental Affairs Department (EAD)	A total of sixty-four (64) ESIA's were conducted and one hundred and four (104) Environmental and Social Management Plans (ESMPs)	None

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
					were reviewed. Fifty-two (52) compliance-monitoring activities on ESIA were conducted on development projects and best environmental practices were promoted. In addition, thirty-three (33) environmental audit reports were reviewed	
Prepare and implement restoration plans in highly degraded areas (wildlife, forestry, and fisheries)	2021-2023	On track	Promotion of tree planting	Department of Forestry	14,066.5 hectares (3,892,312 tree seedlings) restored on customary estates and 2,704.27 hectares (3,203,851 tree seedlings) on Government plantations in the 2023/24 National Forestry Season (NFS) covering Kaning'ina, Dzalanyama, Mulanje, Zomba-Malosa, Pelekezi, Ntchisi, Thuma, Thambani, Mua-Livulezi, and Philirongwe	Low participation of stakeholders in forestry initiatives remains a challenge hence the need to promote the Adopt a Forest Initiative
Designate all hilly areas as protected and scale up forest regeneration	2021-2023	Off track	Conserve and Manage Forest Reserves and Forests	Department of Forestry	7,980.41 hectares of natural regeneration managed on forest reserves and forests on customary estates in the 2023/24FY	Enforcement of forestry-related legislation through forest patrols and awareness campaigns
Scale up forest regeneration and land restoration plan in highly degraded areas (wildlife, forestry and fisheries)	2021-2023	On track	Conserve and Manage Forest Reserves and Forests	Department of forestry	The plan is to promote tree planting on customary estates and manage targeted forest reserves through promotion of natural regeneration. A total of 5,494,938 tree seedlings produced in preparation for the 2023/24 NFS and 2,825.79 hectares managed under natural regeneration. 14,066.5 hectares (35,166,264 tree seedlings) restored on customary estates and 2,704.27 hectares (3,569,634 tree seedlings) on Government plantations during the 2022/23 NFS. 9,214.36 hectares managed under natural regeneration in forest reserves and forests on customary estates in the 2022/23FY	Challenge-escalated Forest resources degradation whose possible solution is to effectively enforce forestry legislations through conducting forest patrols and awareness campaigns, among others
Scale up use of alternative sources of energy such as briquettes, biogas and Liquefied Petroleum Gas (LPG)	2021-2030	On track	Malawi Clean Cooking Compact  Cooking and Healthy Forests (MCHF)	Endev- GIZ, MCHF -USAID	Government has removed import duties on LPG, resulting in a notable increase in urban household adoption of LPG from 2.1 percent to 6.1 percent, with significant improvements in Lilongwe at 13.1 percent	Covid-19 affected the implementation of the project



MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Expand the use of energy-saving cooking equipment	2021-2030	On track	Malawi Clean Cooking Compact and MCHF	Endev- GIZ, MCHF- USAID	The uptake of Chitetezo Mbaula has grown substantially, impacting 27,194 households that were previously reliant on firewood. Health facilities have also embraced fixed Chitetezo Mbaula for institutional cooking, resulting in massive trees and firewood saving as well as carbon emissions reduction	Covid-19 affected the implementation of the project
			PAET-ERA	CARD	A total of 4,563 households are using wood saving cook stoves in their homes in Machinga, Chikwawa, Nsanje and Mulanje	None
<b>Waste Management and Green Economy</b>						
Establish modern dump sites and associated infrastructure to support recycling in cities and towns	2021-2023	Slow Progress		Ministry of Lands, City Councils	Mobilisation of resources and identification of appropriate sites (land). Develop appropriate technology for recycling of waste. Mzuzu identified dumping site and Lilongwe is in process of identifying a dumping site	Scarcity of land and compensation issues
Scale up youth-led green practices for promoting green economy in potential areas, especially in cities.	2021-2030	Slow progress		EAD	EAD, with support from UNDP, is implementing a youth-led applied research innovation window where the youth are transforming waste into biogas and COVID-19 PPE	None
Scale up recycling of the industrial by-products and waste management interventions country wide	2021-2030	Inadequate Information		EAD	No information provided	None
Intensify production of energy from waste, especially in towns and cities	2021-2030	Inadequate Information		EAD	No information provided	None
<b>Climate Change Management</b>						
Implement adaptation and mitigation interventions in the sectors of agriculture, forestry, and land resources conservation	2021-2030	On track	Recurrent, Shire Valley Transformation Programme	Department of Climate Change and Meteorological (DCCM)	Total of 1,710 Agricultural Extension Workers and about 500,000 farmers were trained in Participatory Integrated Climate Services for Agriculture (PICSA).  Developed draft Training Manual on Weather and Climate Information for Cooperatives from Chikwawa districts in the Shire Valley Transformation Program	None
			S A N D - D A M S Project	CARD	The project is implemented in collaboration with Excellent Development (UK) with funding from the Jersey Overseas Foundation. In 2022, CARD successfully built (3) sand dams in Chikwawa district. Further, the project engaged targeted communities towards embracing conservation agriculture and participating in catchment conservation and environmental protection efforts	None

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
			D z a l e k a restoration project (UNHCR)	CARD	CARD, with funding from UNHCR, supports Dzaleka camp in environment protection and better lives for Persons of Concern (POCs), asylum seekers and hosts. High population leads to deforestation at Dzaleka as people cut trees for charcoal	None
			Promoting Agro-Ecology Transition for Enhanced Resilient Agriculture (PAET-ERA)	CARD	A total of 307,854 tree seedlings were planted in 2021 and 2022 under PAET-ERA, NCA DCA and EC Trocaire. A total of 1890 truncheons planted in various communities in Nsanje. A total of 6478kg of honey was harvested by bee keeping groups in Dowa, Machinga, Nsanje and Mulanje in 2021 and 2022	None
Enhance climate change research and technology development and dissemination.	2021-2030	On track	Recurrent	EAD	EAD facilitated the formulation of the Higher Education Institutions Platform to champion climate change research and technology development in the country; the Department of Forestry through FRIM is conducting research on improved bamboos as an alternative to fuelwood production, poles and timber	None
<b>Environment and Climate Change Financing</b>						
Re-establish Carbon Tax Fund	2022-2023	Completed	Allocation of carbon levy funds	MoFEA	The Fund was established, and the funds are deposited into a consolidated Government account. As it stands, the Treasury remits a portion of the collected carbon tax levy to the Malawi Environmental Protection Agency account to support the Climate Adaptation Programme being implemented at the local level	None
Build capacity for accessing local and international Climate Change Financing, including the Climate Change Adaptation Fund and Green Climate Fund	2021-2023	Slow Progress	Recurrent	EAD	Twenty (20) experts from Departments of Finance, Disaster Management Affairs, Forestry, Environmental Affairs, Justice, and several representatives from the districts and civil society organisations were trained on how to access local and international climate change financing	None
<b>Natural Disaster and Climate Adversities Preparedness</b>						
Digitize the disaster response programme	2022-2023	On track	M-CLIME	DoDMA	The Disaster Risk Management Information System (DRMIS) is in place and operational in the four (4) pilot districts as well as the five (5) additional districts. The system has supported the Department and councils in migrating from the manual disaster reporting to digital reporting, thus simplifying	The project supporting the activity has phased out, but sustainability plan in place to sustain the operation of the system

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
					disaster response operations and tracking. In addition to the system, a web-based Disaster Information Hub (one-stop centre for all disaster related information in Malawi) has been developed for easy information sharing with the public. Clusters/sectors will be using this common platform for data sharing	
Invest in real-time modernised Early Warning Systems (EWS) and climate information	2022-2024	On track	M-CLIME	DCCM	Radar procurement process commenced, and the observation network underwent rehabilitation and was enhanced through the installation of IntelliSense equipment for temperature observations, replacing mercury. The consultant for installation was identified and the contract was signed. The equipment is being manufactured and will be shipped by August 2024. the equipment will be fully operational in December 2024	None
			M-CLIME	DCCM	The project is installing automated rainfall and hydrological monitoring and telemetry systems and implementing flood risk reduction and management measures. The Department maintained eight (8) lightning detection systems across the country and trained six (6) weather forecasters and forty (40) weather observers to support EWS. Access to weather information has increased by 10-fold	None
			M-CLIME	DoDMA, DCCMS, DWR and UNDP	Constructed five (5) District Emergency Operation Centres, and serviced and repaired twenty-one (21) automated telemetry-based Community-based Flood Early Warning Systems (CBFEWS) in eight (8) districts	Theft in some areas is affecting the progress. District councils engaging communities to enhance ownership of the systems
Develop environmental action plans for environmental management at the national and district level	2021-2023	On track	Recurrent	EAD	3 Biosafety Guidelines were developed and launched. The department also conducted a desk review of the biosafety legal framework. Conducted a desk review of the Biosafety Regulations, one stakeholder consultation meeting was done in July 2023.	Three (3) environmental guidelines were developed two (2) on biodiversity and (1) on ESIA
Review existing laws and policies related to economic and fiscal instruments to raise revenues for sustainable conservation and management of natural resources and environment	2021-2030	On track	Develop and review forest-related legislation	Department of Forestry		None

MIP-1 Interventions	Period	Rating	Activity/Project or Programme	Implementing Agency	Reported Progress	Remarks
Completed		5%				
Started: On track		52%				
Started: Slow progress		14%				
Started off track		19%				
Not started/No info		10%				

# PROGRESS TOWARD ATTAINING SUSTAINABLE DEVELOPMENT GOALS (SDGs)

Malawi conducted a second Voluntary National Review (VNR) to effectively identify the gaps and challenges in its efforts to achieve the Agenda 2030 aspirations. The VNR in 2022 showed significant progress in goals: 2-Zero Hunger, 3-Good Health and Well-Being, 4-Quality Education, 6-Clean Water and Sanitation, and 14-Life below water with moderate progress in goals 5-Gender equality, 7-Affordable and clean energy, 8- Decent work and economic growth, 9-Industry, innovation and infrastructure-, 13-Climate action, and 17- Partnerships for the goals. There was little or no progress in goals 1- No poverty, 10- Reduced inequalities, and 15 Life on land- while insufficient data made it difficult to assess progress in goals 11-Sustainable cities and communities, 12- Responsible consumption and production, and 16- Peace, justice, and strong institutions. However, the intensity of shocks Malawi experienced in 2023 presents a grave risk to the progress the country was making towards the achievement of SDGs. In 2023, the country was hit by three extreme exogenous shocks related to climate change - cyclone Freddy, drought, and El Nino; health pandemics - Cholera outbreak; and macroeconomic instabilities.

Despite the simultaneity of the exogeneous shocks, there are positive improvements on some of the SDGs. SDG 7- affordable clean energy improved from moderate progress to significant progress with increased production and access of sustainable energy. Key investments including the IPPs agreements and connections drive through MAREP and MEAP are bearing fruits. SDG 15 – Life on Land improved from little or no progress to moderate progress mainly on the account of improvement on forestry cover as a result of massive reforestation programmes and strengthen enforcement on protection of wildlife. SDG 16 - which was not assessed in 2022 due to insufficient data was assessed to

have registered moderate progress. However, the collective impact of these shocks made the progress on some SDGs to regress such as SDG 2 (Zero Hunger) from significant progress to moderate progress and SDG 8 Decent work and Economic Growth from moderate progress to little or no progress.

## Impact of Shocks

*Cyclones:* From 2019 to 2023, Malawi experienced four devastating cyclones and floods starting with cyclone Idai. Cyclone Idai affected about half of the country including two of the four major cities, resulting in 60 deaths, and affecting about 1 million people. In 2022 alone, Malawi was hit by two cyclones, Cyclone Ana, and Cyclone Gombe. Cyclone Ana affected about 900,000 people and killed 46 people. Tropical Cyclone Gombe affected about 159,226 people with 27 injured, 39 dead, and 11,008 displaced households.

In 2023, Malawi experienced one of its most severe cyclones, Cyclone Freddy, which had a devastating impact on the lives, livelihoods, and socioeconomic infrastructure. The cyclone resulted in a significant increase in the number of people living in poverty. An estimated 2,267,458 people, about 12 percent of the population, were affected by the disaster, with 659,278 people being displaced, including 336,252 females. Tragically, the cyclone claimed 679 lives, and over 530 people were reported missing. Cyclone Freddy alone costed the economy at least US\$506.7 million in damage across the social, productive, and infrastructure sectors in Malawi. Consequently, the economy has slowed down substantially with the 2023 annual growth rate at 1.9 percent.

The interlinkage of the Cyclone Freddy damages on SDGs is presented in the table below:

**Table 13: Cyclone Freddy's impact on related SDGs loss in US dollars (million)**

Sector	Subsector	Related SDG	Damage	Loss	Public	Private	Total
<b>Social</b>	Housing	SDG 11	113.45	11.02	-	124.47	124.47
	Health and nutrition	SDG 2; SDG 3	4.14	3.99	7.93	0.19	8.13
	Education	SDG 4	30.25	11.83	42.09	-	42.08
	<b>Subtotal</b>		<b>147.84</b>	<b>26.84</b>	<b>50.02</b>	<b>124.66</b>	<b>174.68</b>
<b>Productive</b>	Crops	SDG 2; SDG 8	0.33	55.01	-	55.34	55.34
	Livestock	SDG 2; SDG 8	3.5	3.04	1.44	5.1	6.54
	Irrigation	SDG 2; SDG 8	20.05	25.41	42.56	2.9	45.46
	Fisheries	SDG 2; SDG 8	0.5	2.54	0.02	3.01	3.03
	Trade	SDG 8; SDG 9; SDG 17	8.41	8.26	-	16.68	16.68
	<b>Subtotal</b>		<b>32.79</b>	<b>94.26</b>	<b>44.03</b>	<b>83.03</b>	<b>127.05</b>
<b>Infrastructure</b>	Transport	SDG 9	104.39	6.44	108.8	2.02	110.83
	Energy	SDG 7	11.43	1.93	3.01	10.35	13.37
	Water and sanitation	SDG 6	34.85	6.24	41.08	-	41.08
	Water resources	SDG 6; SDG 15	7.79	4.97	12.76	-	12.76
	<b>Subtotal</b>		<b>158.46</b>	<b>19.58</b>	<b>165.67</b>	<b>12.37</b>	<b>178.04</b>
	<b>Cross-Cutting</b>	Disaster risk reduction	SDG 1;	2.59	14.25	14.94	1.9
Other cross-cutting issues		SDG 5; SDG 10	5.56	4.54	10.09	0.01	10.1
<b>Subtotal</b>			<b>8.15</b>	<b>18.79</b>	<b>23.21</b>	<b>1.91</b>	<b>26.94</b>
<b>Gross total</b>		<b>347.24</b>	<b>159.47</b>	<b>282.92</b>	<b>221.96</b>	<b>506.71</b>	

Source: Post-Disaster Needs Assessment (2023)

*Health Pandemics:* In 2022 Malawi was hit by the worst cholera outbreak in the country, with more than 50,000 cholera cases and 1,700 cholera deaths and had an overall case fatality rate (CFR) of 3.21 percent, more than three times the emergency threshold. The outbreak led to a temporary closure of schools and the ban of some foodstuffs in the markets.

*Macroeconomic fragilities:* The macroeconomic instability continued since COVID-19 induced economic slowdown. Consequently, most macroeconomic indicators deteriorated significantly. The average annual inflation rate escalated from less than 10 percent to 28.8 percent; import cover reduced from 2.7 months to less than a month; the policy rate increased from 12 percent to 24 percent; and the Kwacha lost value to around 1,698 to a dollar. This pushed the already poor population deep into poverty and lowered agriculture production due to high prices of agriculture inputs thereby directly impacting SDG1, SDG 2, and SDG 8.

### **SDGs affected by the shocks.**

Cumulatively, these shocks are exerting adverse pressure on all the SDGs. The climatic disasters are pushing the already poor population deep into poverty and lowering agriculture production directly impacting SDG1 (End Poverty in all its forms everywhere), SDG 2 (Ending Hunger and Achieving Food Security) and SDG 8 (Promote Sustained, Inclusive and Sustainable Economic Growth, Full and Productive Employment and Decent Work for All). Cyclones also led to the destruction of infrastructures including hospitals, schools, hydro-plants, and roads negatively affecting SDG 3 (Ensure Healthy lives and promote well-being), SDG 4 (Inclusive and equitable education), SDG 6 (Ensure availability and sustainable management of water), and SDG 7 (Access to Affordable Sustainable and Modern Energy). Cholera and COVID-19 outbreaks caused shortages of health workers in hospitals hence delivering targets under SDG 3 was marred with unprecedented challenges. School

closures driven by the COVID-19 and Cholera pandemics resulted in repetition and dropout, the situation was worse among vulnerable children such as children with disabilities and special needs children. SDG 6 was the worst affected by the Cyclones, Cholera outbreak, and COVID-19. Understanding the collective impact of these shocks is crucial to recognise how they have hindered Malawi's progress toward achieving her SDG commitments, including those not specifically highlighted in this report.

### **Government Commitment To Accelerate Attainment Of SDGs.**

Given the slow progress being made on SDGs, against the ambitious targets set on the SDGs attainment by 2027 and 2030, Malawi has prioritised investing in high multiplier SDG targets to act as development progress accelerators. These national priorities have been generated using a machine learning algorithm and validated through consultations with various stakeholders. The outcomes of this process revealed the most prominent SDGs, referenced in national policy documents. This analysis used a custom-built model for SDG classification. It considered 100,000+ terms, including phrases and expressions presented in key policy documents. The following was the portfolio used as inputs into the analysis: MW2063, United Nations Sustainable Development Cooperation Framework (UNSDCF) Malawi 2019 – 2023, Final United Nations Malawi Common Country Analysis (CCA) 2023, Cooperation Framework Companion package, Malawi VNR 2022, MIP-1, Economic and Fiscal policy Statement, 2023, Budget Policy Statement 2023/2024, State of the Nation, 2023 and the Malawi 2023 Draft Programme Based Budget Document.

The outcome of this analysis was a set of identified national priorities that connect to the rest of the SDGs through pathways. The pathways presented both synergies, with positive multiplier effects, and trade-offs, which are potential losses. The final list of

priority areas comprised pathways that achieve significant gains with minimal losses. The selected pathways, for Malawi, therefore, reflect policy investments with the most potential to accelerate attainment of the SDGs for Malawi. Importantly, the selected priority targets to accelerate attainment of key SDGs, including no poverty, zero hunger, quality education, gender equality, decent work and economic growth and climate action. Based on a global framework for interlinkages, Malawi's pathways were coded at SDG indicator level, and the identified list included:

*Target 5.4: Value unpaid care and promote shared domestic responsibilities:* This target has 18 synergy interlinkages with key SDGs including: no poverty (target 1.3 and 1.5), zero hunger (target 2.2 and 2.5), good health and well-being (target 3.4 and 3.8), quality education (target 4.1 and 4.4), gender equality (target 5.4 and 5.5), clean water and sanitation (target 6.1, 6.2, 6.3 and 6.5), decent work and economic growth (target 8.5), reduced inequalities (target 10.1 and 10.7) and climate action (target 13.1). This priority target has only 2 trade-offs.

*Target 8.5: Full employment and decent work with equal pay:* The target has 43 synergy interlinkages with the SDGs. It contributes to the key SDGs listed under Target 5.4 (no poverty, zero hunger, affordable and clean energy, good health and wellbeing, quality education, gender equality, decent work and economic growth, reduced inequalities, and climate action). However, over and in addition to those, Target 8.5 also contributes to affordable and clean energy (target 7.1, 7.2, 7.3, 7.a and 7.b), industry, innovation and infrastructure (target 9.1, 9.2, 9.4, 9.5 and 9.a), sustainable cities and communities (target 11.1 and 11.2), responsible consumption and production (target 12.1, 12.5, 12.8, 12.8 and 12.a), life below water (target 14.4 and 14.7), life on land (target 15.1, 15.2 and 15.3), peace justice and strong institutions (target 16.4 and 16.6) and partnerships for the goals (target 17.3, 17.5, 17.6, 17.7, 17.9, 17.11 and 17.13). This priority target has only 2 trade-offs.

*Target 9.2: Promote inclusive and sustainable industrialization:* This target has 30 synergy interlinkages with SDGs including Zero poverty (target 1.5), clean water and sanitation (target 6.1, 6.2, 6.3, 6.a and 6.b), affordable and clean energy (target 7.1, 7.2, 7.3, and 7.4), industry innovation and infrastructure (target 9.1, 9.4 and 9.6) reduced inequalities (target 10.b), sustainable cities and communities (target 11.1, 11.2, 11.3, 11.b), responsible consumption and production (target 12.6 and 12.8), climate action (target 13.1, 13.2, 13.3, and 13.b), life on land (target 15.1) peace and strong institutions (target 16.6) and partnership for the goals (target 17.1, 17.3, 17.6, and 17.9). This priority target has only 13 trade-offs.

*Target 11.b: Sustainable and resilient cities and human settlements:* This target has 32 synergy interlinkages with SDGs including no poverty (target 1.5), clean water and sanitation (target 6.1, 6.2, 6.3, 6.a and 6.b), affordable and clean energy (target 7.1, 7.2, 7.3, and 7.a), industry, innovation and infrastructure (target 9.1, 9.4, and 9.a), reduced inequalities (target 10.b), sustainable cities and communities (target 11.1, 11.2, 11.3, 11.6, 11.7 and 11.b), responsible production and consumption (target 12.6 and 12.8), climate action (target 13.1, 13.2, 13.3 and 13.b), life on land (target 15.1), peace justice and strong institutions (target 16.6) and partnership for the goals (target 17.1, 17.3, 17.6 and 17.9). This priority target has no trade-off.

*Target 16.6: Develop effective, accountable, and transparent institutions:* This target has 73 synergy interlinkages with all SDGs, and strong linkages with the key SDGs including no poverty, zero hunger, affordable and clean energy, good health and well-being, education, gender equality, decent work and economic growth and climate action. This priority target does not have any trade-off.

The listed pathways were validated through an extensive engagement of multiple players and



in consultations with various stakeholders. The stakeholders consulted during the validation of these priority areas included the private sector, Non-Governmental Organisations, the youth, and development partners. These validation processes solicited consensus on the pathways and provided additional data that addressed gaps left in the analysis. As a country, Malawi is therefore convinced that the final product is a comprehensive overview of SDG policy pathways, which shall accelerate the attainment of the country's SDGs by 2027 and 2030.

### **Proposed Policy Commitments and High Impact Interventions**

Malawi has proposed policy commitments and high-impact interventions that leverage the identified pathways to accelerate the attainment of the SDGs. The following is a list of these commitments and interventions, under each of the identified pathways:

*Target 5.4: Value unpaid care and promote shared domestic responsibilities:* Commitments made by the Government, through the Ministry of Gender, Community Development and Social Welfare, shall address gender gaps by enhancing women's social and economic empowerment. The key policy commitments are increasing support for economic, social, and human capital development for women and social protection that targets women. The key interventions include increasing women's access to digital services for education, economic and healthcare benefits; supporting women cooperatives and SMEs; and implementing the male engagement strategy that shall facilitate effective inclusion and participation of men as change agents in reducing violence against women and establishing platforms for men and boys to appreciate the unpaid work that women do.

*Target 8.1 and 8.5: Economic growth, full employment, and decent work:* Accelerating these targets entails sustained and resilient economic growth, full and productive employment and decent work for all women and men, including young people and persons with disabilities, and equal pay for work of equal value. The key

policy commitment under economic growth is reviewing the National Agriculture Policy to intensify support for irrigation development and agricultural commercialisation, reviewing the Energy Policy (2018) and implementing the Free Electricity Connection guidelines. On underemployment, the key commitments include: the implementation of the National Employment and Labor Policy, the job creation strategy, the Malawi Decent Work Country Programme II, TEVET Policy, the Employment Act, the Implementation of the national tourism investment master plan, reviewing the National Tourism Policy, and implementation of the National Digitisation Policy.

The key interventions for economic growth include providing matching grants to farmers and refurbishing and building irrigation infrastructure. On underemployment, key interventions include, establishing four (4) job centres; registration of workplaces, conduct labour force survey, formalisation of informal skills programmes; scaling up graduate internship programmes; Expanding National Technical Colleges; construction of seven (7) Community Technical Colleges and Skills Development centres; construction of National Technical Teachers Training College; enforcing the adherence to minimum wage; scaling up formalisation of thirty-one (31) cooperatives; and increasing electricity access through the Malawi Electricity Project and scaling up the provision of solar incentives; and establishing technology hubs for incubation programmes that nurture digital employable skills.

*Target 9.2: Promote inclusive and sustainable industrialisation:* This Target aims to advance sustainable and inclusive growth and achieve inclusive and sustainable industrialisation. The following are the key policy commitments to achieve this Target: reviewing the National Agriculture Policy, reviewing the National Tourism Policy, operationalising the Mining Company and the Mines and MMRA, reviewing the Industrial Policy, developing a model Mining Development Agreement, and decentralising road maintenance by reconstituting District Infrastructure Roads Maintenance

Programme (DRIMP). These commitments shall be operationalised through the following interventions: mapping all potential irrigation areas and expanding irrigation coverage; mapping, zoning and securing prime land with potential for tourism investment and development; establishing a revolving fund for tourism SMEs; improving accessibility to tourism resort areas; promoting domestic tourism through the implementation of the Domestic Tourism Strategy; implementation of the Tourism Investment Masterplan; establishing SEZs; recapitalising MSMEs and industries affected by natural disasters; reconstructing Cyclone Freddy damaged MSMEs' infrastructure to disaster-resilient standards; undertaking systematic maintenance and rehabilitation of road infrastructure, including in rural areas; increasing the lengths (kms) of paved roads to above 50 percent, especially targeting rural roads and tourism and mining potential areas; dualizing prime city roads and district urban centre roads according to master plans; and signing of Mining Development Agreements with Large Scale Mining Companies.

*Target 11.b: Sustainable and Resilient Cities and Human Settlements:* The target aims to secure sustainable urban development and foster a resilient and inclusive future for its cities and settlements. The following are the key policy commitments: upgrading existing slums, reviewing the National Disaster Risk Management Policy (NDRM Policy 2023), and implementing the Disaster Risk Management Investment Plan. These commitments will be supported by the following high-impact interventions: Mapping and zoning of disaster-prone areas; relocating and resettling populations from areas declared as disaster-prone; promoting good land use planning and management and sound construction of infrastructure; implementing community-based disaster risk reduction programmes; and establishing and operationalising the Disaster Risk Management Fund

*Target 16.6: Develop effective, accountable, and transparent institutions at all levels:* The high-impact initiatives under this Target will be

guided by the following legislation and policies: Public Finance Management Act 2022; Corrupt practices act; Public Audit (Amendment) Act 2022; and the National Anti-corruption Strategy. The policy commitments hereunder include the development of regulations and treasury instructions to operationalise the Public Finance Management Act and implementation of the National Digitisation Policy. The high-impact initiatives will be developing a framework for monitoring the preparation and execution of Government budgets, and efficient and effective utilisation of public funds; conducting Public Expenditure Tracking Surveys (PETS); undertaking performance audits for Government programmes and policies to assess their effectiveness and efficiency in achieving the SDGs; conducting perception surveys on public services, including conducting joint assessments; and digitising the Government procurement system to reduce manual interactions that allow massive funds abuse.

### **Strengthening National Data and Monitoring Systems to Track SDGs Implementation**

Malawi has no stand-alone SDG monitoring system to track SDGs implementation. However, because the MW2063 M&E Framework adopted SDG indicators, aligning them with public policies, frameworks, and strategies (i.e., strategic plans, national budget statement), SDG indicators are monitored through the national development planning portfolio. There are also efforts to step up data availability, which the SDG tracking can leverage. For instance, the country is establishing a Government-wide Monitoring and Evaluation Management Information System (GWME- MIS). This System is envisioned to have SDG tracking modules. Currently, there are data for only 54 percent of the SDG indicators against the global SDG framework of 247 indicators. Operationalisation of the GWME- MIS should avail more data for the SDG indicators.

Progress has also been made in governing data availability. The country currently has a new M&E Policy. The commitment to accelerate SDGs implementation by 2027 and 2030 is to ensure that MDAs are implementing the policy. The MDAs shall have costed M&E work plans, revised

M&E frameworks and improved data collection tools in accordance with Data Quality Assurance Frameworks (2022) and Statistical Standards and Definitions (2022) of the National Statistical System. Operationalising the statistical system demands financial support to strengthen human and organisational capacity for managing the M&E systems. An example is through organising stakeholder trainings on M&E methodologies and specialised training in data quality audit (DQA), and data use.

While improved M&E's organisational and implementation capacity for enhanced SDG reporting is the key commitment, enhanced evaluation capacity and usage needs special emphasis. The Government commits to bolster domestic support for research on the impact of SDG interventions. This will be achieved through commissioning programmatic and impact evaluations on high-impact initiatives that have been isolated under each of the 5 SDG indicator pathways presented in this Report. Finally, the Government shall strengthen data analysis for periodic surveys conducted by the National Statistical Office (NSO); and the results shall be reported and disseminated to stakeholders in policy and programme planning around SDGs-related interventions.

### **Alignment of the Policy Commitments to the National Budget**

The main long-term policy framework that expresses the vision and aspirations of the nation is the MW2063. This policy framework has domesticated the SDGs, and it guides the Government on development path and plans, areas of focus and resource allocation through the MIP-1. The SDGs are hence part and parcel of the MIP-1 and budget frameworks. The Challenge remained that of prioritisation towards interventions that have the highest multiplier effects in accelerating the SDGs. These largely relate to ensuring a highly productive economy that is capable of increasing the fiscal space, generating forex and retiring debt at the shortest time possible so as to free resources towards the social sectors and, consequently, a

high quality of life for all – thus leaving no one behind.

### **National Institutional Arrangements to Deliver the Goals.**

The 81.62 percent alignment of the SDGs to the MIP-1 reassures continued domestic SDGs financing in Malawi. Following on this alignment, the country is commitment to speed up the establishment of an Integrated National Financing Framework (INFF). The INFF is a tool for assessing financing needs and better align financing flows with the SDGs. Several efforts are underway towards implementing the four building blocks of IFFS, namely Assessment and Diagnostics, Financing Strategy, Monitoring and Review, and Governance and Coordination.

Malawi put in place a multi-stakeholder coordination mechanism, the PECGs, for rallying efforts towards the realisation of SDGs through MIP-1. The country will also continue to foster inclusive participation and engagement of diverse stakeholders, including non-state actors that provide financial, technical, and other support to the state on the implementation of SDGs. Furthermore, Malawi developed a Monitoring and Evaluation (M&E) Policy that will enhance the monitoring and evaluation of the SDGs for evidence-based decision-making. In addition, the country aims to bolster domestic support for research on the impact of the SDGs' prioritised interventions through commissioning programmatic and impact evaluations. The Government will continue to implement meaningful public sector reforms, through the Public Sector Reforms Programme, to create an environment for favourable and sustainable development outcomes. Furthermore, the Government will continue to put in place measures that create a safe working environment; a Public Service Anti-Sexual Harassment Policy has already been developed to enhance institutional capacity to combat sexual harassment in the workplace effectively.

# PROGRESS ON THE MALAWI COVID-19 SOCIO-ECONOMIC RECOVERY PLAN

The Government unveiled the SERP, whose implementation period was from 2021 to 2023. The SERP has two key objectives: (i) to provide strategic transitional redress to the COVID-19 pandemic in facilitating the operationalisation of the MW2063 through the MIP-1; and (ii) to provide remedial strategic interventions that could set Malawi back on course in its efforts to actualise the SDGs by 2030.

The SERP, which was part of MIP-1, defined some of the key interventions for Malawi to build back much faster from COVID-19 in the implementation of the MIP-1. These included front-loading ongoing socio-economic investments in selected productive sectors. More specifically, the SERP prioritised strategic interventions across five (5) interlinked focus areas which were identified based on the evidence that showed accelerated recovery if these areas were targeted. The five (5) focus areas were as follows:

- Building a Resilient and Sustainable Health System.
- Building a Resilient and Sustainable Education System.
- Building a Resilient and Sustainable Social Protection System.
- Building a Resilient Economy and Labour Market.
- Building an Enabling Macroeconomic Policy Environment.

## Progress by SERP Pillars

### Building a Resilient and Sustainable Health System

The focus area aimed at enhancing the capacity of the healthcare system to maintain essential life-saving health services while handling COVID-19 and future pandemics.

*Strategic Intervention 1.1: Enhance Capacity in the healthcare system to maintain essential life-saving health services while handling COVID-19 and other future pandemics.*

The following interventions were implemented to enhance capacity of healthcare system:

- Completed construction of an infectious diseases treatment centre in Zomba, while the construction of an infectious diseases treatment centre in Mzuzu is at roofing level. For Kamuzu and Queen Elizabeth Central Hospitals, actual construction has not yet commenced – the projects are at recruitment of contractor's stage.
- Recruited 6,766 health professionals of various cadres and deployed them to various health facilities across the country.
- Commenced the construction of 32 health posts – the progress of construction is at various stages.
- Procured 21 Digital X-ray machines to strengthen diagnostic services for tuberculosis and other essential health services across the country.
- Procured and deployed 20 ambulances to various districts and central hospitals across the country.
- Procured and installed medical oxygen-generating plants in hospitals to ensure the availability of oxygen gas that is vital in the management of critical respiratory diseases as follows:
  - At Mzuzu Central Hospital a gas plant has successfully been installed.
  - At Bwaila Hospital, Zomba Central, Karonga, and Kasungu District Hospitals the procurement processes is at an advanced stage.
  - Preparations for the installation of 5 liquid oxygen (LOX) tanks and piping for 1,160 beds at 8 sites of Kamuzu Central Hospital and the District Hospitals of Mzimba South, Mangochi, Mulanje, Salima, Dedza, Mchinji, and Rumphu are at an advance stage.
- Digitising of health system started with Outpatient Department electronic Register

in 3 health facilities in Ntcheu and medical record system at the Queen Elizabeth Central Hospital.

- Completed the construction and operationalised of the national Public Health Emergency Operating Centre which is serving as a command centre where emergency management personnel coordinate preparedness, response, and recovery activities.

### *Strategic Intervention 1.2: Upscale COVID-19 Vaccine acquisition and administration*

The following interventions were implemented to upscale vaccine acquisition and administration:

- For COVID-19 vaccination, the population that was fully vaccinated increased from 24 percent in Dec 2022 to 39 percent in October 2023.
- Institutionalised routine awareness campaigns to enhance information flow among all stakeholders and the general public and interface with the community for full participation during public emergencies.

### *Strategic Intervention 1.3: Improve the control and management of infectious diseases at border posts.*

The following interventions were implemented to improve the control and management of infectious diseases at border posts:

- The National Public Health Emergency Operating Centre (PHEOC) was constructed to, among others, strengthen screening at points of entry.
- Recruited 2,104 COVID-19 vaccinators to manage infectious diseases across the country and at all points of entry.

## **Building a Resilient and Sustainable Education System**

This area focuses on building a resilient and sustainable education system capable of withstanding any future global or national shocks to ensure that learning continues in school amid pandemics and shocks.

### *Strategic Intervention 2.1: Enhanced capacity of the education system through innovation and digital transformation technology to facilitate e-learning and e-teaching, as well as other distance learning initiatives.*

The following interventions were implemented to enhance capacity of education system:

- Created a digital space on the National Data Centre under the Government Enterprise Service Bus (ESB) Architecture to support online education like Notemaster and the electronic Continuous Professional Development (eCPD) in Teacher Training Colleges.
- Constructed 437 primary classrooms (95 percent of which are complete and in use) and water points (502 boreholes – 97.5% of which are complete and in use).
- Constructed 59 CDSSs under the SEED Project, 21 secondary schools under the Improving Secondary Education in Malawi (ISEM), and expanded 103 CDSSs under EQUALS.
- Recruited 2,257 primary school teachers and 2,293 secondary school teachers; and promoted 380 secondary teachers. Undertook a functional review to expand secondary school teachers to 5,000. Further, the Ministry of Education hired 3,270 auxiliary teachers in primary schools and 1,168 in secondary schools.
- Broadcasted radio education programmes for standard 4 to 8 on Malawi Broadcasting Cooperation Radio 1 for the entire COVID-19 period. The Ministry of Education established an Educational Broadcasting Station which started in October 2023 with online broadcasting while waiting for FM frequencies. In December 2023, the station got FM frequencies (92.0 MHz and 92.2 MHz) and was launched on 16th January 2024. The programmes include ECD, Primary and Secondary lessons which come at strategic times to meet the needs of learners.
- Procured and distributed 352,291 textbooks, flip charts, and writing materials.

## Building a Resilient and Sustainable Social Protection System

This focus area aimed to establish a comprehensive shock-sensitive social protection system to support vulnerable groups (particularly women, children & people with disabilities) to recover from the impact of COVID-19.

*Strategic Intervention 3.1: Establish a comprehensive shock-sensitive social protection system to support vulnerable groups (particularly women, children & people with disabilities) in recovering from the impact of COVID-19.*

The following interventions were implemented to maintain shock sensitive social protection system:

- Gazetted gender-related laws to protect the rights of women, girls, boys, and men against violence, including measures to end child marriage. The Government also launched the National Male Engagement Strategy to improve the participation of males in addressing GBV.
- Rolled out categorical re-targeting in Social Cash Transfer to ensure that persons with disabilities, the elderly and orphaned children are included in social cash transfers. The Government launched a new three-year social protection programme to empower the most vulnerable women and girls in nine (9) districts to get out of extreme poverty.
- Implemented Amai Titukuke, benefiting more than 500,000 people. This initiative is designed to provide targeted support that not only enhances socio-economic status, but also strengthens household resilience to crises, shocks and disasters.
- Electronic payment systems for the Social Cash Transfer Programme have been established in seventeen (17) districts, with plans to roll out in all districts by the end of 2024.

## Building a Resilient Economy and Labour Market

The focus was to provide an enabling business environment for sustainable economic recovery, resilient jobs and inclusive wealth creation, especially for SMEs and informal sector workers, with a focus on skills development and the application of digital transformation and green growth production methods to enhance their contributions to the economy and private sector development. The following is the registered progress:

*Strategic Intervention 4.1: Enhanced support provided to the revival of SMEs and the informal sector in the economy, with a particular focus on self-sufficiency, skills development, and the application of green growth production methods to enhance their contributions to the economy and private sector development.*

The following interventions were implemented to support SMEs and the informal sector:

- The Government, with support from UNDP, developed the Malawi Electronic Trade Licensing System to streamline and automate the process of issuing trade licenses. This system aims to simplify the licensing procedure for businesses and traders, making it more efficient, transparent, and accessible.
- Enabled the integration and interaction of key systems in Government linking nine (9) key MDAs, including NRB, PPDA, and Immigration.
- Commenced the development of the National Single Window, starting with a gap analysis where twenty-one (21) agencies were consulted on their procedures to guide the development of software that conforms to the business processes.

*Strategic Intervention 4.2: Increase smallholder farmers' access to agricultural extension services and support to agro-processing value chains and cross-border trade (largely engaged in by women and youth) by accelerating the adoption of digital technologies in extension and innovative technologies in prioritised value chains and overall engagement in regional and continental trade to create income and employment opportunities.*

The following interventions were implemented to support smallholder farmers:

- Redesigned AIP targeting 1.5 million productive farmers with land holdings ranging from 0.4 hectares to 2.5 hectares. Further, AIP was reformed to ensure that those beneficiaries that could best benefit from cash transfers and public works were isolated from the Universal Beneficiary Registry (UBR), thereby improving on the targeting of beneficiaries depending on level of productivity and need.

### **Building an Enabling Macroeconomic Policy Environment**

The focus was to adopt and implement sound policy measures that will support the generation of green and sustainable economic growth, structural transformation, and prudent fiscal management within the economy. The Government was to diversify the economy; promote a knowledge-based economy; and diversify its revenue-generating capacity beyond traditional sources.

*Strategic Intervention 5.1 Adopt and implement sound policy measures that will support the generation of green and sustainable economic growth, structural transformation, and prudent fiscal management within the economy.*

The following interventions were implemented to support sustainable economic growth:

- Extended Credit Facility (ECF) Programme of the International Monetary Fund has helped the country to reduce the fiscal deficit from 10 percent of GDP in 2022 to 8.7 percent in 2023. However, the public debt has increased from 69.7 percent in 2022 to 84.8 percent in 2023.
- NES II, which was developed in 2021, is being implemented to develop export and diversify the economy.
- The MoFEA has finalised the development of the Integrated National Financing Framework which will be launched in 2024.
- The Ministry of the Trade and Industry domesticated and simplified the AfCTA in 2021; and developed the National Implementation Strategy of the AfCTA in 2023 which is operational and has created an AfCTA column in the tariff book.
- The Ministry of Trade and Industry has not developed a private sector development strategy, but most of the issues hindering private sector development are being addressed through the Public Private Dialogue (PPD) forum; for example, local or international investors are able to acquire land through the Malawi Investment Plan.

# CONCLUSION AND KEY RECOMMENDATIONS

## Conclusion

The 2023/24 implementation progress of the MIP-1 is a mixed bag. However, comparing to the 2021/22 implementation progress, there has been significant improvements on the proportion of interventions which have commenced and are on track. Nevertheless, implementation of a considerable number of interventions remains slow due to either inadequate funding or implementation capacity deficiencies in the country, posing a risk to attaining the two 2030 milestones of graduating the country to middle income economy and meeting most of the SDGs. To reverse this trend and remain on track of achieving the MIP-1 milestones, the country needs to make intentional efforts at supporting the existing businesses to grow while attracting exponential investments largely into the productive sectors and exports, in particular. This will require intensification of agriculture commercialisation by mega farms with production and processing of high-value crops while anchoring smallholder farmers through highly productive arrangements. Relatedly, the Mining Agreements that are yet to be finalised must be fast-tracked and ensure that some mining operations start in earnest by end of 2024 or early 2025. With the establishment of the Malawi Development Cooperation Holdings Limited, Treasury must ensure it is well prioritised and capitalised to venture into manufacturing in strong alliance with the private sector, as a matter of urgency. On the other hand, given the effecting of the free visas regime and significant efforts made so far in promoting the country as a tourism destination, this sector has become a low hanging fruit if it can only be supported with ease of access to the country and to the tourists attraction sites.

Notably, while there was a considerable improvement in submission and getting of data from various stakeholders, this report does not capture the full story of the development progress being registered in the country. This is because there are so many stakeholders implementing transformative interventions in Malawi that are contributing to the achievement

of MIP-1 milestones especially from individuals and non-state actors, whose efforts may not have been captured. However, this report paints a picture of the progress we are making as a nation with the hope that more can be reported in subsequent reports. Efforts are underway to strengthen data collection through the Pillar and Enabler Coordination Groups (PECGs) and to ensure comprehensive monitoring and reporting of initiatives for mutual accountability.

## Recommendations

While significant challenges remain, the unwavering commitment of Malawians and the strategic implementation of prioritised interventions provide a solid foundation for achieving the MIP-1 milestones by 2030. By addressing identified systemic weaknesses and implementational bottlenecks, Malawi can stay on track to becoming a lower middle-income country and meeting most of the SDGs by 2030. However, to achieve that, stakeholders have to undertake some of the following recommendations:

1. *Strengthening Economic Resilience* by investing strategically in productive sectors such as agriculture, tourism, mining, and manufacturing to spur economic growth. Historical data suggests that robust growth in these sectors can drive overall economic performance. There is, therefore, the need for the government to motivate private sector by incentivising investments in these sectors of the economy
2. *Reprioritise and fast-track implementation of quick wins* catalytic interventions identified to have the greatest potential for wealth creation and strong linkages with other sectors for quick economic recovery. This should culminate in the development of the MIP-1 acceleration plan, a package of the minimal interventions required to guarantee the achievement of MIP-1 two milestones of a lower middle-income economy and meeting most of the SDGs by 2030. The



national development budget should be reprogrammed to send the clearest signal to development partners and the private sector on the urgency of accelerating the implementation of the interventions in the acceleration plan.

3. *Effective Monitoring System and Accountability Mechanism:* The country must strengthen the monitoring mechanism to ensure catalytic projects are implemented timely, bottlenecks are identified and addressed promptly and stakeholders are held accountable. This will require fast-tracking and operationalising the M&E Policy, strengthening the National Statistical System, and capacitating institutions responsible for providing oversight of development planning which include the national assembly, Office of the President and Cabinet, Ministry of Finance and Economic Affairs and National Planning Commission.
4. *Diversify resource mobilisation* to ensure adequate financing for development initiatives. Key to this include fast-track

finalisation of the INFF to ensure the country has a guiding framework to tap resources from diversified avenues which include expanding domestic revenue streams, PPPs, development bonds, climate financing, pension funds, and other private sector instruments.

5. *Resilience Building and Disaster Preparedness:* Given the recurrent nature of climate-related disasters in Malawi, it is imperative to invest in resilience-building measures and enhance disaster preparedness. This includes strengthening infrastructure to withstand extreme weather events, implementing early warning systems, and developing comprehensive disaster response plans. Integration of foresight planning in development planning and project designing should be strengthened to ensure plans are versatile to readapt in the face of exogenous shocks.

# APPENDIX

## Appendix 1: 2023/24 Indicator Performance Tracking Matrix

INDICATORS	Unit	Disaggregation	Baselines	2022	2023		2030 Target	Data Source	Responsible Institution
			2020	Actuals	Target	Actual			
<b>AGRICULTURE PRODUCTIVITY AND COMMERCIALIZATION</b>									
<b>1. Agriculture Diversification</b>									
<b>Outcome 1.1 Improved Agricultural Diversification</b>									
Indicator 1.1.1 Share of agricultural value added from other commodities other than tobacco and maize	%	Total	21.5	24.7	24.5	27.8	TBD	National Accounts	NSO/EP&D
Indicator 1.1.2 Composition of agriculture GDP by agriculture sub-sectors:	%								
Animal production		Animal	31.1	34.2	35	37.5	TBD	National Accounts	NSO/EP&D
Crops		Crops	63.6	60.6	59	57.5	TBD	National Accounts	NSO/EP&D
Fisheries		Fisheries	4.8	4.7	5.5	4.6	TBD	National Accounts	NSO/EP&D
Forest		Forest	0.5	0.4	0.5	0.4	TBD	National Accounts	NSO/EP&D
Indicator 1.1.3 Livestock Population (in '000,000):	Number								
Cattle		Cattle	1.89	1.97	2.13	2.19	3	APES Report	Ministry of Agriculture
Goat		Goat	10.03	10.7	12.3	12.99	25	APES Report	Ministry of Agriculture
Chicken		Chicken	197	212.7	248.1	211.13	500	APES Report	Ministry of Agriculture
Indicator 1.1.4 SDG [5] 14.7.1 Sustainable fisheries as a percentage of GDP	%		1.2	1.4	1.4	1.4	2	APES Report	Ministry of Agriculture
Indicator 1.1.5 Crop production ('000 MT):	Metric tonnes								
Industrial hems		Industrial hems	0	0	130	15	1,000.00	APES Report	Ministry of Agriculture
Pulses		Pulses	2332.121	979.513	2,776.60	1,019.76	3,673.11	APES Report	Ministry of Agriculture
cereals (rice and wheat)		cereals (rice and wheat)	317.835	287.591	378.41	124,534	500.59	APES Report	Ministry of Agriculture
Tobacco		Tobacco	114.004	102.85	196.999	120.056	312.047	APES Report	Ministry of Agriculture
Maize		Maize	2,785.71	3849.011	2,956.22	3,509,837.00	3,383.22	APES Report	Ministry of Agriculture
Indicator 1.1.6 Fisheries and aquaculture (MT) ('000)	Metric tonnes	Total	174.9		184	198,164.00	250	APES Report	Ministry of Agriculture

INDICATORS	Unit	Disaggregation	Baselines	2022	2023		2030 Target	Data Source	Responsible Institution
			2020	Actuals	Target	Actual			
<b>2. Irrigation Development</b>									
<b>Outcome 2.1 Increased Area under Irrigation</b>									
Indicator 2.1.1 Area under irrigation (ha) by size:	Hectar		118,843	146,966.2	135,943	148,850			
Large schemes		Large schemes	56,856		61,956	80,427	73,856	APES Report	Ministry of Agriculture
Smallholder		Smallholder	61,987		73,987	68,423	101,987	APES Report	Ministry of Agriculture
<b>3.Anchor Farms</b>									
<b>Outcome 3.1 Improved Agriculture Commercialization</b>									
Indicator 3.1.1 Number of anchor farms established:	Number								
Livestock		Livestock	0		1	0	1	APES Report	Ministry of Agriculture
Horticulture		Horticulture	0	0	0	0	1	APES Report	Ministry of Agriculture
Fisheries		Fisheries	0	0	0	0	1	APES Report	Ministry of Agriculture
Indicator 3.1.2 Number of mega- farms established/ revamped	Number	Total	0		3	9	12	APES Report	Ministry of Agriculture
Indicator 3.1.13 Share of agriculture output produced by large farms (anchor and mega-farms)	Number	Total	0%	N/A	4%	N/A	15%	APES Report	Ministry of Agriculture
<b>4. Farm Inputs</b>									
<b>Outcome 4.1 Increased Access to High Quality Farm Inputs</b>									
Indicator 4.1.1 Fertilizer usage (tonnes per hectare of land):	Tonnes per ha								
Inorganic fertilizer		Inorganic fertilizer	0.04		0.06	0.04	0.2	APES Report	Ministry of Agriculture
Organic fertilizer		Organic fertilizer	TBD		TBD	5	TBD	APES Report	Ministry of Agriculture
Indicator 4.1.2 Proportion of farmers using improved inputs (seeds/breeds):	%								
Crops	-	Crops	TBD		50%	89.3%	80%	APES Report	Ministry of Agriculture
Livestock		Livestock	TBD		34%	No info	50%	APES Report	Ministry of Agriculture
Fisheries		Fisheries	TBD		TBD	No info	TBD	APES Report	Ministry of Agriculture
<b>5. Agricultural Mechanization</b>									

INDICATORS	Unit	Disaggregation	Baselines	2022	2023		2030 Target	Data Source	Responsible Institution
			2020	Actuals	Target	Actual			
<b>Outcome 5.1 Increased Agriculture Mechanization</b>									
Indicator 5.1.1 Agricultural machinery usage:									
Tractor density (tractors per 100 sq. km of arable land)		Tractor density	0.2		0.3	0.4	0.8	Annual Report	Ministry of Agriculture
Irrigation machinery per 100 sq.km irrigated land		Irrigation machinery	TBD		TBD	No info	TBD	Annual Report	Ministry of Agriculture
Average cost of hiring tractor for farm operation (US\$ per hectare)	US\$ per hectare		33		31	40	25	APES Report	Ministry of Agriculture
<b>6. Structured Markets</b>									
<b>6.1 Strengthened High Value Markets</b>									
Indicator 6.1.1 Volume of agricultural commodities sold on formal markets:									
Crops (cereal and pulses)	Tonnes	Crops (cereal and pulses)	TBD		TBD	1.28	TBD	APES Report	Ministry of Agriculture
Livestock	Number	Livestock	TBD		TBD	0.35	TBD	APES Report	Ministry of Agriculture
Indicator 6.1.2 Proportion of farmers in functional cooperatives	%	Total	TBD		TBD	No info	TBD	APES Report	Ministry of Trade and Industry
Indicator 6.1.3 Number of agro-processing, packaging and storage facilities set up for value addition	Number	Total	TBD		TBD	2	TBD	Annual report	Ministry of Agriculture
Indicator 6.1.4 Gap between farm-gate and wholesale price by strategic crops		Total	TBD		TBD	643.8	TBD	APES Report	Ministry of Agriculture
<b>6.2 Improved Management of post-Harvest losses</b>									
Indicator 6.2.1 post-harvest loss (as proportion of total loss):									
Pulses		Pulses	TBD		TBD	No info	TBD	APES Report	Ministry of Agriculture
Cereals		Cereals	12.2		8	10.7	5	APES Report	Ministry of Agriculture
<b>Outcome 6.3 Strengthened Extension Services in Agri-Entrepreneurship</b>									
Indicator 6.3.1 Ratio of agriculture extension worker to farmers	Ratio	Total	1:1929		1:8000	1:2000	1:1500	APES Report	Ministry of Agriculture
Indicator 6.3.2 Proportion of agro MSMEs (as % of total MSMEs)	%	Total	23%		24%	No info	30%	APES Report	Ministry of Trade and Industry
<b>7. Agriculture Research, Innovation and Dissemination</b>									
<b>Outcome 7.1 Enhanced Agriculture, Research, Innovation and Dissemination</b>									

INDICATORS	Unit	Disaggregation	Baselines	2022	2023		2030 Target	Data Source	Responsible Institution
			2020	Actuals	Target	Actual			
Indicator 7.1.1 Number of best practices and new technologies successfully adopted:	Number								
Crops		Crops	0		4	20	40	APES Report	Ministry of Agriculture
Livestock		Livestock	0		2	No info	24	APES Report	Ministry of Agriculture
Fisheries		Fisheries	0		4	1	42	APES Report	Ministry of Agriculture
Indicator 7.1.2 SDG 2.4.1: Proportion of agricultural area under productive and sustainable agriculture	%	Total	TBD		TBD	No info	TBD	Annual Report	Ministry of Agriculture
<b>INDUSTRIALIZATION</b>									
<b>1. Industrializing Mining</b>									
<b>Outcome 1.1 Increased Investment in Mining</b>									
Indicator 1.1.1 Percentage contribution of extractive industries to GDP	%	Total	0.70%	0.70%	2.50%	0.6%	10.00%	National Accounts Framework	NSO/EP&D
Indicator 1.1.2 Percentage contribution of extractive industries to employment	%	Total	0.20%		0.50%		4.00%	MWEITI	Ministry of Mining
Indicator 1.1.3 Number of new large-scale mining companies	Number	Total	0		1	1	8	MWEITI	Ministry of Mining
<b>Outcome 1.2 Improved Transparency and Management of the Sector</b>									
Indicator 1.2.1 Percentage contribution of the Mining to domestic revenue	%	Total	1.1% (2017)		1.60%	No info	10%	MWEITI	Ministry of Mining
<b>Outcome 1.3 Expanded International Markets for the Country's Strategic Products</b>									
Indicator 1.3.1 Export value by key products (Total; US\$ '000,000):	US\$'000,000								
								NSO	EDF
Agriculture			671	755.8		824.8		NSO	EDF
Service (excluding tourism)			415.4	436.5	440	441.4		NSO	EDF
Tourism			26.4	27.6	28	27.9		NSO	EDF
Manufacturing			59	134.8		96.2		NSO	EDF
Mining			0.2	0.4		4.6		NSO	EDF
<b>Outcome 1.4 Increased Youth Employment</b>									
Indicator 1.4.1 Youth employment as proportion of total employment):	%								

INDICATORS	Unit	Disaggregation	Baselines	2022	2023		2030 Target	Data Source	Responsible Institution
			2020	Actuals	Target	Actual			
Agriculture		Agriculture	TBD		TBD	No info	TBD	TBD	Ministry of Labour
Service (excluding tourism)		Service (excluding tourism)	TBD		TBD	No info	TBD	TBD	Ministry of Labour
Tourism		Tourism	TBD		TBD	No info	TBD	TBD	Ministry of Tourism
Manufacturing		Manufacturing	TBD		TBD	No info	TBD	TBD	Ministry of Labour
Mining		Mining	TBD		TBD	No info	TBD	TBD	Ministry of Labour
<b>Outcome 1.5 Improved Efficiency in Accessing Information and Services</b>									
Indicator 1.5.1 Average time taken to open a business by investors:	Days								
Domestic		Domestic	TBD		TBD	5	TBD	TBD	Ministry of Trade and Industry
Foreign		Foreign	TBD		TBD	10	TBD	TBD	Ministry of Trade and Industry
<b>2. Diversification, Value Addition and Competitiveness Largely Targeting Export Market</b>									
<b>Outcome 2.1 Increased Value Addition in Mining</b>									
Indicator 2.1.1 Percentage contribution of extractive industries to exports	%	Total	1.7% (2017)	8.80%	3.40%	8.30%	12.70%	Revenue Reports	Ministry of Finance
Indicator 2.1.2 Proportion of processed mining products exports as percentage of total mining exports by:	%								
Volume (MT)		Volume (MT)	TBD		TBD	No info	TBD	Annual Report	Ministry of Mining
Value US\$		Value US\$	TBD		TBD	No info	TBD	Annual Report	Ministry of Mining
<b>Outcome 2.2 Improved Investment Facilitation to Enhance Exports and Import Substitution</b>									
Indicator 2.2.1 Number of anchor firms established	Number	Total	0		1	2	8	Annual Report	Ministry of Trade and Industry
Indicator 2.2.2 Trade balance (US\$ '000,000)	US\$ '000,000	Total	-1,612	-2,119	-2,140	-2,180	-400	International trade bulletin	NSO
<b>Outcome 2.3 Increased Participation of MSMEs in Value Addition Activities</b>									
Indicator 2.3.1 Share of manufacturing to GDP	%	Total	11.50%	10.70%	11.75	9.60%	12.60%	National Accounts Framework	NSO/EP&D

INDICATORS	Unit	Disaggregation	Baselines	2022	2023		2030 Target	Data Source	Responsible Institution
			2020	Actuals	Target	Actual			
Indicator 2.3.2 SDG 9.3.1 Proportion of MSMEs manufacturing in total industry value add	%	Total	0.10%		5%	No info	11%	FINSCOPE MSME Survey	Ministry of Trade and Industry
<b>3. Creation of Special Economic Zones and Export Processing Zones</b>									
<b>Outcome 3.1 Functional Special Economic Zones</b>									
Indicator 3.1.1 Number of Special Economic Zones developed	Number	Total	0	-	Ongoing	Ongoing	3	Annual Report	Ministry of Trade and Industry
<b>4. Research, Science, Technology and Innovation</b>									
<b>Outcome 4.1 Increased Innovations in Industrialization</b>									
Indicator 4.1.1 Research and development allocation as a proportion of national budget	%	Total	TBD		TBD	No info	TBD	Budget Reports	MoFEA
Indicator 4.1.2 SDG 9.b.1 Contribution of medium-tech industries to total industry value added	%	Total	0%		2%	No info	7.50%	National Accounts	EP&D
<b>URBANISATION</b>									
<b>1. Development of Secondary Cities</b>									
<b>Outcome 1.1 Increased Urbanization</b>									
Indicator 1.1.1 Number of secondary cities developed	Number	Total	0		0	0	3	Annual Reports	MoLGUC
Indicator 1.1.2 Share of urban population in secondary cities	%	Total	0		0	0	15%	Annual Reports	MoLGUC
<b>2. Infrastructure Development Planning and Investment in Cities and Towns</b>									
<b>Outcome 2.1 Enhanced Planned Urban Development</b>									
Indicator 2.1.1 SDG 1.4.1 Proportion of population living in households with access to basic services	%	Total	TBD		TBD	74.2%	TBD	Annual Reports	MoLGUC
Indicator 2.1.2 Proportion of newly developed land in line with master plan	%	Total	0		TBD	No info	TBD	Annual Reports	MoLGUC
<b>3. Sustainable Municipal Self-Financing Mechanism</b>									
<b>Outcome 3.1 Improved Revenue Collection</b>									
Indicator 3.1.1 Percentage of own source revenue to the total annual budget:	%								
District Councils		District Councils	10%	9%	30%	8%	70%	LGFC Reports	MoLGUC
Municipal/town councils		Municipal/town councils	40%	74%	50%	74%	70%	LGFC Reports	MoLGUC
Secondary cities		Secondary cities	0%	N/A	-	N/A	35%	LGFC Reports	MoLGUC
Major cities		Major cities	70%	64%	85%	47%	95%	LGFC Reports	MoLGUC

INDICATORS	Unit	Disaggregation	Baselines	2022	2023		2030 Target	Data Source	Responsible Institution
			2020	Actuals	Target	Actual			
Indicator 3.1.2 Proportion of councils with diverse income sources (no single source contributing to over 50%)	%	Total	40%	46%	60%	49%	75%	LGFC Reports	MoLGUC
<b>4. Tourism Development</b>									
<b>Outcome 4.1 Improved Tourism Infrastructure</b>									
Indicator 4.1.1 Number of new tourism facilities constructed/rehabilitated	Number	Total	0		1	3	7	National Budget	Ministry of Tourism
<b>Outcome 4.2 Increased Visibility and Market for Tourism and Cultural Products and Services</b>									
Indicator 4.2.1 Number of international tourism arrivals	Number	Total	840,000	960,000	900,000	1,000,000	1,500,000	Annual Tourism Report	Ministry of Tourism
Indicator 4.2.2 Direct tourism as share of GDP	%	Total	6.70%	5.00%	8%	5.50%	15%	Annual Economic Report	Ministry of Tourism
Indicator 4.2.3 Amount of revenue generated from tourism taxes and levies (K million)	K	Total	150	420	1,100	497	2,000	Annual Economic Report	Ministry of Tourism
Indicator 4.2.4 Direct tourism employment share of total employment	%	Total	6.80%		8%	No info	15%	Annual Economic Report	Ministry of Tourism
<b>Outcome 4.4 Accelerated Growth of the Creative Industries and Heritage Sub-Sectors</b>									
Indicator 4.4.1 Share of creative arts and heritage industry to GDP	%	Total	0.49%	0.61%	0.60%	0.61%	TBD	National Accounts Framework	NSO/Ministry of Tourism
Indicator 4.4.2 Creative arts and heritage industry contribution to total employment	%	Total	TBD		TBD	No info	TBD	Annual Economic Report	Ministry of Tourism
<b>EFFECTIVE GOVERNANCE SYSTEMS AND INSTITUTIONS</b>									
<b>1. Citizen Engagement, Participation, and Fair Conduct of Elections</b>									
<b>Outcome 1.1 Increased Citizen Engagement in Development</b>									
Indicator 1.1.1 Proportion of functional local development structures (DEC)	%	Total	TBD		TBD	No info	TBD	Annual Reports	Ministry of Local Government
<b>Outcome 1.2 Improved Electoral Service Delivery</b>									
Indicator 1.2.1 Voter turnout rate	%	Total	65%		-	68%	80%	Election Report	MEC
Indicator 1.2.2 Agenda 2063: Percentage of people who believe that the elections are free, fair and transparent	%	Total	41%		-	33%	75%	Survey Reports	MEC
Indicator 1.2.3 Percentage of electoral complaints successfully resolved by MEC	%	Total	TBD		-	No info	100%	Election Reports	MEC
Indicator 1.2.4 Percentage of post-general election cases filed in courts upholding the initial determination	%	Total	TBD		-	No info	100%	Annual Reports	Judiciary
<b>2. Rule of Law</b>									



INDICATORS	Unit	Disaggregation	Baselines	2022	2023		2030 Target	Data Source	Responsible Institution
			2020	Actuals	Target	Actual			
<b>Outcome 2.1 Improved Adherence to the Rule of Law</b>									
Indicator 2.1.1 Average time taken to prosecute cases by type:	days								
Corruption		Corruption	TBD		TBD	551	TBD	Annual Reports	Judiciary
Gender-based violence		Gender-based violence	TBD		TBD	No info	TBD	Annual Reports	Judiciary
Indicator 2.1.2 SDG 16.3.2 Unsented detainees as a proportion of overall prison population	%	Total	22%	21%	18%	28%	13%	Annual Report	Ministry of Homeland Security
Indicator 2.1.3 Number of deaths in police custody as a result of police actions	Number	Total	TBD		0	0	0	Annual Reports	Ministry of Homeland Security
<b>3. Sustainable Long-term Orientation</b>									
<b>Outcome 3.1 Improved Long-term Planning</b>									
Indicator 3.1.1 Proportion of MDAs, CSOs and development partners who have their development plans/strategies aligned to MW2063	%	Total	TBD		TBD	No info	100%	Annual Reports	EP&D
Indicator 3.1.2 Proportion of sectors with strategic plans	%	Total	TBD		TBD	No info	100%	Annual Reports	EP&D
Indicator 3.1.3 Share of development budget to total national budget expenditure	%	Total	TBD	27%	25%	22%	25%	Budget Report	Ministry Of Finance
<b>Outcome 3.2 Increased Domestic Resource Mobilization</b>									
Indicator 3.2.1 Revenue as percentage of total budget	%	Total	65%		72.50%	66.9%	TBD	Budget Report	Ministry Of Finance
<b>4. Openness and Transparency</b>									
<b>Outcome 4.1 Increased Accountability and Transparency in Public Service Delivery</b>									
Indicator 4.1.1 Average time to access key services (in working days):	days								
Passport		Passport	10		10	10	10	Annual Reports	Ministry of Homeland Security
Business permit		Business permit	5		5	3	5	Annual Reports	Ministry of Trade and Industry/ Ministry of Local Government
Water		Water	42		32	23	20	Annual Reports	Statutory Corporations
Export and Import licence			10		5	3			

INDICATORS	Unit	Disaggregation	Baselines	2022	2023		2030 Target	Data Source	Responsible Institution
			2020	Actuals	Target	Actual			
Electricity		Electricity	215	25	32	23	120	Annual Reports	Statutory Corporations
Indicator 4.1.2 Proportion of MDAs and District Councils audited in the past 12 months	%	Total	TBD	220	190	182	TBD	Annual Reports	National Audit Office
Indicator 4.1.3 Agenda 2063: Percentage of the population that believe that they are empowered and are holding their leaders accountable	%	Total	TBD		TBD	No info	TBD	Perception Survey	Ministry of Justice
Indicator 4.1.4 SDG 16.6.1 Primary government expenditure as a proportion of approved budget by sector or budget goals (by MW2063)	%	Total	TBD		TBD	No info	TBD	Annual Reports	Ministry of Finance
<b>5. Sound Financial &amp; Economic Management</b>									
<b>Outcome 5.1 Reduced National Debt</b>									
Indicator 5.1.1 Debt to GDP ratio	%	Total	62% (2019)		59%	75%	56	Annual Report	Ministry Of Finance
<b>Outcome 5.2 Zero Corruption in Procurement</b>									
Indicator 5.2.1 Proportion of procurement related cases (as % corruption cases)	%	Total	TBD		TBD	No info	TBD	Annual Reports	Judiciary
<b>Outcome 5.3 Improved Long-Term Development Financing for National Development Projects</b>									
Indicator 5.3.1 Funding source none other than Development Partners and Government as % of total funding to development budget	%	Total	TBD		TBD	No info	TBD	Annual Report	Ministry of Finance
<b>6. Human Rights and Cultural Diversity (Social Cohesion)</b>									
<b>Outcome 6.1 Inclusive Development Planning Processes</b>									
Indicator 6.1.1 Number of human rights violation cases	Number	Total	TBD		TBD	308	TBD	Annual Reports	Ministry of Justice
Indicator 6.1.2 Proportion of population subjected to psychological, sexual violence in the previous 12 months:	%								
Total		Total	TBD		TBD	No info	TBD	DHS[22]	Ministry of Homeland Affairs
Women		Women	14% (2016)		TBD	No info	TBD	DHS	Ministry of Homeland Affairs
Men		Men	TBD		TBD	No info	TBD	DHS	Ministry of Homeland Affairs
<b>7. Sustainable Peace and Security</b>									
<b>Outcome 7.1 Improved National Safety and Security Services</b>									
Indicator 7.1.1 Crime rate	%	Total	TBD	234	TBD	217	TBD	TBD	Ministry of Homeland Affairs

INDICATORS	Unit	Disaggregation	Baselines	2022	2023		2030 Target	Data Source	Responsible Institution
			2020	Actuals	Target	Actual			
Indicator 7.1.2 Number of new security houses constructed	Number	Total	0		TBD	No info	TBD	Annual Report	Ministry of Homeland Affairs
Indicator 7.1.3 Police/population ratio	Ratio	Total	1/1221		1/1120	1/1262	1/1000	1/800	Ministry of Homeland Affairs
<b>ENHANCED PUBLIC SECTOR PERFORMANCE</b>									
<b>1. Public Sector Reforms</b>									
<b>Outcome 1.1 Enhanced Public Sector Performance</b>									
Indicator 1.1.1 Percentage of MDA's using Performance Contract Agreements with officers	%	Total	TBD		TBD	No info	TBD	Annual Report	DHRMD
Indicator 1.1.2 Number of complaints against public institutions:	Number	Total							
Corruption		Corruption	347	329	500	391	400	Annual Report	ACB
Maladministration		Maladministration	1142		1850	423	1350	Annual Report	Ombudsman
Human Rights		Human Rights	520		700	No info	400	Annual Report	Malawi Human Rights Commission
<b>2. Public Service Delivery</b>									
<b>Outcome 2.1 Improved Service Delivery</b>									
Indicator 2.1.1 Proportion of the population satisfied with their last experience of public services	%	Total	TBD		TBD	No info	TBD	Welfare Survey	Ministry of Justice
Indicator 2.1.2 Percentage of State-Owned Enterprise declaring profits	%	Total	TBD		TBD	No info	TBD	Annual Report	MoFEA
<b>Outcome 2.2 Harmonized National Identification Systems</b>									
Indicator 2.2.1 Number of processes/operations that have been digitized	Number	Total	9		2	87	9	Annual Progress Report	E-Government
Indicator 2.2.2 Number of systems interfacing through the Malawi enterprise architecture and interoperability framework	Number	Total	0		1	9	9	Project Performance Report	E-Government
<b>Outcome 2.3 Improved Performance of Public Servants</b>									
Indicator 2.3.1 Percentage of MDA's using Public Sector Reforms Contract Agreement with officers	%	Total	TBD		TBD	No info	TBD	Annual Report	OPC
<b>Outcome 2.4 Improved Decentralized Public System for Effective Service Delivery</b>									
Indicator 2.4.1 Percentage of key public services fully decentralized.	%	Total	TBD		TBD	30%	100%	Annual Report	MoLGUC
<b>3. Ethical Conduct</b>									
<b>Outcome 3.1 Trustworthy and Responsible Public Servants</b>									

INDICATORS	Unit	Disaggregation	Baselines	2022	2023		2030	Data Source	Responsible Institution
			2020	Actuals	Target	Actual	Target		
Indicator 3.1.1 SDG.16.5.1 Proportion of persons who had at least one contact with a public official and who paid a bribe to a public official, or were asked for a bribe by those public officials, during the previous 12 months	%	Total	TBD		TBD	No info	TBD	Governance & Corruption Survey	ACB
Indicator 3.1.2 SDG.16.5.2 Proportion of businesses that had at least one contact with a public official and that paid a bribe to a public official, or were asked for a bribe by those public officials during the previous 12 months	%	Total	TBD		TBD	No info	TBD	Survey/ Governance & Corruption Survey	ACB
Indicator 3.1.3 Proportion of institutions perceived as honesty and of integrity	%	Total	66%		68%	No info	75%	Governance & Corruption Survey	ACB
<b>PRIVATE SECTOR DYNAMISM</b>									
<b>1. Creation of Enabling Business Environment</b>									
<b>Outcome 1.1 Stable Macroeconomic Environment</b>									
Indicator 1.1.1 Inflation (annual average)	%	Total	8.60%	10.80%	Below 10%	28.8%	Below 10%	CPI Statsflash	NSO/RBM
Indicator 1.1.2 Exchange rate (K/US\$; middle rate; end period)	K/US\$	Total	749.53	1,034.7	Stable	1,698.0	Stable	Annual Report	RBM
Indicator 1.1.3 Policy rate	%	Total	12.00%	24	12	24	8	Annual Report	RBM
Indicator 1.1.4 Import cover (months of imports)	months	Total	2.7		3	1	6	Annual Report	RBM
<b>2. MSME Development</b>									
<b>Outcome 2.1 Structured and Resourced MSME Sector</b>									
Indicator 2.1.1 SDG 9.3.1 Proportion of small-scale industries in total industry value added	%	Total	2%		7%	No info	15%	National Economic Reports	Ministry of Trade and Industry
<b>Outcome 2.2 Improved Access to Finance for Businesses and Entrepreneurship</b>									
Indicator 2.2.1 Domestic credit to private sector (% of GDP)	%	Total	10.5% (2016)	8.60%	16.50%	8.20%	27.80%	Annual Report	RBM
Indicator 2.2.2 MSME employment contribution (micro & small) to total employment	%	Total	24%		29%	No info	37%	MSME Survey	FINSCOPE Malawi
<b>Outcome 2.3 Improved Quality of Malawian Products</b>									
Indicator 2.2.1 MSME access to credit (as percentage of total credit to private sector)	%	Total	2%		6%		15%	National Economic Reports	FINSCOPE Malawi
Indicator 2.3.1 Export growth	%	Total	-37.70%	-6.3%	-34%	6.1%	-25%	National Economic Reports	EDF
<b>3. Anchor Firms Development</b>									
<b>Outcome 3.1 Vibrant Economic Sectors</b>									
Indicator 3.1.1 Number of anchor firms developed in:	Number								

INDICATORS	Unit	Disaggregation	Baselines	2022	2023		2030 Target	Data Source	Responsible Institution
			2020	Actuals	Target	Actual			
Steel industry			0		TBD	0	TBD	Annual Report	Ministry of Industry
Pharmaceutical industry			0		TBD	0	TBD	Annual Report	Ministry of Industry
Industry value added	%		19.1%	16.9%	TBD	15.5%	TBD	Annual Report	Ministry of Industry
Steel industry			3.0%	2.2%	TBD	0.6%	TBD	National Accounts	NSO/EP&D
Pharmaceutical industry			0.2%	0.4%	TBD	0.4%	TBD	National Accounts	NSO/EP&D
Textile			0.8%	0.7%		0.7%	TBD		
Agro processing			42.8%	50.7%		51.1%	TBD		

## HUMAN CAPITAL DEVELOPMENT

### 1. Education and Skills Development

#### Outcome 1.1 Equitable Access to Quality ECD

Indicator 1.1.1 SDG 4.2.2 Participation rate in organized learning (one year before the official primary entry age), by sex (National: Participation rate in organized learning one year before the official primary entry by sex)	%		35.60%		60%	No info	100%	EMIS	Ministry of Education
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#### Outcome 1.2 Improved Access to Education

Indicator 1.2.1 Net enrolment rate (primary and secondary by sex):	%								
Primary Total		Primary Total	90%		92%	91%	97%	EMIS	MoE
Male		Male	87%		90%	88%	100%	EMIS	MoE
Female		Female	92%		94%	93%	100%	EMIS	MoE
Secondary Total		Secondary Total	15.50%		24%	17	50%	EMIS	MoE
Male		Male	15.70%		24%	16.9	50%	EMIS	MoE
Female		Female	15.50%		24%	17.1	50%		MoE
Indicator 1.2.2 Transition rate from primary to secondary schools (by sex):	%								
Total		Total	37.60%		47%	47.2	76%	EMIS	MoE
Boys		Boys	37.30%		47%	47.4	76%	EMIS	MoE
Girls		Girls	37.80%		47%	47	76%	EMIS	MoE
Indicator 1.2.3 SDG 4.5.1 Gender Parity index for primary and secondary education:	Index								
Primary		Primary	1.01		1.005	1.03	1	EMIS	MoE

INDICATORS	Unit	Disaggregation	Baselines	2022	2023		2030 Target	Data Source	Responsible Institution
			2020	Actuals	Target	Actual			
Secondary		Secondary	0.94		0.98	0.92	1	EMIS	MoE
Indicator 1.2.4 Tertiary education enrolment capacity (school type)	Number		30,970	64,519 (36,669 male & 27,850 female)	34,000	74,200	40,000	HEMIS	National Council for Higher Education
<b>Outcome 1.3 Adequate and Appropriate Infrastructure for All Learners and Teachers</b>									
Indicator 1.3.1 Proportion of schools with minimum essential package (primary and secondary):	%								
Primary		Primary	TBD		TBD	No info	TBD	EMIS	MoE
Secondary		Secondary	TBD		TBD	No info	TBD	EMIS	MoE
<b>Outcome 1.4 Enhanced Special Needs Education</b>									
Indicator 1.4.1 Proportion of SNE students:	%								
Primary Total		Primary Total	3.40%		3.60%	7.33%	4%	EMIS	MoE
Boys		Boys	TBD		TBD	7.64	TBD	EMIS	MoE
Girls		Girls	TBD		TBD	7	TBD	EMIS	MoE
Secondary Total		Secondary Total	2.30%		2.50%	2.32%	3.00%	EMIS	MoE
Boys		Boys	TBD		TBD		TBD	EMIS	MoE
Girls		Girls	TBD		TBD		TBD	EMIS	MoE
<b>Outcome 1.5 Improved Literacy Levels</b>									
Indicator 1.5.1 Literacy levels:	%	Total	68.60%	70%	71%	75.5%	81%	EMIS	MoE
Men		Men	71.60%	73%	74%	83.0%	85%	EMIS	NSO/MoE
Women		Women	65.90%	67%	68%	68.8%	76%	EMIS	NSO/MoE
<b>Outcome 1.6 Improved Quality of Education</b>									
Indicator 1.6.1 Completion rates (Primary and secondary):	%								
Primary Total		Primary Total	51.20%		54%	48%	60%	EMIS	MoE
Boys		Boys	52.10%		55%	46%	61%	EMIS	MoE
Girls		Girls	50.50%		53%	50%	59%	EMIS	MoE
Secondary Total		Secondary Total	19%		22%	22%	28%	EMIS	MoE
Boys		Boys	21%		24%	24%	30%	EMIS	MoE
Girls		Girls	17%		20%	21%	26%	EMIS	MoE
Indicator 1.6.2 Pupil qualified Teacher Ratio (SqTR):	%								
Primary-Urban		Primary-Urban	61.60%		60.20%	65:1	60%	EMIS	MoE
Primary Rural		Primary Rural	68%		66%	43:1	60%	EMIS	MoE

INDICATORS	Unit	Disaggregation	Baselines	2022	2023		2030 Target	Data Source	Responsible Institution
			2020	Actuals	Target	Actual			
Secondary Total		Secondary Total	42.60%		41.80%	26:1	40%	EMIS	MoE
Private		Private	54.40%		57%	21:1	65%	EMIS	MoE
Public		Public	40.5		43%	66:1	50%	EMIS	MoE
Secondary - Rural		Secondary - Rural	TBD		TBD	19:1	TBD	EMIS	MoE
Secondary- Urban		Secondary- Urban	TBD		TBD	6:1	TBD	EMIS	MoE
<b>Outcome 1.7 Enhanced Entrepreneurship Skills Relevant for the Job Market</b>									
Indicator 1.7.1 Number of TEVET Graduates	Number	Total	10500		12,000	No info	15,000	EMIS	TEVETA
Indicator 1.7.2 TEVET Learner-Teacher Ratio	Ratio	Total	TBD		TBD	21	TBD	EMIS	TEVETA
Indicator 1.7.3 Number of patents in STIs granted	Number	Total	TBD		TBD	No info	TBD	Annual Report	NCST
<b>3. Health and Nutrition</b>									
<b>Outcome 3.1 Improved Nutrition for Under-5 Children</b>									
Indicator 3.1.1 SDG 2.2.1 Prevalence of stunting among children aged 0-59 months:	%								
National		National	37%		34%	35.5%	25%	DHS	MoH
Rural		Rural	39%		36%	36.4%	29%	DHS	MoH
Urban		Urban	25%		22%	29.3%	15%	DHS	MoH
Indicator 3.1.2 Prevalence of Underweight	%	Total	11.7% (2016)		6%	12.80%	0%	DHS	MoH
Indicator 3.1.3 Prevalence Wasting	%	Total	3% (2016)		1.80%	2.60%	0%	DHS	MoH
Indicator 3.1.4 Prevalence Overweight	%	Total	5% (2016)		5%	4.40%	4%	DHS	MoH
<b>Outcome 3.2 Reduced Transmission of Infectious Diseases</b>									
Indicator 3.2.1 SDG 3.2.2 Infant mortality rate (per 1000 live births)	Number per 1000	Total	42 (2016)		32	40	12	DHS	NSO/MoH
Indicator 3.2.2 SDG 3.1.1 Maternal mortality rate per 100,000 live births	Number per 100,000	Total	439 (2016)		300	381	70	DHS	NSO/MoH
Indicator 3.2.3 SDG 3.2.1 Under five mortality rate		Total	63		51	56	25	DHS	NSO/MoH
Indicator 3.2.4 Prevalence of major diseases:									
HIV/AIDS (15-49 Years)	%	HIV/AIDS (15-49 Years)	8.80%	7.30%	7.05%	6.80%	4.80%	Spectrum	MoH
Malaria (per 1000)	Number per 1000	Malaria (per 1000)	380 (2014)	105	190	10.50%	70	Malaria Indicator Survey	MoH
TB (per 100,000)	Number per 100,000	TB (per 100,000)	121	141	105	No info	60	Spectrum	MoH

INDICATORS	Unit	Disaggregation	Baselines	2022	2023		2030 Target	Data Source	Responsible Institution
			2020	Actuals	Target	Actual			
Indicator 3.2.5 SDG 3.3.1 Number of new HIV infections per 1,000 uninfected population, by sex, age and key populations:	Number per 1,000		0.97	0.82	0.55	0.70		Annual Report	National AIDS Commission
Male		Male	0.49		0.28		0.17	Spectrum	MoH
Female		Female	0.47		0.27		0.16	Spectrum	MoH
Indicator 3.2.6 SDG 3.3.3 Death rates from major diseases:									MoH
HIV (15-49 years)	%	HIV	8,510		5,430	No info	4,276	Spectrum	MoH
Malaria (per 1,000)	Number per 1000	Malaria	TBD		TBD	No info	TBD	TBD	MoH
Tuberculosis (per 100,000)	Number per 100,000	Tuberculosis	TBD		TBD	No info	TBD	TBD	MoH
<b>Outcome 3.3 Reduced Incidents of Non-Communicable Diseases (NCDs)</b>									
Indicator 3.3.1 Prevalence of major NCDs (cancer, diabetes and BP):									
Cancer		Cancer	TBD		TBD	No info	TBD	TBD	MoH
Diabetes		Diabetes	TBD		TBD	No info	TBD	TBD	MoH
Blood Pressure		Blood Pressure	TBD		TBD	No info	TBD	TBD	MoH
<b>Outcome 3.4 Improved Health Infrastructure</b>									
Indicator 3.4.1 Health service infrastructure rate (total # of health facilities per 10,000 population)	Number per 10,000 population	Total	TBD		TBD	No info	TBD	TBD	MoH
Indicator 3.4.2 SDG 3.1.2 Proportion births attended by skilled health personnel	%	Total	89% (2016)		92%	97%	100%	DHS	MoH
Indicator 3.4.3 SDG 3.c.1 Health worker density and distribution (per 10,000 people):	Number per 10,000 population	Total							
Doctor		Doctor	535		600	782	804	Annual Reports	Medical Council of Malawi
Nurses/Midwives		Nurses/Midwives	15,950	16,214	18,000	16,856	20,000	Annual Reports	Nurses Council of Malawi
Clinical Officers		Clinical Officers	952		1545	1,386	1831	Annual Reports	Medical Council of Malawi
Medical Assistants		Medical Assistance	807		1405	868	1630	Annual Reports	Medical Council of Malawi
<b>Outcome 3.5 Efficient Drug Supply Chain</b>									



INDICATORS	Unit	Disaggregation	Baselines	2022	2023		2030 Target	Data Source	Responsible Institution
			2020	Actuals	Target	Actual			
Indicator 3.5.1 Stock availability of a basket of essential medicines in public facilities (%) by facility type	%	Total	20%		35%	No info	70%	National Pharmaceutical Annual Report	MoH
<b>Outcome 3.6 Improved Health Financing</b>									
Indicator 3.6.1 Proportion of health budget financing by domestically	%	Total	TBD		TBD	No info	TBD	Annual Report	MoFEA
<b>Outcome 3.7 Improved Access to Mental Health Services</b>									
Indicator 3.7.1 Prevalence of mental illness	%	Total	TBD		TBD	No info	TBD	Annual Report	MoH
<b>4. Managing Population Growth</b>									
<b>Outcome 4.1 Manageable Population Growth</b>									
Indicator 4.1.1 Total fertility rate:	%								
National		National	4.4 (2016)		4.1	4.0	3.4	DHS	NSO/MoH
Rural		Rural	4.8 (2016)		4.5	4.5	3.8	DHS	NSO/MoH
Urban		Urban	3 (2016)		2.7	2.9	2	DHS	NSO/MoH
Indicator 4.1.2 SDG 3.7.1 Proportion of women of reproductive age (aged 15-49 years) who have their need for family planning satisfied with modern methods	%	Total	62% (2016)		78%	No info	100%	DHS	NSO/MoH
Indicator 4.1.3 Adolescent birth rate (aged 15-19 years) per 1,000 women in that age group	births per 1,000	Total	136		120	No info	75	DHS	NSO/MoH
<b>5. Water, Sanitation and Hygiene (WASH)</b>									
<b>Outcome 5.1 Improved Access to Safe and Sustainable Drinking Water Supply in Rural Areas</b>									
Indicator 5.1.1 SDG 6.1.1 Proportion of population using safely managed drinking water services:	%								
Total		Total	87% (2016)		94%	93%	100	DHS	NSO/MoH
Rural		Rural	85 % (2016)		93%	No info	100	DHS	NSO/MoH
Urban		Urban	98% (2016)		99%	No info	100	DHS	NSO/MoH
<b>Outcome 5.2 Expanded Access to Improved Sanitation and Hygiene at Household Level and in Public Places</b>									
Indicator 5.2.1 SDG 6.1.2 Proportion of population using safely managed sanitation services, including a handwashing facility with soap and water (National: Proportion of population using improved sanitation services):	a								
Total		Total	52% (2016)		55%	57%	65%	DHS	NSO/MoH
Rural		Rural	45% (2016)		48%	No info	60%	DHS	NSO/MoH

INDICATORS	Unit	Disaggregation	Baselines	2022	2023		2030 Target	Data Source	Responsible Institution
			2020	Actuals	Target	Actual			
Urban		Urban	53% (2016)		56%	No info	65%	DHS	NSO/MoH
Indicator 5.2.2 Percentage of population reporting practicing open defecation:	%								
Total		Total	6% (2016)		4.50%	5.80%	0%	DHS	NSO/MoH
Rural		Rural	7% (2016)		6%	No info	0%	DHS	NSO/MoH
Urban		Urban	1% (2016)		0%	No info	0%	DHS	NSO/MoH
<b>6. Sports and Creative Arts</b>									
<b>Outcome 6.1 Enhanced Diversity of Sports and Creative Arts</b>									
Indicator 6.1.1 Share of sport and creative art to GDP	%	Total	0.49%	0.61%	0.60%	0.61%	TBD	National Accounts framework	NSO/EP&D
<b>Outcome 6.2 Inclusive Sports and Creative Arts Development</b>									
Indicator 6.2.1 Proportion of sport disciplines with national competitions	%	Total	TBD		TBD	40%	TBD	Annual Report	Ministry of Youth and Sports
<b>Outcome 6.3 Improved Sports Infrastructure</b>									
Indicator 6.3.1 Number national sports competitions for people with disabilities	Number	Total	TBD	5%	TBD	16%	TBD	Annual Report	Ministry of Youth and Sports
Indicator 6.3.2 Percentage of schools with minimum sports infrastructure package	%	Total	TBD		TBD	No info	TBD	Annual Report	MoE
<b>7. Gender Equality</b>									
<b>Outcome 7.1 Improved Gender Equality</b>									
Indicator 7.1.1 SDG 5.1.1 Proportion of seats held in national parliaments and local governments held by:	%								
Parliament- Youth		Parliament-Youth	4% (8)		-	1.93%	50%	National Youth Council	National Youth Council
Parliament -women		Parliament -women	23%		-	21%	50%	MEC Reports	MoGCDSW
Local Council - Youth		Local council - Youth	9% (42)		-	No info	50%	MEC Reports	National Youth Council
Local Council - Women		Local council - women	15% (67)		-	16%	50%	MEC Reports	MoGCDSW
Indicator 7.1.2 Proportion of managerial positions in public service held by women	%	Total	TBD		TBD	32%	40%	Annual Report	MoGCDSW
<b>Outcome 7.2 Eradication of Gender-Based Violence</b>									
Indicator 7.2.1 SDG 5.3.1 Proportion of women aged 20-24 years who were married or in a union before age 18:	%								
Total		Total	47%		44%	44%	35%	DHS	MoGCDSW/NSO
Rural		Rural	TBD		TBD		TBD	DHS	MoGCDSW/NSO

INDICATORS	Unit	Disaggregation	Baselines	2022	2023		2030 Target	Data Source	Responsible Institution
			2020	Actuals	Target	Actual			
Urban		Urban	TBD		TBD		TBD	DHS	MoGCDSW?NSO
Indicator 7.2.2 Gender-based violence prevalence	%	Total	13%		10%	24%	3%	DHS	MoGCDSW/NSO
<b>Outcome 7.3 Inclusive National Development Programming</b>									
Indicator 7.3.1 Proportion of policies mainstreaming gender	%	Total	TBD		TBD	No info	TBD	Annual Report	MoGCDSW
<b>8. Social Welfare</b>									
<b>Outcome 8.1 Enhanced Social Protection and Support for all Disadvantaged, Marginalized and Vulnerable People</b>									
Indicator 8.1.1 SDG 1.3.1 Proportion of population covered by social protection floors/system (programmes targeting Households):	%								
National		National	5%		6%	12%	10%	Progress Reports	MoGCDSW
Women		Women	TBD		TBD	55.40%	TBD	Progress Reports	MoGCDSW
Men		Men	TBD		TBD	44.60%	TBD	Progress Reports	MoGCDSW
Indicator 8.1.2 Proportion of the elderly on pension	%	Total	TBD		TBD	No info	TBD	Annual Report	MoGCDSW
Indicator 8.1.3 Proportion of social protection beneficiaries graduating/ becoming self-reliant:	%								
Total		Total	0.16%		0.37%	No info	2%	Progress Reports	MoGCDSW
Women		Women	0.11%		0.38%	No info	2%	Progress Reports	MoGCDSW
Men		Men	0.05%		0.35%	No info	2%	Progress Reports	MoGCDSW
<b>ECONOMIC INFRASTRUCTURE</b>									
<b>1. Energy Development</b>									
<b>Outcome 1.1 Increased Energy Generation and Access</b>									
Indicator 1.1.1 Total installed generative capacity (Megawatts):	Number								
Total		Total	373		843	550.4	1979	Annual Report	Ministry of Energy
Hydropower		Hydropower	351		371	398.9	1347	Annual Report	Ministry of Energy
Solar		Solar	0		105	102.3	145	Annual Report	Ministry of Energy
Fossil (coal & diesel)		Fossil (coal & diesel)	22		367	49.23	487	Annual Report	Ministry of Energy
Indicator 1.1.2 Access to electricity (% of total population)	%	Total	12.40%		20%	20.58%	50%	Annual Report	Ministry of Energy

INDICATORS	Unit	Disaggregation	Baselines	2022	2023		2030 Target	Data Source	Responsible Institution
			2020	Actuals	Target	Actual			
Indicator 1.1.3 SDG 7.1.2 Proportion of population with primary reliance on clean energy for cooking	%	Total	1.75%	N/A	2.83%	1%	3.16%	Annual Report	Ministry of Energy
Indicator 1.1.4 SDG 7.1.2 Proportion of population with primary reliance on clean energy for lighting	%	Total	18%	N/A	37%	18%	90%	Annual Report	Ministry of Energy
<b>2. ICT Development</b>									
<b>Outcome 2.1 Improved Access to Reliable and Affordable ICT Services</b>									
Indicator 2.1.1 Mobile Payments (K Billion):	K billion								
Total		Total	3,173.90	2,235.17	4,827.11	13,007.28	12,840.20	Annual Report	RBM
e-money Payments		e-money Payments	2,520.30	1,232.79	3,833.06	10,793.71	10,196.02	Annual Report	RBM
Bank-led Payments		Bank-led Payments	653.6	1,002.38	994.04	2,213.58	2,644.18	Annual Report	RBM
Indicator 2.1.2 SDG 5.b.1 Proportion of individuals who own a mobile telephone	%	Total	43.20%		65%	57.0%	>80%	ICT Survey Reports	MACRA
Indicator 2.1.3 SDG 9.5.1.c Proportion of population covered by a mobile network:	%								
2G		2G	83%	88%	90%	89%	100%	Performance Report	MACRA
3G		3G	82%	86%	90%	89%	100%	Performance Report	MACRA
4G		4G	65%	70%	80%	75%	95%	Performance Report	MACRA
Indicator 2.1.4 Mobile broadband penetration (internet) (%)	%	Total	37%	40%	42%	43%	60%	Performance Report	MACRA
Indicator 2.1.5 Retail Price of Prepaid Mobile Broadband Monthly Bundle, 500MB (US\$) Data Volume	US\$ per 500MB	Total	\$2.80	\$1.32	TBD	0.82	TBD	Performance Report	MACRA
Indicator 2.1.6 SDG 17.6.2 Fixed internet broadband subscriptions per inhabitants by speed		Total	0.001	0.08	>2	0.08	>5	Performance Report	MACRA
<b>3. Transport Development</b>									
Indicator 3.1.1 Tarmac roads constructed (New/upgraded in km)	kilometer	Total	0	66	190	42	2,329	Roads Authority Annual Report	Ministry of Transport and Public Works
Indicator 3.1.2 Average freight cost (tonne per K)	US\$/tonne/km	Total	115	TBD	110	No info	99	Annual Progress Report	Ministry of Transport and Public Works
Indicator 3.1.3 SDG 9.1.1 Proportion of the rural population who live within 2 km of an all-season road	%	Total	23.1	TBD	31	No info	50	Annual Progress Report	Ministry of Transport and Public Works

INDICATORS	Unit	Disaggregation	Baselines	2022	2023		2030	Data Source	Responsible Institution
			2020	Actuals	Target	Actual	Target		
Indicator 3.1.4 Passenger and freight volumes, by mode of transport:	Number								
Road - Passenger		Road - Passenger	428,297	TBD	477,140	No info	598,106	Annual Progress	Ministry of Transport and Public Works
Road - Freight		Road - Freight	2,574,000	TBD	2,845,000	No info	2,730,000	Annual Progress Report	Ministry of Transport and Public Works
Rail - Passenger		Rail - Passenger	21,157,000	TBD	26,955,600	23,752,000	37,929,236	Annual Progress Report	Ministry of Transport and Public Works
Rail - Freight		Rail - Freight	2,940,000,000	TBD	4,410,000,000	2,883,053,881	14,900,000,000	Annual Progress Report	Ministry of Transport and Public Works
Water - Passenger		Water - Passenger	3,626,844	1,683,441	2,605,694	3,195,494	3,204,674	Annual Report	Malawi Shipping Company
Water - Freight		Water - Freight	400,600	182,341	11,000,000	344,709	12,400,000	Annual Report	Malawi Shipping Company
Indicator 3.1.5 Road traffic deaths per 100,000 population	Number	Total	7		3	No info	1	Annual Report	Malawi Police Services
<b>ENVIRONMENTAL SUSTAINABILITY</b>									
<b>1. Ecosystem Conservation and Environmental Management</b>									
<b>Outcome 1.1 Enhanced Environmental Degradation Preventive Measures</b>									
Indicator 1.1.1 Forest area as a proportion of total land area	%	Total	23.3		TBD	24.4	TBD	TBD	Department of Forestry
Indicator 1.1.2 Proportion of domestic waste recycled	%	Total	10%		20%	No info	50%	HMIS Report	Ministry of Natural Resources and Climate Change
<b>2. Waste Management and Green Economy</b>									
<b>Outcome 2.1 Improved Environmental Management</b>									
Indicator 2.1.1 Proportion of industrial generated waste safely disposed of	%	Total	30%		45%	No info	70%	HMIS Report	Ministry of Natural Resources and Climate Change
Indicator 2.1.2 Number of registered MSMEs operating in waste management sector	Number	Total	20		50	No info	100	Economic Annual Report	Ministry of Trade and Industry

INDICATORS	Unit	Disaggregation	Baselines	2022	2023		2030 Target	Data Source	Responsible Institution
			2020	Actuals	Target	Actual			
Indicator 2.1.3 SDG 12.5.1 National recycling rate, tons of materials recycled	%	Total	8.6		15	No info	30	Environmental Affairs Report	Ministry of Natural Resources and Climate Change
Indicator 2.1.4 SDG 12.4.2 Hazardous waste generated per capita	%	Total	5		3	No info	2	Environmental Affairs report	Ministry of Natural Resources and Climate Change
<b>3. Climate Change Management</b>									
<b>Outcome 3.1 Improved Weather and Climate Monitoring for Early Warning, Preparedness and Timely Response</b>									
Indicator 3.1.1 SDG 11.b.2 Proportion of local councils with disaster risk reduction strategies	%	Total	15		21	No info	35	DoDMA Reports	DoDMA
<b>Outcome 3.2 Enhanced Climate Resilience to Climate Change Impacts</b>									
Indicator 3.2.1 Proportion of policies mainstreaming climate change resilience building	%	Total	TBD		40%	No info	100%	Annual Report	Ministry of Natural Resources and Climate Change
<b>4. Environment and Climate Change Financing</b>									
<b>Outcome 4.1 Coordinated Financing of the ENRM Sector</b>									
Indicator 4.1.1 Number of environmental and climate change funding source types	Number	Total	2		3	No info	3	Annual Report	Ministry of Natural Resources and Climate Change
Indicator 4.1.2 Contribution of new financing types to environmental and climate change adaptation portfolio	%	Total	TBD		TBD	No info	TBD	Annual Report	Ministry of Natural Resources and Climate Change
<b>5. Natural Disasters and Climate Adversities Preparedness</b>									
<b>Outcome 5.1 Improved Disaster Risk Reduction Management and Response</b>									
Indicator 5.1.1 SDG 11.5.1 Number of deaths, missing persons and persons affected by disaster per 100,000 people:	Number		1700		1300	2,267,458	0	Annual Report	DoDMA
Persons affected			1700		1300	2,267,458	0	DoDMA Reports	DoDMA
Indicator 5.1.2 Number of Deaths			TBD		TBD	679	0	DoDMA Reports	DoDMA
Indicator 5.1.3 Missing Persons			14		8	537	0	DoDMA Reports	DoDMA
Indicator 5.1.4 SDG 11.5.2 Direct disaster economic loss as % of GDP	%		0.0013		0.10%	0.5	0.02%	Annual Report	DoDMA



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# MIP-1 ANNUAL PROGRESS REPORT

2023 /24

*(Kalondolondo wa Chitukuko)*

MALAWI 2063 FIRST 10-YEAR IMPLEMENTATION PLAN (MIP-1)