

ANNUAL PROGRESS REPORT

2021-2022

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

(Kalondolondo wa Chitukuko)



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First Published in Feb 2023 (Launch Version)

Suggested Citation: Government of Malawi (2021), MIP-1 2021-2022 Annual Progress Report. National Planning Commission, Lilongwe, Malawi

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ACRONYMS

ACSPWP	Actionable Climate Smart Public Works Programmes
ADCs	Area Development Committees
ADMARC	Agricultural Development and Marketing Corporation
AERA	Atomic Energy Regulatory Authority
AfDB	African Development Bank
AGCOM	Agriculture Commercialisation
AIDS	Acquired Immunodeficiency Syndrome
AIP	Affordable Input Programme
ASWAP II	Agriculture Sector Wide Approach II
CCAP	Church of the Central African Presbyterian
CSOs	Civil Society Organisations
DECs	District Executive Committees
DoDMA	Department of Disaster Management Affairs
DRM	Disaster Risk Management
DTED	Digital Terrain Elevation Data
EAD	Environmental Affairs Department
ECD	Early Childhood Development
EDF	Export Development Fund
EGENCO	Electricity Generation Company
ENRM	Environmental and Natural Resource Management
ESIA	Environmental and Social Impact Assessment
EU	European Union
GBA	Green Belt Authority
GBV	Gender-Based Violence
GDP	Gross Domestic Product
GIZ	Gesellschaft für Internationale Zusammenarbeit
GPS	Global Positioning System
Ha	Hectare
HIV	Human Immunodeficiency Virus
HRMIS	Human Resource Management Information System
HSAs	Health Surveillance Assistants
ICT	Information, Communication, and Technology
IEYP	Investing in Early Years Project
IFMIS	Integrated Financial Management Information System
IPPs	Independent Power Producers
JICA	Japanese International Volunteers
KM	Kilometre
LIMS	Land Information Management System
LPG	Liquefied Petroleum Gas
LUANAR	Lilongwe University of Agriculture and Natural Resources
MAQA	Malawi Qualifications Authority
MAREN	Malawi Research and Education Network
MAS	Malawi Academy of Sciences
MDAs	Ministries, Departments, and Agencies
MEPA	Malawi Environmental Protection Agency
MERP	Malawi Education Reform Programme
MGDS III	Malawi Growth and Development Strategy III
MHRC	Malawi Human Rights Commission
MIP-1	Malawi 2063 First 10-year Implementation Plan
MITC	Malawi Investment and Trade Centre

MoTI	Ministry of Trade and Industry
MSCP	Malawi Secondary Cities Plan
MSME	Micro, Small and Medium Enterprises
MUBAS	Malawi University of Business and Applied Sciences
MUST	Malawi University of Science and Technology
MW	Megawatts
MWASIP	Malawi Watershed Services Improvement Project
MZUNI	Mzuzu University
NAC	National Aquaculture Centre
NACIT	National College of Information Technology
NAMIS	National Agriculture Management Information System
NCCLS	National Climate Change Learning Strategy
NCD	Non-Communicable Diseases
NCIC	National Construction Industry Council
NCST	National Commission for Science and Technology
NDC	Nationally Determined Contribution
NES II	National Export Strategy II
NICE	National Initiative Civic Education
NPC	National Planning Commission
NYS	National Youth Service
ODeL	Open Distance and e-Learning
ODPOD	Office of the Director of Public Officers' Declarations
OPC	Office of the President and Cabinet
PCIREP	Malawi- Post Cyclone IDAI and Kenneth Emergency Recovery and Resilience Project
PDU	Presidential Delivery Unit
PECGs	Pillar and Enabler Coordination Groups
PFM	Public Finance Management
PPP	Public, Private Partnership
PSIP	Public Sector Investment Programme
RAP	Resettlement Action Plan
RBM	Reserve Bank of Malawi
SATCP	Southern Africa Trade and Connectivity Project
SADC	Southern African Development Community
SDGs	Sustainable Development Goals
SEED	Secondary Education Expansion for Development
SERP	Malawi COVID-19 Social Economic Recovery Plan
SFAD-WM	Sustainable Fisheries and Aquaculture Development Watershed Management
SMEs	Small and Medium Enterprises
STEM	Science, Technology, Engineering, and Mathematics
STI	Science, Technology and Innovations
SVTP	Shire Valley Transformation Programme
TEVET	Technical, Entrepreneurship, Vocational, Education and Training
TEVETA	Technical, Entrepreneurial, Vocational Education Training Authority
TTC	Teacher Training College
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
VDCs	Village Development Committees
VNR	Voluntary National Review
WASH	Water, Sanitation and Hygiene
WSIP	Water and Sanitation Investment Programme
WTO	World Trade Organisation



Prof. Richard Mkandawire,

PhD. Dr. hc

CHAIRPERSON – NATIONAL PLANNING COMMISSION

FOREWORD

It gives me great pleasure to present the first-ever progress report (*Kalondolondo wa chitukuko)* of the Malawi 2063 (MW2063) First 10-Year Implementation Plan (MIP-1), which has been developed to track the implementation progress of the Malawi 2063 First 10-Year Implementation Plan (MIP-1). The MIP-1 2022 Annual Progress Report (Report) includes the progress made towards the implementation of the Malawi COVID-19 Socio-Economic Recovery Plan (SERP) which commenced in December 2021 as a supporting framework to the MIP-1, aimed at building back quicker and better from the adverse socio-economic effects of the Coronavirus disease (COVID-19) pandemic. Above all, this Report provides an assessment of the progress being made towards achieving the two main milestones of the MIP-1, namely: (i) graduating the economy to a middle-income economy; and (ii) meeting most of the Sustainable Development Goals (SDGs) by 2030. The significance of this Report to our country's development efforts cannot be more emphasised, now that we are fast approaching the mid implementation period of the MIP-1, as far as providing us with signals of how far or close we are to meeting the first of our targets towards an inclusively wealthy and self-reliant nation by 2063.

The development of this Report involved inclusive consultations and engagements with stakeholders in the country's development field, who highlighted various achievements and challenges in the implementation of the MIP-1. The Report, therefore, provides evidence to all the stakeholders involved in the country's development processes with which to make informed decisions for the prioritisation of future actions, given where we stand in terms of progress on the set interventions towards the achievement of the MIP-1 milestones by 2030. This is guided by the Results Framework indicators, which assist in assessing the performance of each Pillar and Enabler of the MW2063 and key strategies and interventions.

The production and release of this Report signals an unwavering fulfilment of the development oversight mandate of the National Planning Commission (NPC). A year since the launch of the MIP-1 in November 2021 by the nation led by His Excellency the President, Dr Lazarus McCarthy Chakwera, this Report provides a clear signal that we must be resilient, disciplined, and steadfast in our efforts and commitment to the implementation of the MIP-1 interventions, picking our lessons faster and reorganising our priorities with a higher sense of urgency.

Beyond these attributes, enhanced accountability, alongside a positive and transformative mindset to getting things done, is key to the achievement of the MIP-1 milestones and realisation of the MW2063 aspirations.

The findings and recommendations of this Report are intended to be a key input into the stakeholder planning forums in terms of finding solutions to the implementation challenges highlighted in the Report. To leverage technical and financial comparative advantages among stakeholders, efforts at accelerating the implementation of the MIP-1 should involve all stakeholders, including the private sector, development partners, Non-Governmental Organisations (NGOs), academia, and Civil Society Organisations (CSOs). Achieving the aspirations of the MW2063 is a collective task and we are happy that our progress and accomplishments are motivating numerous partners to rally behind us and fully take part in contributing to the achievement of our national aspirations.

On behalf of the NPC, I wish to thank His Excellency the President, Dr Lazarus McCarthy Chakwera for his guidance and continued efforts to champion the popularisation of the MW2063 and rallying efforts of both state and non-state actors to deliver on the defined priorities in the MIP-1. Along with the President, Honourable Sosten Gwengwe, MP, Minister of Finance and Economic Affairs and his team, have made the initial efforts at aligning the national budget to the MIP-1.

Sincere thanks to the heads and officials from Government Ministries, Departments, and Agencies (MDAs), led by the Secretary to the President and Cabinet, Ms Colleen Zamba, and indeed non-state actors for the collaborative efforts in pushing towards delivering on the MIP-1 milestones.

I implore all of you to read and make use of the findings and recommendations highlighted as they have massive potential to shape the status of Malawi positively. The NPC will further directly engage with relevant implementers, both state and non-state, on the findings and map a way forward towards the efficient and effective execution of the MIP-1. As we forge into the next Financial Year 2023/24, we are cognizant of the fact that action is key and that as a country we need to fully engage in implementation mode to inclusively create the wealth that will adequately sustain our own development needs. Coordination of all players, therefore, is critical to ensure that we are all pulling in the same direction. Let us roll up our sleeves and do the hard work!



Prof. Richard Mkandawire, PhD. Dr. hc

CHAIRPERSON – NATIONAL PLANNING COMMISSION



Thomas Chataghalala Munthali, PhD

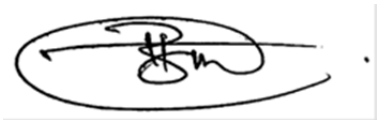
DIRECTOR GENERAL – NATIONAL PLANNING COMMISSION

ACKNOWLEDGEMENT

The development of the first progress report under the MW2063, the Malawi 2063 First 10-year Implementation Plan (MIP-1) 2022 Annual Progress Report (Report), is a culmination of collective collaborative work that could not have been completed without the concerted efforts of various stakeholders.

The National Planning Commission (NPC) extends special thanks to various arms of the Government of Malawi, particularly the Ministry of Finance and Economic Affairs through the Department of Economic Planning and Development, for the collaboration and technical support in the development of this Report. Special thanks go to UNDP for its financial support during the different processes that were carried out in drafting the report.

The process of developing this Report involved various state and non-state actors who provided valuable input through meetings and written submissions. The NPC, therefore, extends its sincere appreciation and gratitude to the Government Ministries, Departments, and Agencies (MDAs), private sector, Civil Society Organisations (CSOs), Academics, Faith Based Organisations (FBOs), development partners and other stakeholders that actively participated in the provision of data and information through the various Pillar and Enabler Coordination Groups (PECGs) and ensured that the information that was provided was up to date and reflective.



Thomas Chataghalala Munthali, PhD

DIRECTOR GENERAL – NATIONAL PLANNING COMMISSION

EXECUTIVE SUMMARY

The Malawi 2063 First 10-Year Implementation Plan (MIP-1) 2022 Annual Progress Report (Report), "*Kalondolondo wa chitukuko",* presents the achievements made so far in the first year of implementing MIP-1. The Report provides the status of the achievements made so far against the set targets in the first year of implementation; details the gaps and challenges faced; and recommends corrective measures to get to the right trajectory towards the timely achievement of the 2030 milestones.

The budget for the 2022/23 Financial Year is the first budget to operationalise the MIP-1. It is, therefore, encouraging to note that the 2022/23 budget is aligned to the MIP-1 at the Pillar and Enabler level. However, the budget does not fully focus on the MIP-1 catalytic interventions largely due to time limitations in relation to the transition from the Malawi Growth and Development Strategy III (MGDS III) to the MIP-1. To address the misalignment, the Ministry of Finance and Economic Affairs (MoFEA) in collaboration with the National Planning Commission (NPC) has aligned the national budget framework to the MIP-1 at focus area and intervention levels to ensure the budget effectively operationalises the MIP-1.

In the first year of executing the MIP-1, the country has made strides in putting in place the requisite institutional and policy frameworks for the effective and efficient achievement of the MIP-1 milestones. Despite a strong start on the policy front, Malawi's performance towards the first-year targets has been slow, mainly due to both exogenous shocks and in general, the nation's lack of urgency in executing the planned catalytic interventions. Some of the exogenous shocks including the following:

Russia-Ukraine conflict: The Russia-Ukraine conflict induced economic instabilities by disrupting global supply chains and increasing the cost of commodities, resulting in macroeconomic instabilities. This has had a profound effect on short- and medium-term development in Malawi, slowing down production and widening the trade balance.

***Coronavirus disease (COVID-19)*:** The COVID-19 pandemic has had far-reaching health and socio-economic consequences, affecting businesses and employment. In addition to declined economic activities and growth rates, Covid-19 poses clear risks such as the erosion of domestic institutional capacities; reversal of recent achievements in health and education; and slow trade and private sector investment streams. Further, social insecurity undermined and threatened social cohesion. These effects have had serious adverse ramifications across the economy.

***Climate-related shocks*:** The operationalisation of the MIP-1 was negatively affected by tropical cyclones Batsirai, Ana, and Gombe that hit the country in late 2021 and early 2022. The affected areas are yet to recover from the cyclones' aftermath, especially in relation to food security and the damage to hydroelectric plants, slowing down the implementation progress of all Pillars and Enablers.

***Corruption and economic crimes*:** Corruption and economic crimes, including illicit financing, externalisation and mis-procurement remain serious challenges. Key effects of these have been the draining of Government resources, forex scarcity, poor service delivery and delayed or non-implementation of the planned development programmes.

***Slow progress in executing catalytic interventions*:** The exogenous factors such as COVID-19 pandemic, Climatic shocks and the Russia-Ukraine conflict have largely been beyond the control of the country to fast-track implementation of catalytic interventions like construction of economic infrastructure, mining and tourism developments, setting up of mega-farms and structured markets that could have accelerated the progress. These catalytic interventions have the potential to improve export earnings, boost fiscal space and help retire debt. Moving forward, stern efforts would have to made in building the technical and financial capacities of executing agencies like Ministries, Departments and Agencies as well as local councils including setting time-bound targets and holding each other strictly accountable.

Progress on Pillars and Enablers

Being the first year of executing the MIP-1, as well as the multiple exogenous shocks experienced in the period of reporting, the progress has been slow than planned. To achieve traction and progress, the nation would require *doing things differently* from now onwards. Although there is broad stakeholder and

societal support for the MIP-1, the concrete achievement of its milestones requires focused implementation, increased resilience to shocks, and intentional planning, budgeting and execution of the catalytic interventions.

***Agriculture Productivity and Commercialisation Pillar*:** In the first year of execution, substantive progress has been made in setting up a conducive legal, regulatory and policy environment in land management, access to farm inputs and agriculture marketing legislation and policies. However, a lot of effort is still needed to ensure that Pillar 1 drives the economy towards a middle-income economy by 2030.

During the period of reporting, the share of agriculture, forestry and fishing to GDP marginally declined to 22.4 percent from 22.8 percent. The contraction was mainly due to climatic shocks, particularly the cyclones. Further, there has been slow movement towards the establishment of mega-farms, agriculture mechanisation, and setting up structured markets. However, significant progress was registered and reported in fisheries and irrigation development.

Industrialisation Pillar: The Pillar has had a mixed performance with a minimal change in the percentage contribution of extractive industries to GDP, which declined by 0.01 percent. However, there are positive prospects, especially with the work being done to operationalise large-scale mining with the establishment of a State-run Mining Company (to operate in strong alliance with the private sector) along with a mining regulatory authority being prioritised for the 2023/24 Financial Year.

Urbanisation Pillar: Progress has been made in the development and review of laws and policies for urban land use and urban development. Commendable progress has also been made in the development of secondary cities, as evidenced by the launch of the Malawi Secondary Cities Plan (MSCP). An investment master plan to guide investments in the tourism sector was developed and launched. Moving forward, the operationalisation of the plans will ensure that the right institutional arrangements are in place with the relevant technical and financial resources.

***Mindset Change Enabler*:** The period of reporting saw the enactment of the National Unity Act which provides the legal basis for the establishment of national institutions with the mandate to promote and protect peace, as well as prevent conflict in Malawi. Efforts to build positivity included the *Ndizotheka* initiative which identifies locally generated innovations and technologies with the potential for scaling up. Further, the Ministry of Education, Ministry of Civic Education and National Unity and the Malawi Institute of Education commenced an initiative to revise the school curriculum to reflect the ethos needed for a positive mindset. Similarly, a Mindset Change Programme that brings together state and non-state actors (including the faith community and traditional leaders) with the aim of advancing a positive mindset at all levels is at an advanced stage of development. The Programme focuses on the inculcation of positive values such as love, unity, hard work, self-reliance, integrity, and patriotism.

***Effective Governance Systems and Institutions Enabler*:** Several successes were highlighted in the period of reporting, including: increased technical and financial support towards the Anti-Corruption Bureau (ACB), extending to the amendment of legislation with the aim of enhancing prosecutorial independence and ensuring speed in the prosecution of cases; decrease in incidents of crime in 2021, thus a positive trend towards the attainment of a safe and peaceful environment despite the declining police/population ratio. However, the country still has some way to go in improving its governance systems and institutions as evidenced by the continued under-funding of some of the oversight institutions such as the Office of the Ombudsman (OoO) and Malawi Human Rights Commission (MHRC) which cripples their ability to efficiently and effectively deliver on their mandates.

The deepening of macroeconomic instabilities has resulted in the worsening of all macroeconomic indicators in the period of reporting. The annual average inflation rate has increased from less than 10 percent to around 21.5 percent; import cover reduced from 2.7 months to 1.43 months; policy rate increased from 12 percent to 18 percent; and the Kwacha was devalued from 823 to 1,036 to a dollar. It is, therefore, essential to improve economic governance, which has largely been negatively affected by adverse economic conditions and an unstable macroeconomic environment.

***Enhanced Public Sector Performance Enabler*:** The performance of this Enabler shows that Malawi is yet to progress as shown by the increased number of complaints against public institutions on corruption (614) and maladministration (1,400) against the set target of 400 and 1,000, respectively.

***Private Sector Dynamism Enabler*:** Covid-19 and macroeconomic instabilities stifled the development of the private sector in the period of reporting. Limited

access to finance as the domestic credit to the private sector that slumped from 10.5 percent to 7.2 percent has proved to be critical. It is anticipated that the global disruption of supply chains due to the Covid-19 pandemic and the Ukraine-Russia conflict will continue to exert pressure on the economy. Relatedly, a review of some legislation like the land-related laws has brought on board some elements that have the potential to stifle private sector investments.

Success has been evident in the development of the Micro, Small and Medium Enterprises (MSMEs), including: building the capacity of both upcoming and existing MSMEs on the existing financing vehicles from both state and non-state actors, as well as the fiscal incentives available to them; automation of licenses and permit systems to allow interoperability among designating authorities; scaling up the Best Buy Malawi Strategy campaign; and the establishment of an export training programme to help build the export readiness of entrepreneurs and enterprises.

The Government is working on providing a platform for enhancing private sector dynamism. The initiatives include the revamping of the Public-Private Dialogue platform chaired by the Minister of Trade and Industry and a private sector captain; the private sector laboratories by the Presidential Delivery Unit (PDU); and, lately, instituting of a Presidential Private Sector Council which will be critical, amongst others, in discussing any legal and regulatory instruments that need fully aligning towards an optimally conducive business environment. The Private Sector Dynamism Coordination Group has also been meeting on a regular basis bringing together both state and non-state actors, currently co-chaired by the Principal Secretary for Trade and Industry and the NPC.

Human Capital Development Enabler: Access to education at all levels has moderately improved, with the Early Childhood Development (ECD) participation rate increasing to 42 percent from 36.5 percent; secondary enrolment increasing from 16 percent to 18 percent; and tertiary enrolment capacity doubling to 64,500. Notable interventions include the construction of new primary schools and additional classrooms in existing primary schools; construction of 38 secondary schools; installation of free broadband internet service to public universities and other selected public spaces; building decent housing for teachers in secondary and primary schools; and expanding existing infrastructure in existing public universities to provide fit-for-purpose offices, more learning space, and accommodation for students.

In health and nutrition, the country made significant strides in reducing mortality rates from major diseases, including reducing deaths caused by Human Immunodeficiency Virus (HIV) and acquired immunodeficiency syndrome (AIDS) by 43 percent; and malaria from 12 to 11 per 1000 people. Interventions that are being implemented in the health sector range from improving public health and mental health to the construction of health facilities.

The performance of the gender sector is indicating a positive progression in almost all the targets for the indicators measured in 2021. However, there is need for extra effort and commitment to ensure that the gender-based violence indicator reduces quicker and further.

In managing population growth, high fertility rates remain a challenge, averaging 4.4 births per woman in her lifetime. This is compounded by early marriages and teenage pregnancies; hence the population is expected to rise to 30.3 million by 2035.

Some progress has been made in the focus area of Water, Sanitation and Hygiene (WASH) as there is a slight improvement in terms of the population using safe drinking water; though the target was missed. However, the population practicing open defecation increased against the set target.

In the focus area of sports and creative arts, the sector did not implement as many prioritised interventions as outlined in MIP-1. However, some significant activities were successfully implemented during the period of reporting, including: the construction of stadia in Thyolo, Nsanje, Mzimba and Nkhotakota; the construction of the aquatic stadium; the construction of the Griffin Saenda in-door sports complex; the rehabilitation of the Kamuzu Institute for Youth in Lilongwe, including the introduction of the triathlon; the commencement of the construction of the Mzuzu Youth Centre in Mzuzu City; and the development and rolling out of the Malawi Youth Games which are being used as a talent identification platform for various sporting codes.

In social welfare, key notable interventions undertaken in the period of reporting include the capacitation of the civil protection committees in the effective delivery of social support programmes; and the orientation of District Councils on Actionable Climate Smart Public Works Programmes (ACSPWP) as a way of migrating from Affordable Input Programme (AIP).

***Economic Infrastructure Enabler*:** In energy generation, the installed generative capacity increased from 373 megawatts to 590 megawatts as a result of investments in fossils and solar plants. However, the gains in energy were negated by the damage to infrastructure caused by cyclones experienced in 2022, and decommissioning of diesel generators resulting in prolonged national electricity blackouts.

In Information, Communication and Technology (ICT) development, government commissioned the national data centre in Blantyre. In the transport sector, some significant improvements were made as the Government continued to undertake the systematic maintenance and rehabilitation of road and rail infrastructure, including the rehabilitation of the MI road; upgrading of urban roads (bituminised 88 km); increasing the lengths of paved roads by 66km, especially targeting rural roads; rehabilitation of the Marka-Bangula railway line; establishment of tollgates; commencement of the construction of the six-lane road in Lilongwe as well as dualisation and bitumisation of a number of roads in Lilongwe, Blantyre Zomba and Mzuzu cities.

***Environmental Sustainability Enabler*:** In the period of reporting, the Government endeavoured to implement various interventions on environmental sustainability to safeguard the country's natural resources and address climate change for the economic growth and well-being of its population. Some efforts are ongoing to strengthen the legal framework for the protection and management of the environment, improve Government environment and climate change financing, and enhance ecosystem conservation and environmental management.

Progress on the implementation of the Malawi Socio-Economic Recovery Plan (SERP)

The SERP, which is an extract of the MIP-1, defines some of the key interventions for Malawi to build back much faster from the COVID-19 pandemic in the implementation of the MIP-1. These interventions include front-loading ongoing socio-economic investments in selected productive sectors. The SERP proposes the implementation of strategic interventions across five inter-linked focus areas; and the progress made under each focus area during the period of reporting is as follows:

***Building a Resilient and Sustainable Health System*:** As of 30th October 2022, 3.0 million individuals had been fully vaccinated against COVID-19 in Malawi. The number of fully vaccinated individuals represents 15 percent of the total population. In the 2022-2023 Financial Year, construction of 55 health posts commenced throughout the country. Non-state actors, including Red Cross, have 4 health posts completed and 2 under construction; and Japan Tobacco International (JTI) and Press Trust are complementing the efforts of Government in the construction of health posts. Other projects in the health sector include: the construction of centres for infectious diseases; and the establishment of a K1.6 billion emergency drug fund for local councils.

Building a Resilient and Sustainable Education System: Under the Malawi Education Reform Programme (MERP), Government is in the process of recruiting primary auxiliary teachers (3,500) and secondary school teachers (2,272). The Government has also purchased and distributed 1.3 million science subject books for secondary schools; and provided ICT centres in schools to facilitate an innovation-driven education system.

***Building a Resilient and Sustainable Social Protection System*:** The Government, with other development partners, launched an online platform for understanding Gender-Based Violence in 2021; and expanded the social cash transfer through digital payments to even cater for agricultural inputs. Some non-state actors provided various social protection support, including gender equality and social inclusion interventions.

Building a Resilient Economy and Labour Market: The Malawi Digital Economy Strategy (DES) was finalised and awaits Cabinet approval. The Reserve Bank of Malawi (RBM) established a COVID-19 support facility for SMEs channelled through commercial banks and development finance institutions such as the Malawi Agricultural and Industrial Investment Corporation (MAIIC).

Building an Enabling Macroeconomic Policy Environment: The Government revised the Public Finance Management (PFM) Act to strengthen public finance management. Several energy generation plants were initiated and some commissioned, such as the commissioning of the JCM solar plants in Salima (60MW) and Golomoti (20MW); and preparations for a 350 MW Mpatamanga hydro plant. A call was also made to all sponsored and development partner-supported projects to front-load financing of their expenditure plans, including the signing of the $350,000,000 new compact of the Millennium Challenge Cooperation for Malawi in September 2022.

Progress on the implementation of 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 review shows significant progress in Goals 2, 3, 4, 6, and 14; with moderate progress in Goals 5, 7, 8, 9, 13, and 17. There is little to no progress in Goals 1, 10 and 15, while insufficient data made it difficult to assess the progress in Goals 11, 12, and 16. Summarily, it is encouraging to note that about 79 percent of the MIP-1 outlined interventions that were planned for the period 2021 and 2022, have commenced implementation. Out of the 79 percent that have commenced, 20 percent are on track, see *Figure 1*, below.

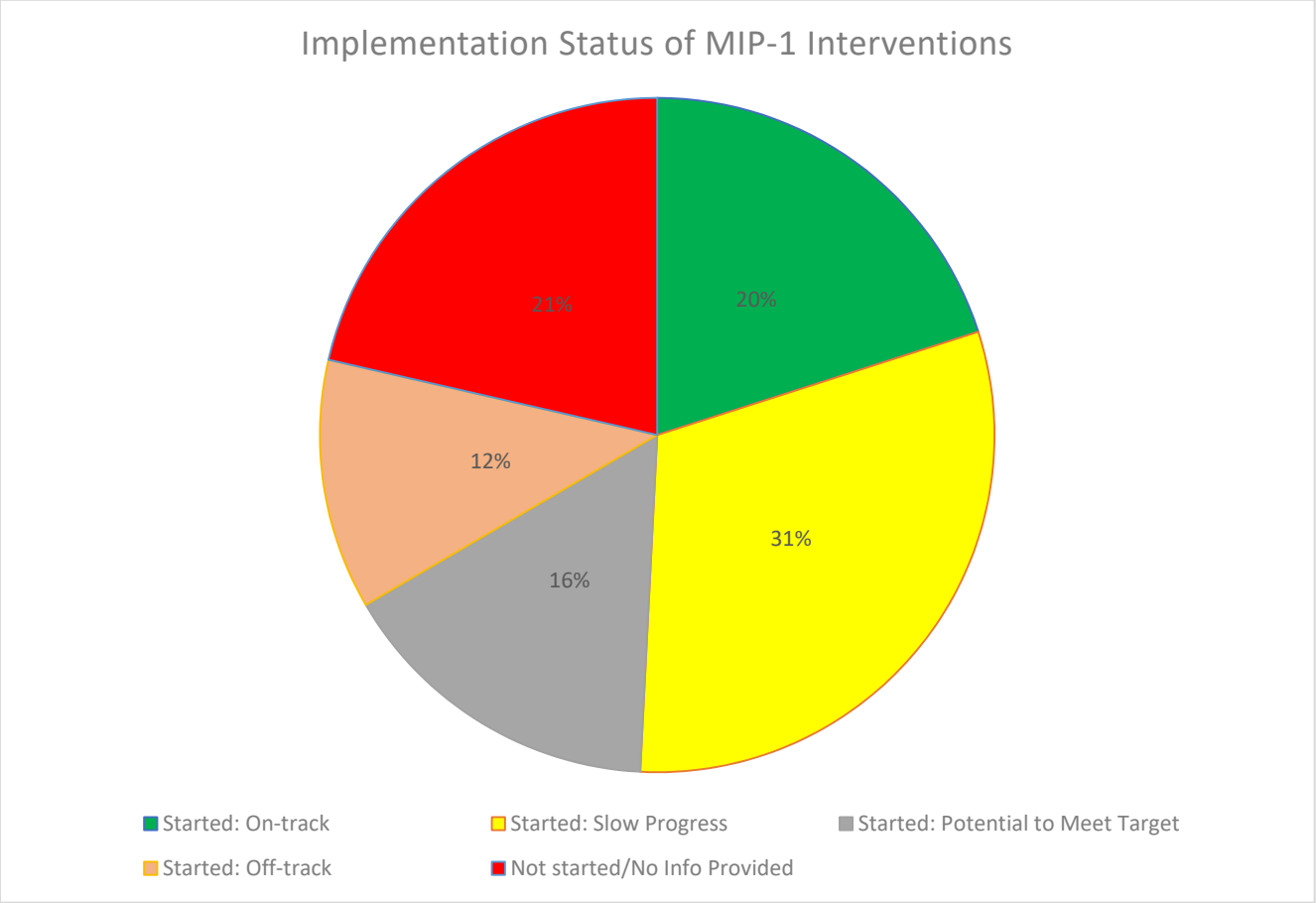


Figure 1: Overall Implementation Status

As shown in Figure 2, below, most of the planned catalytic interventions have commenced but are registering slow progress requiring acceleration. The Environmental Sustainability reported the most progress with 27 percent of interventions on track, followed by the Mindset Change Enabler with 24 percent of the interventions on track. Notably, implementation of interventions in all the three Pillars are progressing very slowly - yet these are central to the inclusive wealth creation and self-reliance aspirations of the MW2063. Additionally, the Private Sector Enabler that is the driver for wealth creation is lagging the rest.

Besides the exogenous shocks that have slowed implementation progress in almost each of the Pillars and Enablers, there seems to be inertia in the executing agencies. The slow progress is largely arising from financial and technical capacity challenges as well as low sense of urgency to deliver on targeted interventions, in several catalytic interventions. This will require capacitating and setting time-bound performance targets and holding the responsible executing and coordinating agencies strictly accountable if the two MIP-1 milestones of graduating to a low middle income economy and meeting most of the SDGs by 2030 are to be realised.

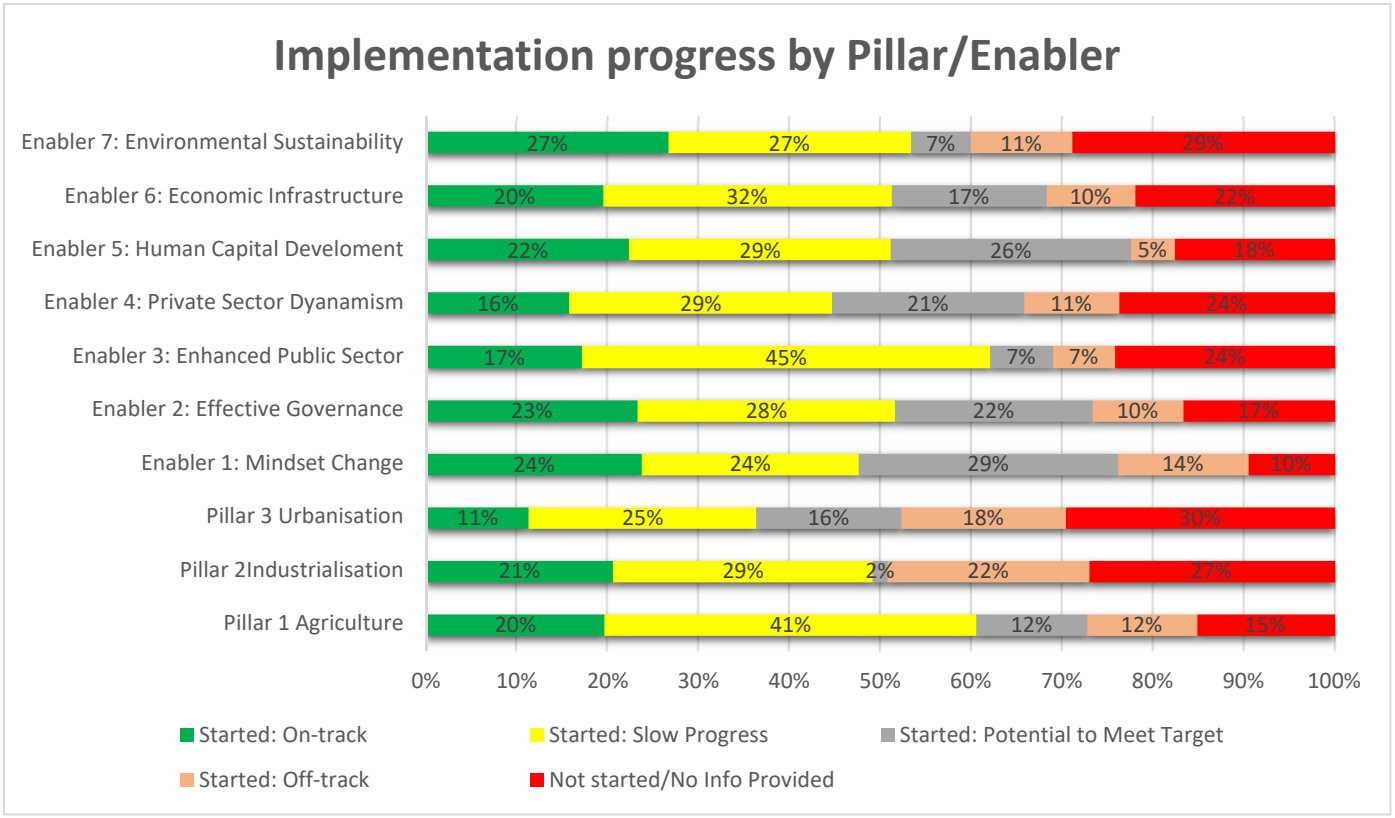


Figure 2: Implementation Progress by Pillars and Enablers of the MIP-1

Relatedly, assessing the SDGs revealed that a number of goals are on the borderline, and these include 'Industry, Innovation and Infrastructure', 'Decent Work and Economic Growth', 'Affordable and Clean Energy' and 'Climate Action'. The country therefore needs to pay more attention to them as they are central to meeting the SDGs that are unlikely to be met, i.e., 'No Poverty', 'Reduce Inequalities' and 'Life on Land'. Our intensified efforts in meeting the borderline SDGs will make us meet the low-middle income status by 2030.



Greenhouse Farming in Lumbadzi.



Solar panels at JCM Power Golomoti plant

1.0 INTRODUCTION

The national long-term development blueprint, the Malawi 2063 (MW2063), articulates the aspiration of Malawians of becoming an inclusively wealthy and self-reliant industrialised upper-middle income country by 2063. The MW2063 is anchored by three Pillars, namely: Agricultural Productivity and Commercialisation; Industrialisation; and Urbanisation. These Pillars are catalysed by seven Enablers, namely: Mindset Change; Effective Governance Systems and Institutions; Enhanced Public Sector Performance; Private Sector Dynamism; Human Capital Development; Economic Infrastructure; and Environmental Sustainability.

The MW2063 First 10-Year Implementation Plan (MIP-1) is the first in a series of 10-year implementation plans to operationalise the MW2063. The MIP-1 aims at meeting two key milestones by 2030, namely:

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

The MIP-1 has a set of prioritised catalytic interventions which, if effectively implemented, will graduate the country to a middle-income economy, and drive the achievement of most of the SDGs by 2030. The MIP-1 also defines transformative strategies and interventions, including flagship projects, which will help meet the set objectives at the shortest time possible.

This MIP-1 2022 Annual Progress Report (Report) is the first on the implementation of the MIP-1. The Report presents the achievements made and challenges encountered in the 2021-22 implementation period. The Report includes the progress and impact reported so far since the launch of the MIP-1 in November 2021. Importantly, the Report details the progress of the interventions which the MIP-1 carried forward from the third Malawi Growth and Development Strategy (MGDS III) as part of the drive to ensure continuity in development planning.

The results presented in this Report must be contextualised. Firstly, this being the transitional phase from the MGDS III to MIP-1, most MIP-1 prioritised interventions are yet to start bearing fruits, let alone commence; and number of the implementing agencies are still in the process of aligning their development strategies to the MIP-1. Secondly, the triple exogenous shocks of climate change, COVID-19 pandemic and macroeconomic instabilities exacerbated by the Russia-Ukraine conflict have tapered the first-year progress.

2.0 METHODOLOGY

The Report was developed through a consultative process. Implementing agencies, including Government Ministries, Departments, Agencies (MDAs), local authorities, development partners and non-state actors, provided the progress made in the period of reporting. The consultative approach was essential to guarantee ownership as well as ensure stakeholders reflect on actions that can accelerate implementation moving forward.

2.1 Data Collection

Data was collected through a review of Government reports, progress reports submitted by MDAs and non-state actors through the PECGs, field monitoring, working sessions and high-level engagements with MDAs. A series of meetings were held with MDAs to review and discuss submissions to ensure completeness and consistency in reporting.

2.2 Analytical Approach

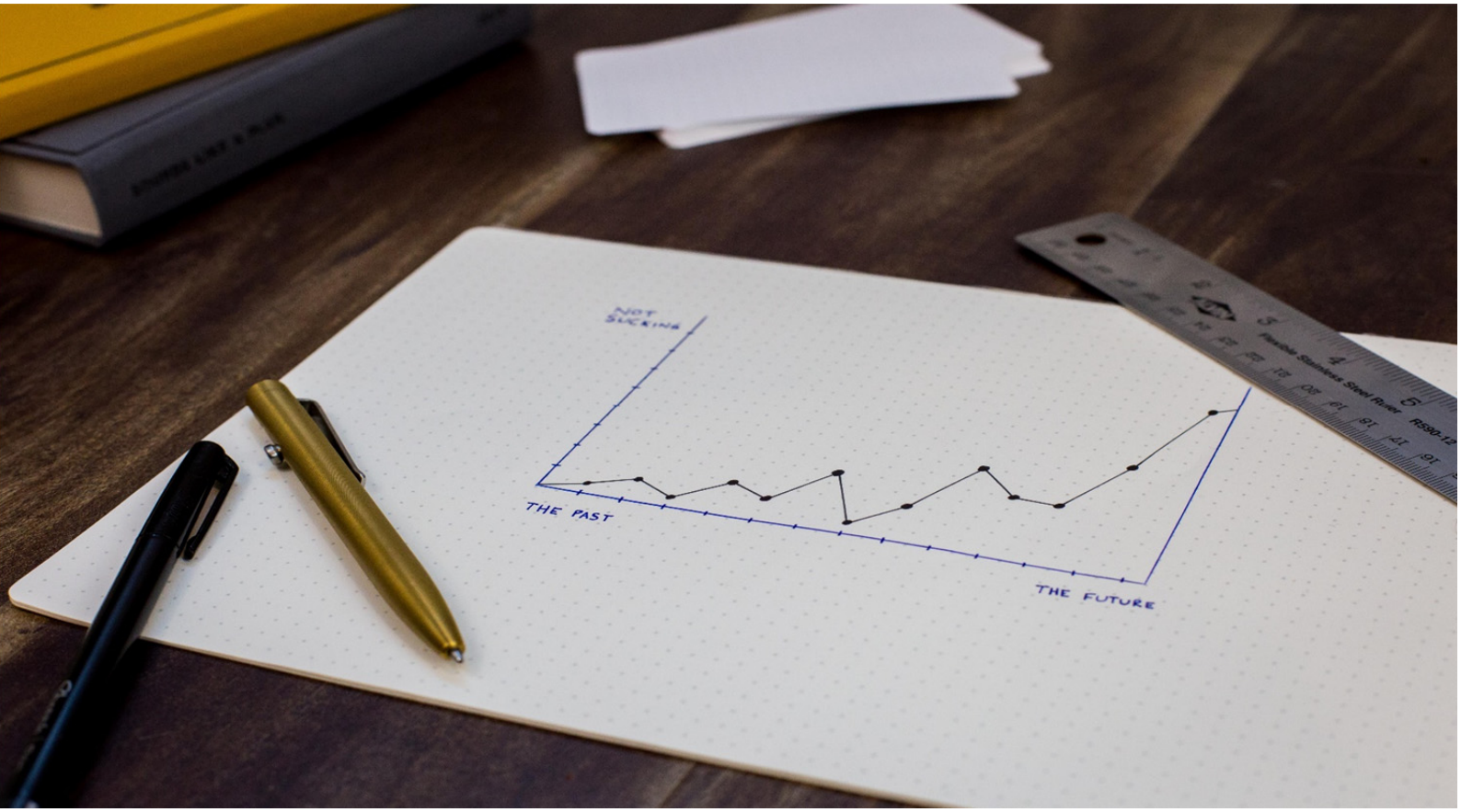
The analysis drew on the mapping of performance indicators of the Pillars and Enablers as outlined in the MIP-1. The analysis was based on the indicator progress from the baseline (mainly 2020) to November 2022. An analysis was also made against the 2022 target as well as the 2030 target to forecast the trajectory that the indicator is taking. This gives a sense of how much was achieved compared to what was supposed to be achieved in the period of reporting.

At intervention level, the analysis was anchored on assessing the extent to which the MIP-1 prioritised interventions have been implemented. The implementation progress status of the interventions was rated based whether the implementations has commenced taking cognisant the targeted implementation period, and the speed of the implementation. This being the first year of reporting, the focus was on whether the implementation has commenced; and, if commenced, whether it is on track.

2.3 Data Challenges

The unavailability of timely data posed a challenge to the preparation of this Report. Most of the challenges encountered are owed to insufficient capacity and weak or lack of Management Information Systems (MIS) to generate and preserve the necessary data from both state and non-state implementers. The tracking of the interventions of non-state actors was challenging due to the disintegrated nature of their operations. These challenges affected the depth of analysis of programme performance.

Reporting on implementation progress by MDAs faced challenges as in most cases it was uncoordinated and fragmented. There is no proper functioning structure to collate non-state actors' implementation progress at the national level. Effective coordination between various MDAs and the quick finalisation of the Harmonised Management Information System will lead to improved reporting under the subsequent MIP-1 annual progress reports. This will be enhanced through the development of harmonised reporting tools and timelines.



3.0 IMPLEMENTATION PROGRESS OF MIP-1

3.1 Wealth Creation

Economic Growth

The GDP growth rate increased from the 2020 rate of 0.9 to 3.8 percent in 2021. The low growth rate was due to the effects of the COVID-19 pandemic. Growth in most sectors, particularly manufacturing, construction, wholesale retail trade and transportation was slow as a result of the pandemic's related impacts.

To achieve middle-income status by 2030, the Malawi economy must grow by an average of 6 percent per annum. Malawi has achieved these high growth rates before, specifically in the 1970s and recently sustained moderate growth rates in the 2000s, see *Figure 3*, below. Notably, in all these periods, it was agriculture driving the growth. This implies that diversified implementation of the catalytic interventions in the MIP-1 around mining, tourism and enhancing agriculture productivity and commercialisation has a high likelihood of growth levels that can go beyond the projected average of 6 percent per annum.

In 2022, the economy was targeted to grow by 6 percent. Initially, the Government estimated the economy to grow by 4.1 percent in 2022, which was later revised downwards to 2.8 percent. The revision was on the backdrop of risks facing the economy such as climate-related shocks and macroeconomic instabilities. The Russia-Ukraine conflict has exacerbated the fragility of the economy which was weakened by Covid-19. The conflict has disrupted the global supply chains of major commodities such as oil, fertilisers, and other agricultural products. The conflict, coupled with the devaluation, worsened the purchasing power of the Kwacha, leading to an increase in the prices of commodities.

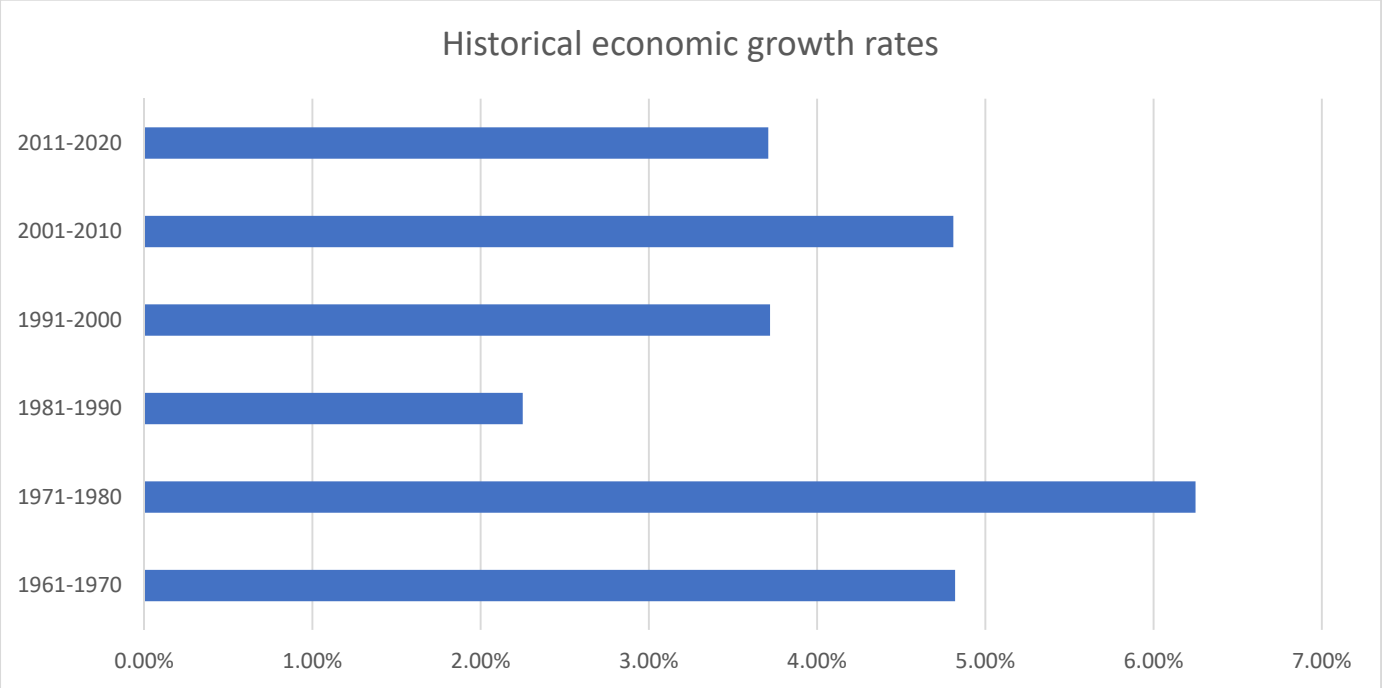


Figure 3: Malawi economic growth averages since 1961

With this slow start, stakeholders need to work together and focus on productive investments with multiple ripple effects to other sectors. Thus, investment in large-scale mining, mega farming, and tourism should be prioritised along with the creation of an enabling environment that includes investment in energy, ICT, strategic transport networks, macroeconomic stability and good governance. More focus on the productive sectors will help bring growth rates beyond the MIP-1 average growth target of 6 percent, see *Figure 4*, below.

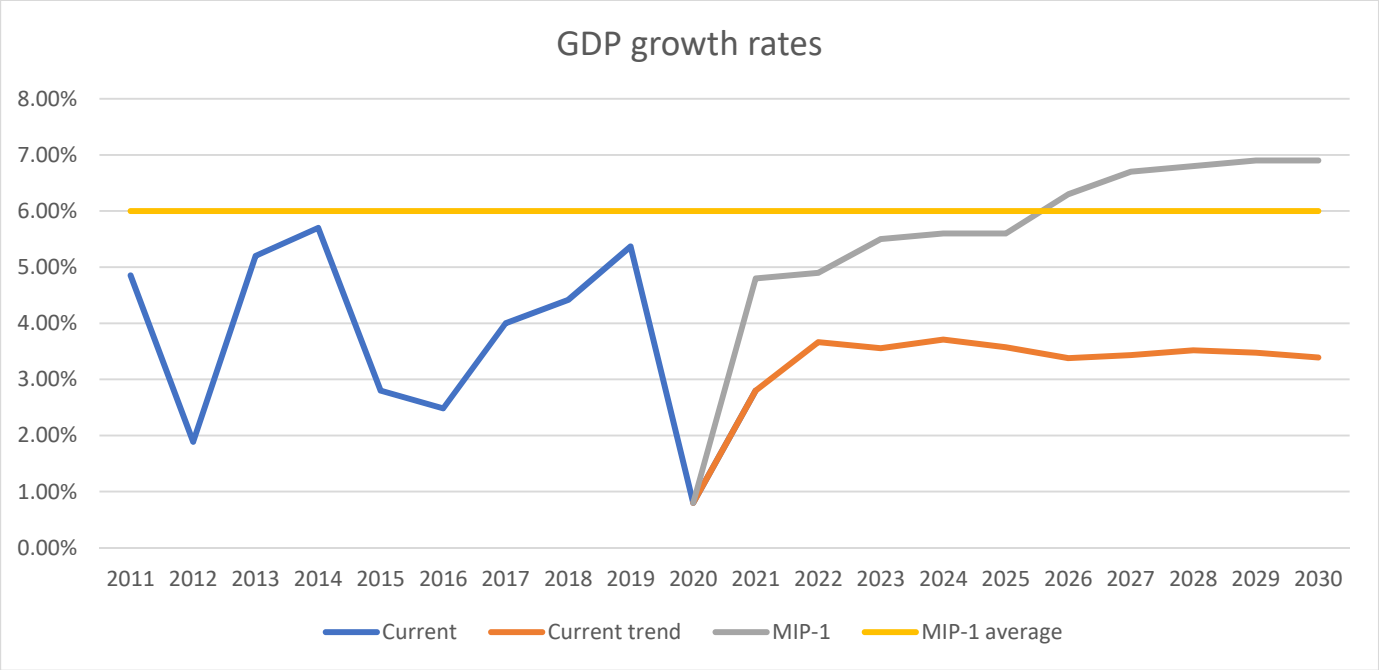


Figure 4: MIP-1 projected GDP growth rate and current trendline

The 2022/23 financial budget allocation towards inclusive wealth creation

The budget (Net Interest Payments) was coded to Pillar and Enabler programmes. However, due to time limitations, it excluded focus areas and interventions. The 2022/23 budget allocated 13 percent of its resources to drive wealth creation and self-reliance; 5.6 percent of the budget (K115 billion) to 8 agribusiness programmes; K34 billion to industrialisation, and K36 billion to job creation, representing about 1.6 percent of the total budget each, see *Figures 5* and *6*, below.

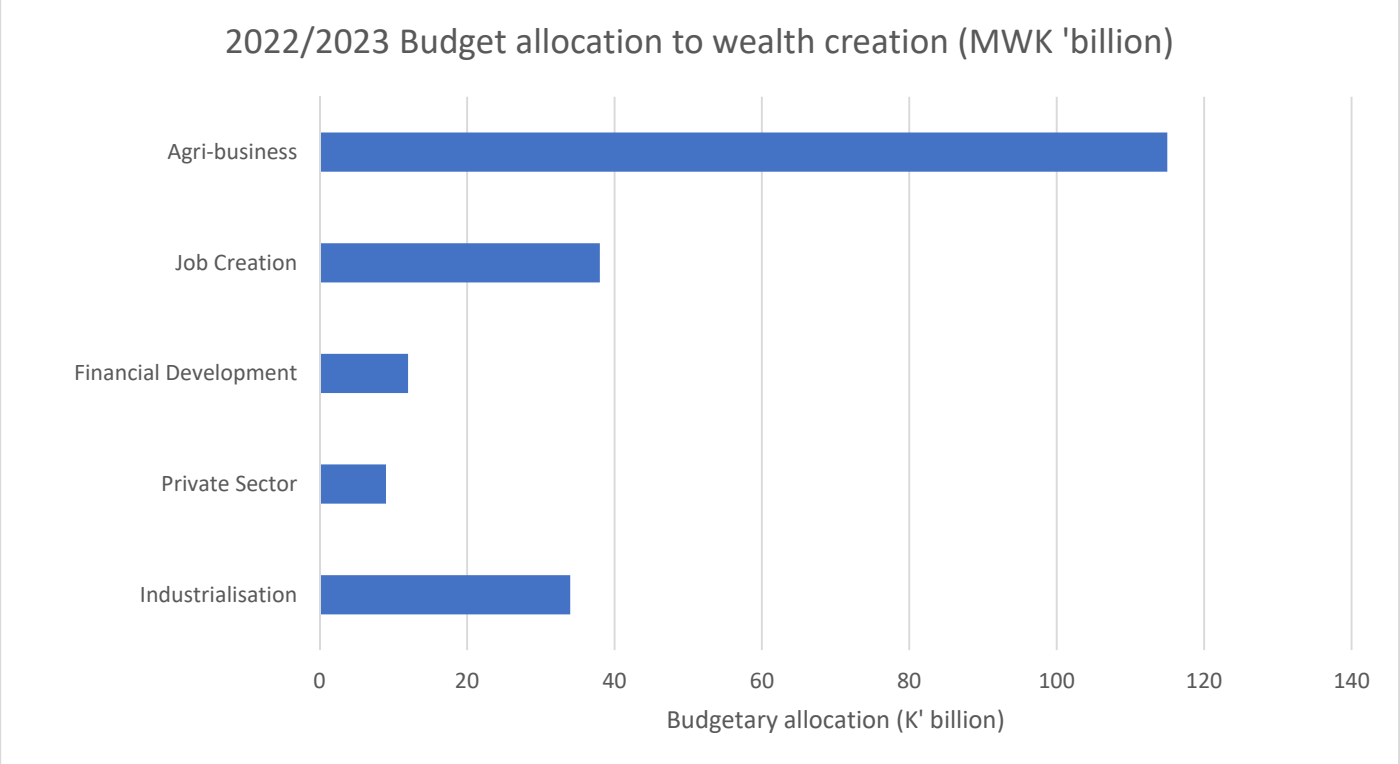


Figure 5: Budgetary allocations to wealth-creation

3.2: Inclusivity and Self-reliance

The emphasis on inclusivity is driven by the desire to ensure that no one is left behind. Thus, the marginalised groups, including children, youth, women, the elderly, and persons with disabilities must meaningfully participate in and benefit from the conceptualisation, implementation, and realisation of development programmes. Within the spirit of inclusivity, the 2022/23 national budget allocated about 30 percent to programmes that enhance the inclusivity and empowerment of vulnerable groups (see *Figure 6*). Specifically, K225 billion (11 percent of the budget) was allocated to support programmes for the youth, whilst K216 billion (10.5 percent of the budget) was allocated to pro-poor interventions.

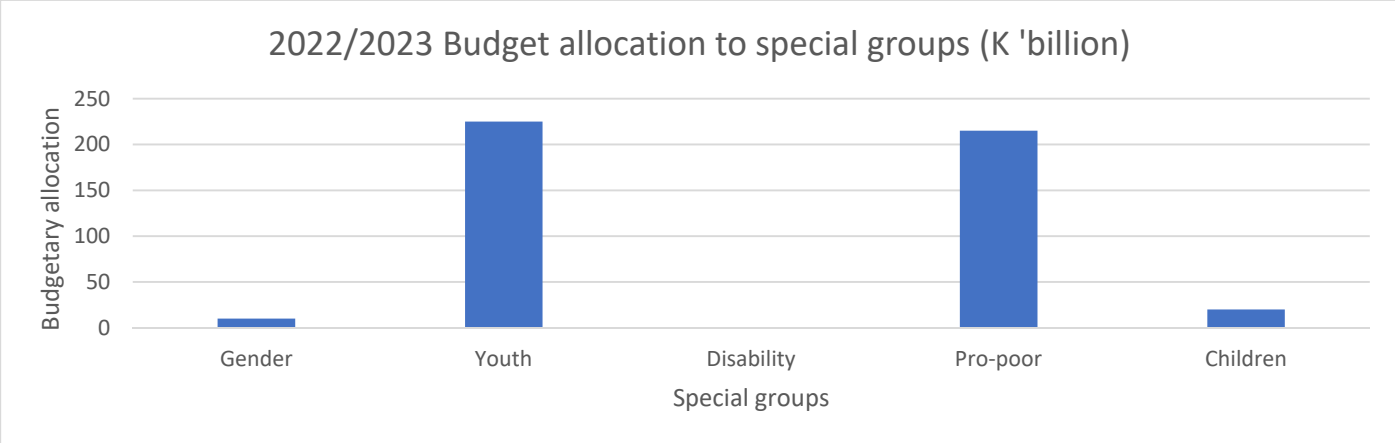


Figure 6: Budget allocations to special groups

The Disability Rights Fund

Disability inclusion is an essential element of the development framework in Malawi. Achieving the Agenda 2030 requires the deliberate and systematic inclusion of persons with disabilities. The 2022/23 budget allocated 100 million Kwacha (less than 1 percent of the budget) as seed for the Disability Rights Fund. The regulations for operationalising the Fund have since been finalised.

Social inclusivity

Malawi has taken a strong stand against discrimination based on age, sex, marital status, religion, political or other opinions, ethnicity or social origin, disability, birth or other status or condition, including HIV status. The country has enacted various pieces of legislation and put in place or sustained various strategies to ensure that no one is left behind as the country progresses. These include the following:

Legislation:

- Gender Equality Act
- Prevention of Domestic Violence Act
- Marriage, Divorce and Family Relations Act
- Deceased Estates (Wills, Inheritance and Protection) Act
- Trafficking in Persons Act
- HIV and AIDS (Prevention and Management) Act
- The Chiefs Act.

Programmes and Strategies

- Affordable Input Programme
- National Economic Empowerment Fund
- Disability Rights Fund
- Social Protection Programme.

Marginalised groups are incorporated into the key decision-making processes, including being given leadership roles. For instance, various marginalised and vulnerable groups are represented in the Village Development Committees (VDCs), Area Development Committees (ADCs), and District Executive Committees (DECs) which are key structures for development planning and implementation at the sub-national level. The involvement of marginalised and vulnerable groups in the design, planning and implementation of development programmes continues to entrench and enhance ownership, especially among the youth.

To ensure that no one is left behind, there is still a need for improvement in disability mainstreaming, especially in budgeting and legislation; policy reforms to realise the enjoyment of rights; and meaningful participation of and engagement with persons with disabilities to enhance their contribution to the development process.

Ending Poverty

Malawi has made marginal improvements in reducing poverty. The proportion of the population living below the national poverty line has marginally declined to 50.7 percent in 2021 from 51.5 percent in 2016. This improvement is attributed to the strengthening of the implementation of various social protection programmes such as cash transfers and public works. However, the limitation in reducing poverty is attributed to the limited performance of the agriculture sector which is a major source of income for a larger percentage of the population.

3.3 Youth Centricity

The Malawi population is youthful, with 51 percent under 18 years of age as of 2018. This necessitates that the youth should be central in defining national development priorities. Economic empowerment of the youth would thus cause a significant shift in the economic transformation of the country. Despite their significant proportion, presently and as projected in the future, young people are often faced with age-related challenges and barriers, such as technical and financial capacities. These affect their active participation in economic, political and social life, greatly hindering their development and, consequently, their effective contribution to sustainable economic development.

The 2022/23 Financial Year allocated 11 percent of the budget (K 225 billion) to youth-related programmes, including:

(a) Youth in Agribusiness Project;
(b) construction of community colleges and various education programmes;
(c) Jobs for Youth Programme; and
(d) launch of the National Youth Service to empower the youth of Malawi with relevant skills that foster their contribution to personal, community and national development. The Main functions of the National Youth Service include:
    (i) *Civic Engagement*: Encouraging the youth to give back to society;
    (ii) *Developing a Common Identity*: Develop consciousness transformation;
    (iii) *Recovery and Rehabilitation*: Youth to act on recovery from civil, economic, and environmental crises;
    (iv) *Nation Building*: Mobilising and harnessing energies of the youth to assist with nation building initiatives; and
    (v) *Skills Development and Employment Creation*: Skilling the youth for employability and employment creation.

Other initiatives benefitting the youth include the Affordable Input Programme (AIP) and National Economic Empowerment Fund (NEEF).



The youth contributing to national development discourse

4.0 IMPLEMENTATION PROGRESS OF PILLARS AND ENABLERS

This Chapter illustrates the country's progress and performance in implementing the MIP-1 in 2021/22 by Pillar and Enabler.

Pillar–1: Agriculture Productivity and Commercialisation

Agriculture remains the mainstay of the economy, contributing close to a quarter of the country's GDP;[1] and employing about 64 percent of the labour force.[2] More importantly, close to 80 percent of the population relies on rain-fed smallholder agriculture for food. The MIP-1, therefore, aims at transforming agriculture from a low-productive and subsistent sector to a highly productive and commercialised agriculture sector. 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 employment and wealth; and, ultimately, self-reliance.

Agriculture in Malawi is predominantly driven by crops which contribute to about two-thirds of the agriculture GDP. Malawi aspires to increase the share of agriculture, forestry and fishing to GDP from 22.8 percent in 2020 to about 27.8 percent by 2030. During the reporting period, the share of agriculture, forestry and fishing to GDP marginally declined to 22.4 percent. The decline was mainly due to the poor performance of the crop subsector because of tropical cyclones that hit the country during the farming season.

At intervention level, implementation of 85 percent of the MIP-1 prioritised interventions have commenced. Out of the interventions which have commenced, 20 percent are on track. Agriculture Mechanisation and Irrigation Development are the focus areas which are lagging behind in implementation. The implementation progress of Pillar 1 focus areas is summarised in *Figure 7* below.

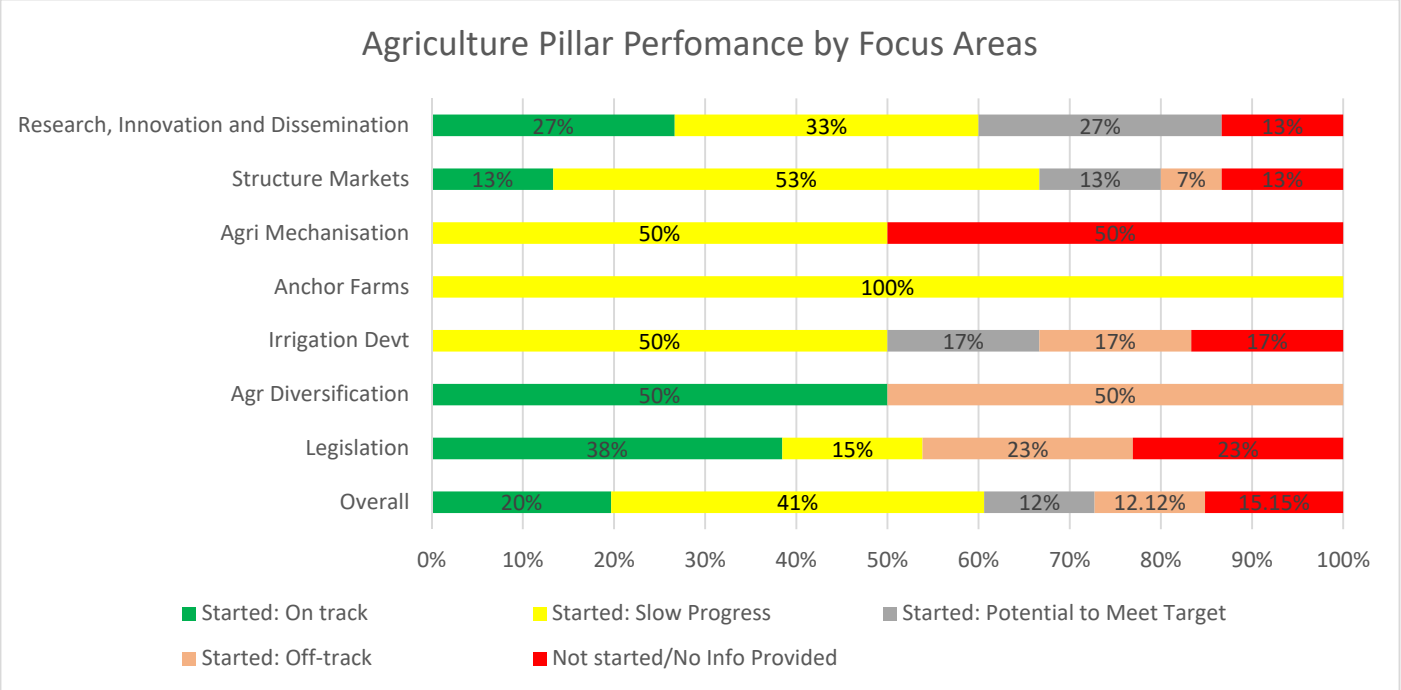


Figure 7: Pillar 1 Implementation Progress by Focus Areas

[1] Annual Economic Report 2022.
[2] International Labour Organisation (2019) In Malawi, bolstering youth and women's employment through sectoral skills strategies.

Progress on Focus Area and Interventions

Priority Area P1.1: Legislation and Institutional Capacity Building

The Government, under the Malawi Watershed Services Improvement Project (MWASIP), commenced the lease process for 8 irrigation schemes with a total land holding of 350 hectares. Further, Malawi is enhancing regulatory and policy frameworks to improve access to farm inputs. To achieve this, the Government, in collaboration with partners, facilitated the enactment of the Seed Act and the Fertiliser Act; and the development of the Animal Feeds Bill which has since been submitted to the Ministry of Justice for processing.

In addition, Malawi finalised the review of land-related laws to improve land management and administration. These laws include the Land (Amendment) Act 2022; Customary Land (Amendment) Act 2022; Land Survey (Amendment) Act 2022; Physical Planning (Amendment) Act 2022; and Reported and Land Acquisition and Compensation (Amendment) Act 2022, which were passed in March 2022 and became effective on 1st July 2022.

To enhance agricultural marketing, the Government is formulating and harmonising various agriculture marketing laws and policies. In the period of reporting, the Government drafted the Crops Bill which is under going stakeholder consultations. The Bill aims to promote the production of strategic crops as defined in the National Export Strategy (NES) II and provide incentives for the production of key crops.

Despite making progress in implementing prioritised interventions to strengthen legislation and build institutional capacity within Pillar 1, some interventions are yet to commence. These include legislating for the establishment of structured markets for all prioritised strategic agricultural commodities, including fisheries; legislating for minimum product quality standards for agricultural exports in conformity with World Trade Organisation (WTO) provisions; and legislating border entry Inspection and Quarantine Systems to ensure the quality of food imports and exports.

Priority Area P1.2: Agricultural Diversification

Malawi aims to diversify agriculture into production of higher-value crops (including horticulture), livestock and fisheries; with niche products largely destined for the export market. In its quest to diversify agriculture, Malawi targets to increase the share of agricultural value-added commodities other than tobacco and maize to 90 percent in 2030 from the current 77.8 percent. The share, however, increased to 79.2 percent in 2021/22 against a target of 79 percent.

Livestock production

During the period of reporting, the population of key livestock (cattle, goats and chicken) increased by an average of 6.3 percent owing to improved livestock management. The Ministry of Agriculture implemented the Heifer pass-on scheme and formed 245 value-addition groups. However, the results around livestock growth were below the 2022 targeted average increase of 13.3 percent, see *Figure 8*, below.

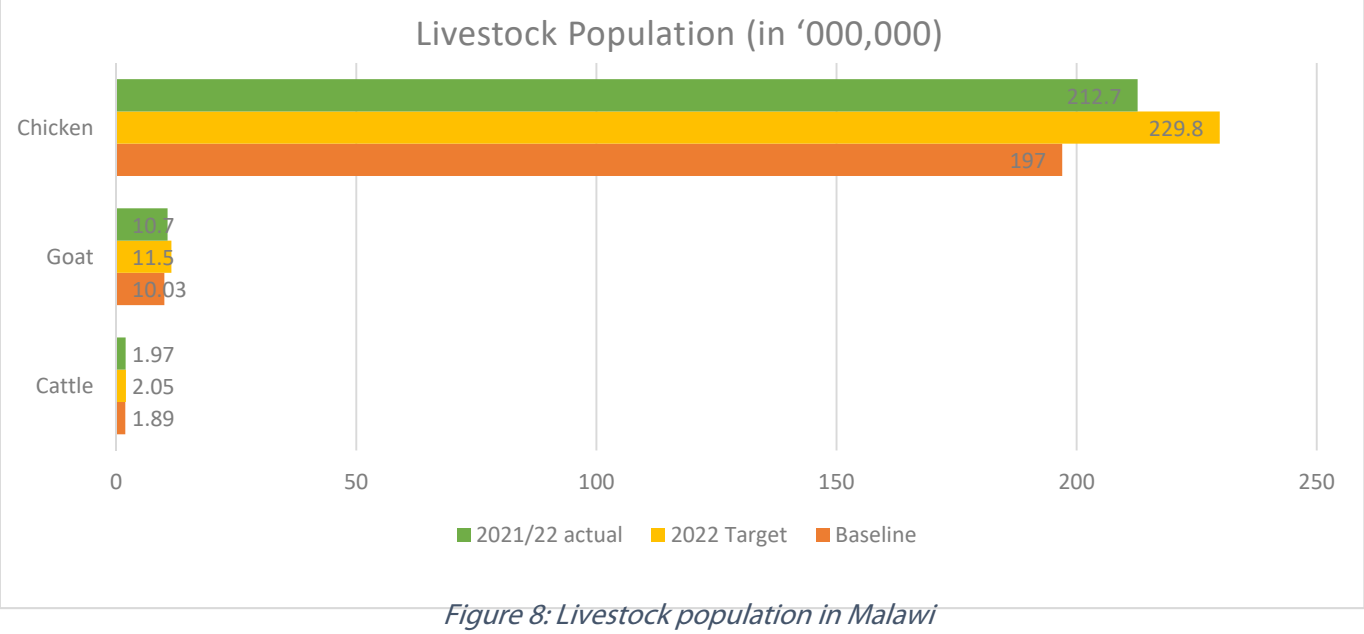


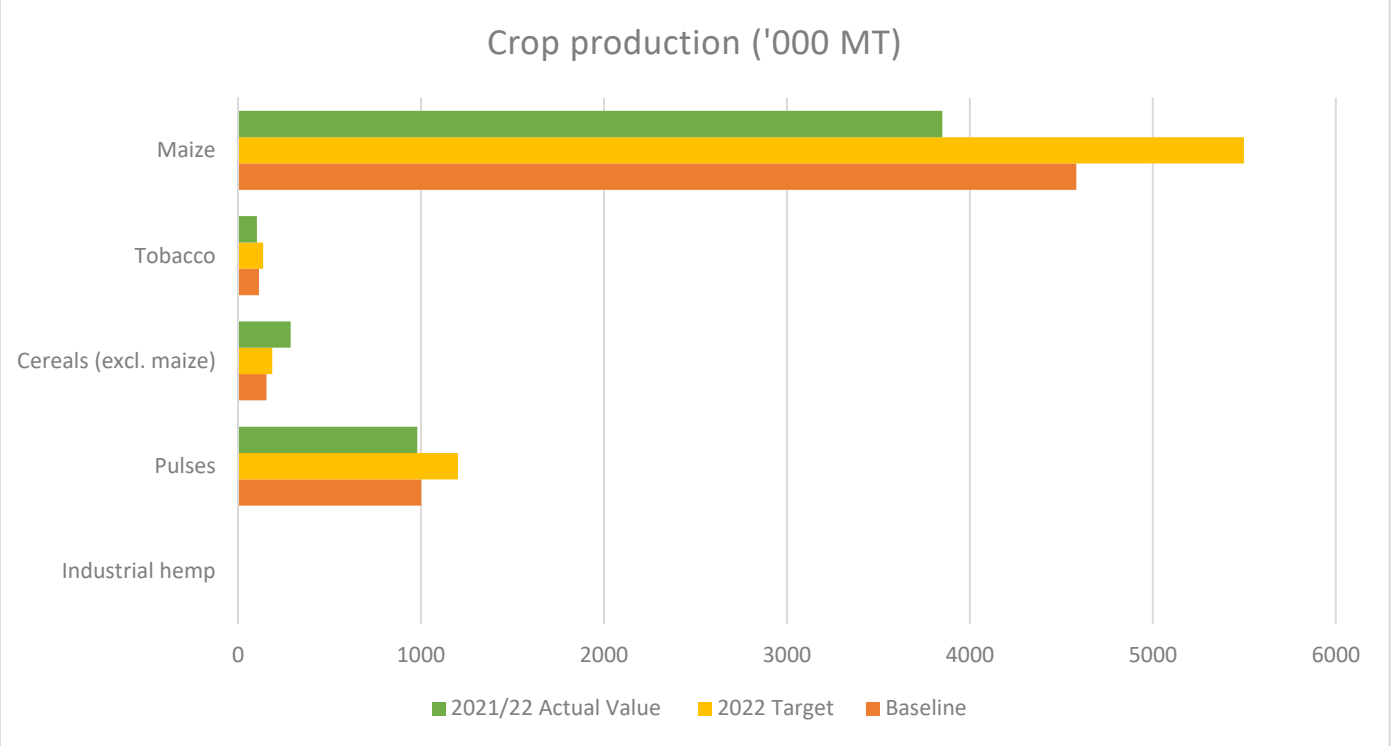
Figure 8: Livestock population in Malawi

Multiply and distribute seed of high value crops as defined in NESII:

ASWAp-SP II has supported and promoted a few agriculture value chains especially restoration of the banana in the country. To date, the programme has supported restoration of over 2,000 ha of banana plantations. Apart from the bananas, the project has supported the steady increase in the agriculture diversification drive availability of improved legumes, maize cassava, sweet potato and livestock.

Crop Production

Within the same period, production of key crops, including pulses, tobacco and maize, declined; with only cereals, excluding maize, registering an increase year to year. In the period of reporting, the targeted average crop production increase was 20 percent; however, the subsector reported an increase of 14.2 percent, see *Figure 9*, below. The below target performance is attributed mainly to climatic shocks which saw some districts experiencing floods while others drought.



Fisheries and Aquaculture

During the period of reporting, the volume of fish catches from fisheries and aquaculture increased from 154,922.92 metric tonnes to 170,844 metric tonnes in 2022, representing a 10 percent increase (as targeted).

Malawi is scaling up cage fish farming on Lake Malawi through private sector-led initiatives. Maldeco Fisheries is the leading player in cage fish farming. In the year under review, Maldeco stocked 67 cages with an expected harvest of 1,112.2 tonnes of fish. The Government has additionally issued two cage culture permits to other private investors to start cage culture on Lake Malawi in Salima. The Government, through the Sustainable Fisheries and Aquaculture Development Watershed Management (SFAD-WM), is developing a fish feed mill that will be producing floating feed at 2 tonnes per hour at Mzuzu Aquaculture Centre. Aditionally, through private sector-led initiatives, a private investor has installed a fish feed mill in Lilongwe at Apoche Farm with the potential of producing seven tonnes of feed per day. Another feed mill is being installed at Bvumbwe in Thyolo by Lenzi Mills. These investments are expected to improve fish feed availability and affordability in the country. Currently, Malawi relies on the importation of fish feed from Zambia.

Fisheries Multiplication Sites

The Department of Fisheries rehabilitated the National Aquaculture Centre (NAC) in Zomba and installed an

indoor hatchery as well as a pond-based hatchery. There are also rehabilitation works, including a greenhouse hatchery to enable all-year-round fingerling production at Mzuzu Aquaculture Centre, which will be producing five million fingerlings per year, see Figure 10, below. In total, both private and public hatcheries produced 11,710,050 fingerlings against an annual target of 15,000,000 fingerlings.

Priority Area P1.3: Irrigation Development

Irrigation development offers Malawi an opportunity to optimally harness the productivity and commercialisation drive while averting adverse climatic variabilities. In the period of reporting, Malawi developed 1,306.5 hectares (ha) of land for irrigation, bringing a cumulative total land under irrigation to 146,966.42 ha. The progress is below the 2022 target of 149,646.20ha. However, only about 78.9 percent of the developed area was utilised. Utilisation was affected by floods which destroyed some irrigation infrastructure, while other irrigation schemes failed to raise enough funds to run fuel-operated pumps.

Rehabilitation of irrigation schemes

The Malawi- Post Cyclone IDAI and Kenneth Emergency Recovery and Resilience Project (PCIREP) has 4 Irrigation Schemes with 530ha under rehabilitation and completion ranging from 50- 100percent.

Mapping and developing all potential irrigation areas and their respective crop/fisheries integration in Malawi

Processes for mapping potential irrigation areas have commenced through the Kutukula Ulimi m'Malawi project and MWASIP. Kutukula Ulimi m'Malawi promotes sustainable agricultural growth to increase incomes, employment, and food security. Feasibility and design studies targeting 2,440ha have been initiated and the hiring of consultants is underway. Meanwhile, MWASIP is aiming at restoring degraded landscapes in the middle and upper Shire. Feasibility and design studies have been initiated targeting 2,000ha.

Public, Private Partnership (PPP) joint ventures in irrigation infrastructure and development

- The Greenbelt Authority (GBA) is developing new schemes under the PPP arrangements in the irrigation sector. GBA, with the facilitation of the Ministry of Agriculture, has identified farms for



Figure 10:Pond-based fingerling production at Mzuzu Aquaculture Centre

possible irrigation joint ventures with private owners as follows: Nthola – Ilora – Ngosi – Rice Irrigation Scheme in Karonga (1000ha), where the work is at 10 percent; Chipoka irrigation in Salima for cotton (100ha); Samama irrigation in Karonga for maize (800ha); Luweya irrigation in Nkhatabay for rice (750ha) and Mlambe irrigation scheme in Mangochi for both Maize and rice (800ha). The GBA in Partnership with Inoselia International Farm has also established the Greenbelt Greenhouse in Lumbadzi. Horticultural products from the greenhouses are being exported to the Democratic Republic of Congo.

- The Shire Valley Transformation Programme (SVTP) is one of the flagship projects actualising PPP in irrigation development in Malawi. In the period of reporting, the programme issued a Request for Proposals to recruit a private operator to be responsible for managing the infrastructure. The damages caused by cyclone Ana early this year greatly affected the project, derailing the implementation extending the completion date to 2024 from March 2023.



Figure 11: Construction of the canal across a river in progress under the Shire Valley Transformation Program (SVTP)

Priority Area P1.4: Anchor Farms

The MIP-1 aims at spearheading the commercialisation of agriculture through the establishment of mega-farms and anchor farms. The goal is to establish at least 9 mega farms targeting crops, livestock and fisheries. The process for the establishment of mega-farms has commenced. The Government, through the Ministry of Agriculture, finalised the development of the concept to guide the establishment of the mega-farms. A call has already been made for investors to express interest in and venture into mega farming at Dwambazi for livestock and Mchinji for crops. Other private investors with land holdings of not less than 500 hectares such as Pyxus Agriculture Limited has established anchor farms for groundnuts, soya and wheat supporting around 30,000 smallholder farmers.

In the meantime, the Ministry is in consultations with Press Agriculture to reinvigorate the utilisation of idle press agriculture commercial farms. So far, one farm has been identified in Mchinji. However, establishment of the mega-farm has delayed. The Ministry has established five mega farms in Karonga, Nkhata-bay, Salima and Mangochi.



Figure 12: Pyxus' Mpale Wheat Farm in Madisi

Priority Area P1.5: Agriculture Inputs

Malawi aims to increase access to high-quality farm inputs to all farmers to improve agricultural productivity. Currently, the average usage of inorganic fertiliser is estimated at 0.086 tonnes per ha which is lower than the recommended 0.2 tonnes per ha. The usage of improved seeds and breeds of livestock is also low.

In the reporting period, the proportion of farmers using improved breeds increased from 0.05 percent to 0.08 percent. These achievements are attributed to the AIP which offered diversified input subsides to include other crops and livestock. In the 2021/22 farming season, AIP included goats for the districts in the lower Shire. 2022/23 will further extend the implementation of the goats' package to Balaka and Rumphi districts. However, there is still need for more reforms, especially the inclusion of other strategic agricultural commodities as well as the use of clubs or cooperatives in administering AIP for more sustainable cost sharing.

Fertiliser production plant

The Government, in collaboration with stakeholders, commissioned a feasibility study to assess the technical, environmental and socio-economic viability for a fertiliser production plant. The study is expected to provide evidence-based advice on the practicality of establishing a fertiliser manufacturing plant in the country. The study which was planned for 2022 has delayed.

Priority Area P1.6: Agriculture Mechanisation

Agriculture mechanisation is the heartbeat for improving productivity as well as commercialisation. Currently, the number of tractors per 100 sq. km of arable land remains low at 0.02. The interventions implemented so far on mechanisation have been insignificant to propel the mechanisation drive in agriculture.

Review and redesign the farm machinery and equipment hire and ownership scheme, especially targeting cooperatives and the youth

The Ministry of Agriculture has commenced the process of re-organising the tractor hire scheme through the establishment of Hiring Centres. In the

meantime, through the Agriculture Commercialisation (AGCOM) Project matching grant, a total of 238 farm machinery have been distributed to cooperatives; comprising 28 tractors, 9 power tillers and 201 processing machines/feed mixers.

Production of low-cost and small-scale farm machinery for farmers, largely through PPP arrangements

Through the private sector, Malawi has opened to the importation of small-scale farm machinery targeting medium- and smallholder farmers. These farm machineries cover various agricultural operations. However, there is a need to put in place mechanisms to ensure that these farm machineries are available and accessible to smallholder farmers.

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 costing the country forex. This priority area will also reduce post-harvest loses from 12.5 percent in 2020 to below 5 percent by 2030. The Ministry of Agriculture, through the AGCOM, is establishing aggregation centres as a step towards structured markets at the districts level. However, there has not been any tangible activity happening at the national level to formalise structured markets for different crops apart from cereals by Agricultural Commodity Exchange. This will likely result in the failure to meet the 2025 target of having structured markets for agriculture commodities developed.

Establishment of aggregation centres and commodity exchange, largely targeting small-scale farmers in rural areas

The rural aggregation centres are being promoted through a cooperative model. Through the AGCOM Project, the Ministry of Agriculture has constructed warehouses as aggregation centres. As of Nov 2022, Mchinji District Cooperative was registered while Mulanje, Karonga and Kasungu are being assessed.

Functional farmer cooperative

In the period of reporting, the Government, through the Ministry of Agriculture, facilitated the registration of 57 Producer Organisations into Agricultural Cooperatives. These Producer Organisations were linked to markets under the AGCOM Project matching grants.

The Ministry of Agriculture has reorganised a total of 357 farmer groups with a membership of 24,276 (18,492 female) and supported the groups with various capacity building, including market-oriented farm planning and management; savings and investments; governance and organisational management; and business management skills.

Reforming the Agricultural Development and Marketing Corporation (ADMARC) into a fully functional agricultural produce commercial entity with international market linkages

The functional review to re-organise ADMARC is in progress. An expression of interest advert was published in the local newspapers by ADMARC as far back as early 2022 to engage consultants that can carry out feasibility studies on bankability for agro-processing projects such as maize flour, rice milling and edible oil processing plan. This is part of the turnaround strategy. The reforms were to start being operationalised in 2022 but have been delayed, hence off track

Digitising agricultural marketing information system through mobile Apps, Short Message Service (SMS), electronic media

The Ministry of Agriculture is implementing the National Agriculture Management Information System (NAMIS) modules, including Agriculture Market Information System in 12 districts. Enumerators in the 12 districts are using the NAMIS Mobile Application to collect data that can be accessed through the NAMIS web-based platform and website, which is still in the development phase.

Specialised tailor-made and bi-directional learning of extension services focusing on commercial agriculture value chains

In the period of reporting, the Ministry of Agriculture trained 376 extension workers (18.6 percent of targeted extension workers) in contract farming and commercial agriculture. The aim is to develop commercial value chains through the establishment of productive alliances and off-takers.

Enhancing youth agriculture entrepreneurship through model youth agripreneurs

The Government, through the Ministry of Agriculture, deliberately targeted women and youth groups to participate in various interventions aimed at supporting and building their capacities in business

management and entrepreneurship. A total of 288 youths were supported with various interventions. Some individual and youth groups were supported with grants to implement their business plans.

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

Scaling the Crops (cereals, legumes, roots & tubers, horticulture, oil seed) genetic improvement programme

The Ministry of Agriculture has commenced genetic improvement (plant breeding) to develop high-yielding maize hybrids for commercial farming (mega farms) with current yields ranging from 8.0 to 15.0 Metric Tonnes/Ha from station observation trials in 2022.

Scaling the fish Genetic Improvement Programme

The Government is implementing a fish Genetic Improvement Programme for indigenous *tilapias* at the National Aquaculture Centre (NAC) and Mzuzu Aquaculture Centre. The NAC is working on improving the *Oreochromis shiranus* (Makumba), while Mzuzu Aquaculture Centre is improving the *Cynodon rendalli* (Chilunguni). The trials at NAC show great potential in growth rates of the third generation of fish and most likely the fourth generation will be given out to farmers.

Research on appropriate climate-smart agriculture technologies for adoption in different zones and farm systems

The Ministry of Agriculture has identified, through genetic selection, drought and heat-tolerant maize hybrids for both irrigation and rainfed; resulting in the development of 51 hybrids and 3 open-pollinated varieties using parental lines that have drought and heat-tolerant backgrounds.

Additionaly there are four wheat varieties yielding 6.0 – 8 OT/Ha under furrow irrigation. Samples for winter cropping of 2022 will be submitted to a laboratory in early 2023 to check on the baking quality.



Greenhouse tomato farming in Lumbadzi

Detailed Table of Implementation Progress on Interventions under Pillar 1

MIP-1 Interventions	Period	Progress/ Status as of November 2022	Rating	Remarks	Responsible Institution
Legislation and Institutional Capacity Building					
Legislate all irrigation schemes to secure land user rights	2021-2023	Under MWASIP, the land lease process for 8 irrigation schemes (350ha) is under facilitation	Started: Off-track	Legislation yet to be scaled up	Ministry of Agriculture
Review land laws to establish clear land titling and roles of land tribunals in terms of land acquisition for agriculture investment	2021-2022	Six land related laws were assented to: these include Customary Land Act (Amended); Land Act (Amended) Land Survey (Amended); Physical Planning Act (Amended); Land Acquisition and Compensation (Amended); and Registered Land (Amended). Commenced development of the national land use policy and national resettlement policy; and the following land-related Bills: Sectional Titles Bill; Property Valuation Bill; and Landlord and Tenant Bill	Started: Off-track		Ministry of Lands
Review the Fertiliser, Farm Feeds and Remedies Act to address quality standards and supply system	2023-2024	Proposed Bill awaiting presentation to Cabinet before tabling in parliament.	Started: On-track		Ministry of Agriculture
Review Seed Bill	2022-2023	Seed Bill was enacted; currently, the Ministry of Justice is drafting Regulations	Started: On-track		Ministry of Agriculture
Review laws that relate to the crops and products earmarked for promotion under the existing NES	2021-2023	The stakeholder consultation process for the Crops Bill is ongoing	Started: Slow Progress	Ensure fast tracking by Ministry of Justice	Ministry of Trade and Industry
Review agriculture pricing policies to provide incentives for production and ensure food security	2021-2030	Awaiting enactment of the Crops Bill	Started: On-track		Ministry of Agriculture
Legislate for product minimum quality standards for agricultural exports, in conformity with World Trade Organisation (WTO) provisions	2021-2023	No progress reported	No Info Provided		Ministry of Trade and Industry
Legislate for the establishment of structured markets for all existing NES prioritised strategic agricultural crops, livestock, and fisheries	2021-2023	Commenced consultations to formalize some agriculture markets like M'gona market in Lilongwe for pulses. However, the process has stalked	Started: Off-track	To be prioritised next year	Ministry of Trade and Industry
Legislate border/port/airport Inspection and Quarantine Systems to assure quality of food imports and exports	2021-2023	No progress reported	No Info Provided		Ministry of Trade and Industry
Review and align Control of Goods Act, Export Mandates and Regulations	2021-2023	No progress reported	No Info Provided		Ministry of Trade and Industry
Formulate policy/legislation on contract farming for smallholder/out-grower arrangements	2021-2023	Awaits Cabinet approval of Crops Bill	Started: On-track		Ministry of Agriculture
Review and align the Crops Bill	2021-2023	Awaits Cabinet approval of Crops Bill	Started: On-track		Ministry of Agriculture
Build the institutional, technical and human resource	2021-2030	Ongoing; various capacity-building programmes in agriculture are being	Started: Slow	Need to	Ministry of

MIP-1 Interventions	Period	Progress/ Status as of November 2022	Rating	Remarks	Responsible Institution
capacity in the institutions that will be coordinating agriculture commercialisation and productivity (with adherence to minimum requirements)		implemented. However, there is a need to review critical institutional and human resource capacity needs.	Progress	systematically develop an institutional and human resource building plan that respond to MIP-1 needs.	Agriculture
Agriculture Diversification					
Scale-up fish cage farming on Lake Malawi for commercial aquaculture	2021-2023	MALDECO stocked 67 cages with 83,000 fingerlings in each cage, totalling 5,561,000 fingerlings. Total harvest of 1,112.2 tonnes of fish is expected. Two cage culture permits were issued to private investors who intend to start cage culture on Lake Malawi in Salima. The Department of Fisheries is also working with two investors that aim to pilot small cage culture with communities in Mangochi and Salima	Started: On-track		Ministry of Agriculture
Establish fish feed manufacturing centres in 4 of the potential aquaculture zones	2021-2023	The Department Fisheries is procuring a feed mill under SFAD. Engagement with the private sector has resulted in the procurement of additional 2 feed mills which have already been installed	Started: On-track		Ministry of Agriculture
Redesign AIP to include NES II selected value chains	2021-2023	2022/23 AIP includes livestock component. The scope for the AIP redesigning was limited by available resources. Efforts are being undertaken to improve AIP targeting and graduating beneficiaries through the use of farmer clubs/cooperatives. The integrated social protection programme that includes cash transfers and public works will absorb those individuals that are not best served by AIP but social protection	Started: Off-track		Ministry of Agriculture
Provide fiscal incentives for the production of high-value non-traditional crops such as industrial hemp, flowers, horticulture, cereals (especially rice and wheat) legumes, cotton, macadamia nuts, pulses and livestock products as defined in the NESII	2021-2023	Incentives available with sensitisation to potential and existing entrepreneurs intensified. Ministry of Finance and Economic Affairs is considering new incentives while mindful of the tax implications	Started: Off-track	Need to explore other fiscal and non-fiscal incentives aimed at promoting other agricultural value chains.	
Irrigation Development					
Construct large-scale irrigation schemes	2021-2030	The Shire Valley Transformation Project is targeting 43,370 ha (29,338 for smallholder farmers; and 14,032 ha for large-scale farmers)	Started: Slow Progress	Off-track largely due to cyclones' impacts	Ministry of Agriculture
Rehabilitate irrigation schemes	2021-2025	A total of 803.82 ha was rehabilitated in the financial year	Started: Slow Progress		Ministry of Agriculture
Map and develop all irrigation. Identify potential areas and their respective crop/fisheries integration	2021-2023	Feasibility and design studies under the two projects are underway. However, the studies do not cover the mapping of all areas	Started: Off-track	Fast-track the process and scale-	Ministry of Agriculture

MIP-1 Interventions	Period	Progress/ Status as of November 2022	Rating	Remarks	Responsible Institution
in Malawi				up mapping initiative	
Establish joint ventures (PPP) in irrigation infrastructure and development	2021-2030	The Green Belt Initiative and the Shire Valley Transformation Project using the PPP arrangement	Started: Potential to Meet Target		Ministry of Agriculture
Implement small farms irrigation Project II	2021-2025	The project was phased out	Phased Out		Ministry of Agriculture
Expand area under Greenbelt initiative	2021-2025	On going. However, the construction of irrigation schemes is progressing slowly, e.g., the Nthola Irrigation Scheme	Started: Slow Progress	Enhance monitoring mechanism to clear all bottlenecks	Ministry of Agriculture
Anchor Farms					
Support the establishment of anchor farms that connect with surrounding smallholder farmers in the production of localized agricultural products (livestock, crops, including horticulture, bee keeping and fish) across the country	2022-2025	Being implemented as a single concept with mega farms	Started: Slow Progress	Actively engage private sector players with the capacity to partner with Government	Ministry of Agriculture
Facilitate the establishment of at least one mega farm per region as per existing NES high-value crops. Livestock and fisheries	2022-2025	The Ministry has identified 11 mega farms across the country for rice, soya and cotton value chains for 2022/23 Season; 5 farms in Karonga, Nkhata Bay, Nkhotakota, Salima (2) and Mangochi have been set. Private sector players like Pyxus have operationalised the mega farm concept by establishing mega farms in Madisi and Kasungu	Started: Slow Progress	Actively engage private sector players with the capacity to partner with Government	Ministry of Agriculture
Conduct an audit of all commercial farmlands to identify and revamp idle farms	2021-2023	GBA has so far identified 4 farms for possible joint ventures with private owners	Started: Slow Progress		Ministry of Agriculture
Reinvigorate utilisation of idle Press Agriculture commercial farms	2022-2025	The Ministry initiated consultations with Press Agriculture and currently, 1 farm has been identified in Mchinji	Started: Slow Progress		Ministry of Agriculture
Expand agriculture in prisons to produce excess for marketing	2021-2025	Prisons intensified farming in their existing farms. Expansion is targeted in the subsequent years	Started: Slow Progress	To prioritise in the next year, including the Malawi Defence Force land	Ministry of Homeland Security; Ministry of Defence
Support the establishment of green-house farms	2021-2025	AGCOM has constructed 4 greenhouses through cooperatives and the	Started: Slow		Ministry of

MIP-1 Interventions	Period	Progress/ Status as of November 2022	Rating	Remarks	Responsible Institution
and hydroponics, principally through cooperatives, to make best use of small landholdings for nutrition and markets		Government, in collaboration with the Government of Israel, is implementing a project on greenhouse under the green belt initiative	Progress		Agriculture
Agriculture Input					
Establish at least 4 zonal livestock and fish multiplication sites	2021-2023	The indoor hatchery as well as pond-based hatchery at the National Aquaculture Centre (NAC) were rehabilitated. Happas were procured and installed in the pond-based hatchery. Genetic Improvement Programme is currently underway at National Aquaculture Centre in Domasi and Mzuzu Aquaculture Centre	Started: Off-track	Establishment of zonal livestock multiplication sites yet to be reinvigorated	Ministry of Agriculture
Develop a fertilizer production plant	2021-2025	Recruited consultant to conduct economic and technical feasibility study on the establishment of the plant	Started: Slow Progress		Ministry of Agriculture
Multiply and distribute seed of high value crops as defined in NESII	2021-2030	The Ministry of Agriculture is promoting various value chains. Key value chains to be registered in the period under review is distribution of banana suckers under ASWAP II, orange flavoured sweet potato under various NGOs as part of scaling up nutrition campaign, and inclusion of legumes in AIP	Started: Potential to Meet Target		Ministry of Agriculture
Review farm input subsidy strategy for proper cost sharing and diversification to other agricultural products and commercial farmers	2021-2024	2022/23 AIP includes livestock component. The scope for the AIP redesigning was limited by available resources. Efforts are being undertaken to improve AIP targeting and graduating beneficiaries through the use of farmer clubs/cooperatives. The integrated social protection programme that includes cash transfers and public works will absorb those individuals that are not best served by AIP but social protection	Started: Slow Progress		Ministry of Agriculture
Agricultural Mechanisation					
Implement the farm machinery and equipment hire and ownership scheme, especially targeting cooperatives and the youth	2021-2030	A total of 238 farm machinery are owned by cooperatives under the AGCOM Matching Grant comprising 28 tractors, 9 power tillers and 201 processing machines/feed mixers	Started: Slow Progress	Apart from the AGCOM led mechanisation, the Ministry's hiring scheme is yet to become operational	Ministry of Agriculture
Build capacity in management, operation and maintenance of agriculture machinery and equipment	2021-2023	No progress was reported	No Info Provided		Ministry of Agriculture
Produce low-cost and small-scale farm machinery for farmers, largely through PPP arrangements	2021-2030	No progress registered	Not Started	The Ministry is planning to profile companies	Ministry of Trade and Industry

MIP-1 Interventions	Period	Progress/ Status as of November 2022	Rating	Remarks	Responsible Institution
				potential to manufacture small-scale farm machinery and assess the gaps	
Increase youth accessibility of farm equipment through youth cooperatives by offering machinery through soft loans and tax exemptions	2022-2024	The Ministry of Agriculture has revisited the machinery hiring scheme to be rolled out to all districts	Started: Slow Progress		Ministry of Agriculture
Structured Markets					
Establish aggregation centres and commodity exchanges for small-scale farmers in rural areas	2021-2023	Rural aggregation centres to be established through cooperatives. Commenced under AGCOM with the construction of warehouses and formation of cooperatives. Mchinji District Cooperative Union was registered in November 2022. Mulanje, Karonga and Kasungu are being assessed to commence the process. Support under this model will include warehousing facilities	Started: Off-track		Ministry of Trade and Industry
Consultations on structured markets on NES prioritised commodities (cops, livestock and fisheries)	2021-2030	Consultations to formalise some agriculture markets like M'gona market in Lilongwe for M'gona pulses commenced. However, the process has stalled	Started: Slow Progress		Ministry of Trade and Industry
Organise farmers into functional cooperatives	2021-2025	The Ministry facilitated registration of 57 Producer Organisations into Agricultural Cooperatives. These Producer Organisations were linked to markets under AGCOM Project's matching Grants. Under SFAD project, 17 cooperatives have been established under the fish value chain	Started: Slow Progress	Slow progress on trainings and registrations of cooperatives	Ministry of Agriculture
Reform ADMARC into a fully functioning agriculture produce commercial entity with international market linkages	2021-2023	ADMARC business plan has been developed (pending approval).	Started: Slow Progress	Project concepts developed to revitalise ADMARC	Ministry of Agriculture
Create local agriculture marketing information sharing platforms at ADC level	2021-2023	Market prices being collected using the National Agriculture Management Information System in 12 districts. Plans underway to scale up to remaining districts and to link it to extension services platform	Started: Slow Progress		Ministry of Agriculture
Digitise agricultural marketing information systems through mobile Apps, SMS, electronic media	2021-2023	Market prices are collected using the National Agriculture Management Information System mobile app in 12 districts. A public platform is under development for public access to market prices	Started: Slow Progress		Ministry of Agriculture
Expand the acquisition of quality accreditation equipment	2021-2023	Implemented as part of the MBS new laboratory	Started: On-track		Ministry of Agriculture
Capacitate the acquisition of quality accreditation equipment	2021-2030	Implemented as part of the MBS new laboratory	Started: Slow Progress		Ministry of Trade and Industry
Build capacity of producers' compliance to international /regional standards for increased market access	2021-2023	No progress was reported	No Info Provided		Ministry of Trade and Industry

MIP-1 Interventions	Period	Progress/ Status as of November 2022	Rating	Remarks	Responsible Institution
Set up agro-processing, packaging and storage facilities for processing and value addition	2021-2030	Some processing machines have been installed under the AGCOM Project. Under the Millennium Challenge Innovation project by UNDP and MAIIC, various agro processing and value addition agri-business have been set/supported to scale up.	Started: On-track		Ministry of Agriculture
Promote the use of sustainable storage facilities at the household and national level	2021-2030	The Ministry has constructed 47 warehouses under the AGCOM Project	Started: Potential to Meet Target		Ministry of Agriculture
Expand storage capacity for grains and legumes	2021-2030	No progress reported	No Info Provided		Ministry of Agriculture
Implement farmer organisation development and empowerment programme, including support to productive persons with disability	2021-2024	The Ministry reorganised a total of 357 farmer groups with membership of 24,276 (18,492 female) and supported the groups with various capacity building, including market-oriented farm planning and management; savings and investment; governance and organisational management; and business management skills. The targeting strategy was deliberately oriented towards enhanced participation of and by women	Started: Slow Progress		Ministry of Agriculture
Develop specialised tailor-made and bi-directional learning of extension services focusing on commercial agricultural value chains	2021-2025	The Ministry built capacity of 376 extension workers on contract farming and commercial agriculture. The intervention aimed at developing commercial value chains through establishment of Productive Alliances between producer organisations and off-takers. As a result, the producer organisations are able to utilise extension services through adoption of good agricultural practices and improved technologies	Started: Slow Progress		Ministry of Agriculture
Enhance youth agriculture entrepreneurship through model youth Agri-preneurs to provide mentorship	2021-2030	The Ministry of Agriculture through the AYIP is training the youth in agri business and entrepreneurship	Started: Potential to Meet Target		Ministry of Agriculture
Agriculture Research, Innovation and Dissemination					
Scale-up the Fish Genetic Improvement Programme	2021-2030	Implemented at National Aquaculture Centre with technical support from World Fish. So far, 100 families as base population have been tagged, and this will be used for first generation production	Started: Slow Progress		Ministry of Agriculture
Scale up the Crops (cereals, legumes, roots & tubers, horticulture) Genetic Improvement Programme	2021-2030	On-going project	Started: Potential to Meet Target		Ministry of Agriculture
Scale up Genetic Livestock Improvement Programme	2021-2030	No progress reported	No info provided		Ministry of Agriculture
Build capacity of the Pest and Disease Research Unit	2021-2030	Initiative as part of institutional and human resources broad	Started: Slow Progress		Ministry of Agriculture
Build research capacity in non -traditional diseases crops such as industrial hemp.	2021-2030	Initiative as part of institutional and human resources broad	Started: Slow Progress		Ministry of Agriculture
Conduct research to establish appropriate climate-	2021-2030	Developed 51 hybrids and 3 synthetics using parental lines that have	Started:		Ministry of

MIP-1 Interventions	Period	Progress/ Status as of November 2022	Rating	Remarks	Responsible Institution
smart agricultural technologies to adopt for different zones and farm systems		drought and heat-tolerant backgrounds; 4 wheat varieties yielding 6.0-8.0T/Ha (under furrow irrigation); and samples for winter 2022 to be submitted to labs to check baking quality.	Potential to Meet Target		Agriculture
Develop and upscale ICT technologies for weather early warning systems, irrigation, and marketing	2021-2030	No progress was reported	No Info Provided		Ministry of Agriculture
Develop strategies for scaling up agricultural ICT innovations	2021-2025	Under Agriculture Sector Wide Approach II, the Ministry is scaling up NAMIS with 10 agri- modules. Various technologies in the sector are being rolled out	Started: Slow Progress		Ministry of Agriculture
Develop guidelines, certification criteria, award systems, support, patenting and marketing of agricultural innovations	2021-2030	This is done through Agriculture Technologies Clearing Committee (ATCC)	Started: Potential to Meet Target		Ministry of Agriculture
Build foresight capacity, including modelling and systematic analysis to better understand future scenarios on opportunities and challenges	2021-2030	Efforts started, coordinated by the NPC and the Ministry of Finance and Economic Affairs, with support from United Nations Development Programme (UNDP)	Started: Potential to Meet Target		Ministry of Agriculture
Conduct a soil fertility analysis (soil carbon mapping) for specific fertiliser recommendations in agro-ecological zones	2021-2024	Fertiliser recommendation maps have been produced.	Started: On-track		Ministry of Agriculture
Strengthen coordination and information sharing on soil fertility analysis	2021-2030	Efforts commenced to disseminate the report on fertiliser recommendation maps	Started: On-track		
Establish an annual agriculture knowledge-sharing forum	2021-2030	Annual Joint Sector Review meetings (as part of the Agricultural Productivity and Commercialisation Pillar Coordination Group) and Agriculture Fairs are the platforms being used to share agriculture	Started: On-track		Ministry of Agriculture
Conduct coordinated field days to showcase best practices and new technologies	2021-2030	knowledge. Every year Agriculture Development Divisions and Districts conduct field days where farmers showcase the technologies that they are	Started: On-track		Ministry of Agriculture
Strengthen linkages between research, vocational education, and extension services	2022-2030	using. This is done through on-farm research	Started: Slow Progress		Ministry of Agriculture
		Started: On-track	19.70%		
		Started: Slow Progress	40.91%		
		Started: Potential to Meet Target	12.12%		
		Started: Off-track	12.12%		
		Not started/No Info Provided	15.15%		

Pillar 2: Industrialisation

The Industrialisation Pillar seeks to have a vibrant knowledge-based economy with a strong manufacturing industry driven by productive and commercially vibrant agriculture and mining sectors. Industrialisation is central to Malawi's transformation agenda of inclusive wealth creation and self-reliance. Industrialisation will transform the economy from being predominantly consuming and importing to predominantly producing and exporting. To pursue industrialisation, manufacturing must have strong backward and forward linkages with the agriculture, mining and services sectors. This is needed to raise per capita income, create decent and sufficient rural and urban jobs as well as viable entrepreneurship opportunities for both men and women. An integrated industry will also widen the tax base to finance Malawi's welfare requirements and address unsustainable trade deficits.

Other strategic sectors, like mining, have tremendous potential to support industrialisation. Currently, the mining sector contributes only about 1 percent to the national income. Developing strategic minerals such as uranium, rare earth, niobium, gold and gemstones; and linking them with the local production of fertiliser, steel and energy, among others, will promote import substitution and create high-value export potential to self reliance agenda. Value addition of minerals in Malawi will increase the returns from minerals while creating more jobs for Malawians.

The Industrialisation Pillar has had mixed performance. The percentage contribution of extractive industries to GDP increased from 0.01 percent to 0.02 percent against a target of 1 percent. The process of establishing a mining company that will trailblaze the establishment of new mining companies has commenced. Negotiations to commence the mining of uranium at Kayerekera in Karonga by Lotus Resources Limited and rare earth at Songwe Hills in Phalombe by Mkango Resources Limited are at an advanced stage. Despite the low performance, there was a significant increase in the contribution of medium-tech industries to total industry value by 25 percent against a 10 percent target.

At intervention level, implementation of about 73 percent of the MIP-1 prioritised interventions have commenced. Out of the interventions which have commenced, 21 percent are on-track. Creation of Special Economic Zones (SEZs) and Export Processing Zones (EPZs) is the focus areas that is progressing very slow. The implementation progress of Pillar 2 focus areas is summarised in *Figure 13*, below.

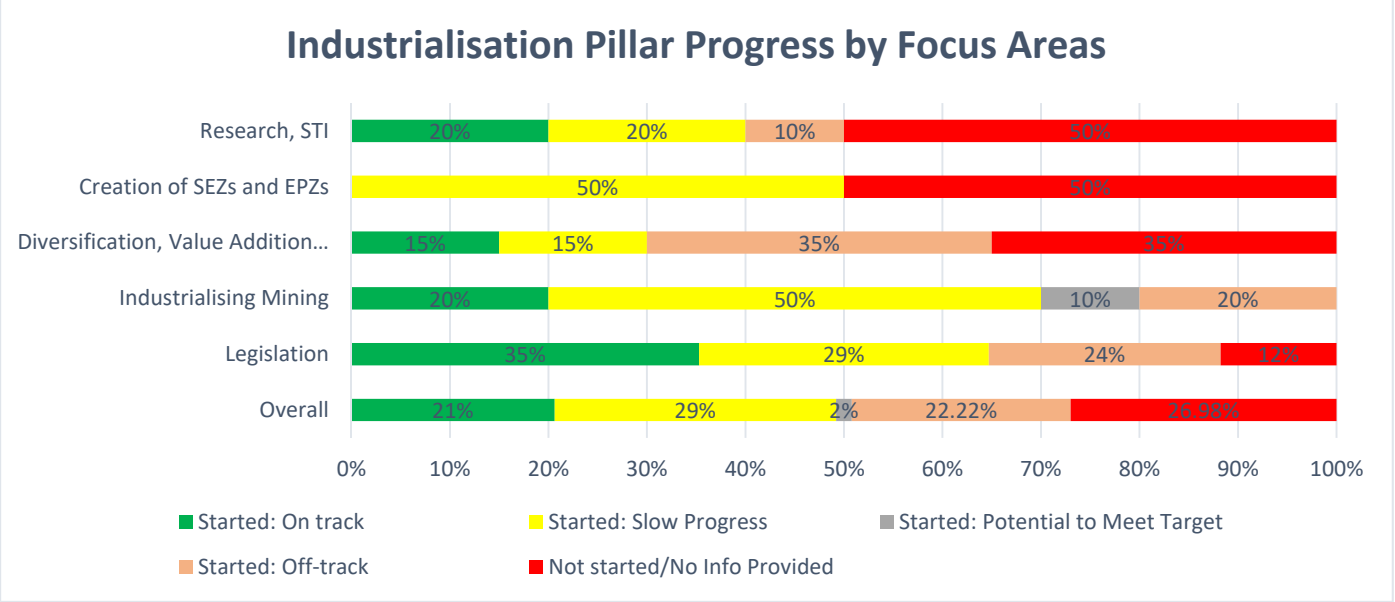


Figure 13: Pillar 2 Implementation Progress by Focus Areas

Progress on Focus Area and Interventions

Priority Area P2.1: Legislation

Under this strategic intervention, the Government aims to establish a Mining Regulatory Authority to provide strategic and operational leadership in the mining sector. The draft Mining Regulatory Authority Bill has been developed and is being refined by the Ministry of Justice for processing.

Various laws and policies are being reviewed or developed to create an enabling environment for the promotion of the mining and manufacturing sectors. Some of the laws and policies which are being reviewed and are at different stages include the following:

i) *Mines and Minerals Policy* – commenced the process of review and desk studies have since been conducted;
ii) *Petroleum (Exploration and Production Policy)* – currently awaiting the PS's meeting;
iii) *Cooperative Societies Act* – recruitment of a consultant underway;
iv) *Artisanal and Small-Scale Mining Policy* – being drafted;
v) *Explosives Act* – being drafted;
vi) *Mines Safety Regulations* – submitted to the Ministry of Justice for final vetting;
vii) *National Industrial Policy* – recruitment of a consultant underway; and
viii) *Special Economic Zones Bill* – development of the proposed Bill, which includes secondary cities, is at an advanced stage.

Priority Area P2.2: Industrialising Mining

The continued discovery of large deposits of various minerals such as rare earth elements at Songwe Hills in Phalombe, Niobium in Kasungu, Rutile at Kasiya in Lilongwe and Uranium at Kayerekera in Karonga will support large-scale extractive industries. These discoveries provide an opportunity for Malawi to develop the mining sector with high potential to transform socio-economic conditions in the country. Currently, the share of mining has remained at 0.8 percent since 2020.

Operationalisation of various mining projects

The Government identified key mines to be operationalised in this decade. These mining projects are at various statuses as shown in *Table 1*, below.

***Table 1*: Key mining projects and implementation status**

Project	Timeline	Progress reported so far
Re-commission Kayelekera Uranium with properly negotiated agreements	2021-2023	Negotiations with Lotus Resources Limited are almost completed
Facilitate the development of the Malingunde Graphite and Kasiya Rutile Project	2021-2023	Mining license granted for Malingunde Graphite. Sovereign Metals is awaiting approval of the Environmental and Social Impact Assessment (ESIA) by the Malawi Environmental Protection Authority (MEPA). The Kasiya exploration is at an advanced stage with a detailed feasibility study underway
Operationalise Kanyika Niobium Mining	2021-2023	Mining Development Agreement was submitted to the Attorney General for review
Facilitate the development of mining of rare earth minerals in Phalombe (Songwe Hills)	2021-2023	Negotiations with Mkango Resources Limited are underway

Some prioritised interventions are either yet to commence or making very little progress, including:

i) supporting the establishment of large private mining companies, largely promoted under PPPs;
ii) establishing and capacitating inclusive local cooperatives with mining skills; and
iii) facilitating exploitation of uranium, coal, rare earth niobium, iron ore, rock phosphate, limestone, gypsum, pyrite and other precious metals and minerals.

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

Malawi aims to add value to its exports to ensure it enhances its competitiveness on the international market. In the first year of implementation of the MIP-1, the share of extractive industries' earnings to total exports increased from 1.7 percent in 2017 to 1.9 percent against the 2030 target of 13 percent.

High-value minerals for the development of Industry value chains

Exploration of minerals is ongoing and, currently, some of the minerals have been fully explored and are going into the stage of mining, e.g., rare earth at Songwe Hills, Niobium in Kasungu and Uranium in Karonga (Kayerekera). A strategic plan for the Ministry of Mines is also being developed with a bias towards the exploitation of high-value minerals.

Establishing structured markets for all high-value minerals

Lack of structured markets for minerals has for a long time denied the country the much-needed revenue to spur its economic growth. In May 2021 the Reserve Bank of Malawi (RBM) introduced the structured market for gold from artisanal miners. The gold market is now operational.

A concept note for the establishment of the gemstone market has been developed. Export Development Fund (EDF) is in the process of identifying firms to operationalise the gemstone market.

Establish secondary cooperatives (Cooperative Unions) for specific value chains identified for each district to undertake processing and value-addition services for primary cooperatives

The identification of secondary cooperatives is being piloted in Mchinji, Kasungu, Karonga and Mulanje. Mzimba and Nkhata Bay were also visited to explore the viability of dairy secondary cooperatives.

Building capacity of Micro, Small and Medium Enterprises (MSMEs) and marginalised groups to effectively implement the Small and Medium Enterprises (SME) Order

The Ministry of Mines has established and trained 26 pre-cooperative groups in cooperative member education in preparation for registration. So far, 16 groups were registered as cooperatives.

Some of the quick-win interventions yet to commence or to be fully operationalised under this focus area include:

- developing a national strategy on mineral beneficiation and value addition;
- establishing model mineral value addition centres;
- re-demarcating oil and gas blocks and developing a licensing criterion for awarding oil and gas blocks;
- establishing a development catalysing entity as an investment promoter;
- supporting the establishment of anchor firms in designated areas of secondary cities for niche products and selected high-value chains from the existing NES and

Malawi gold buying market

Over 200kgs of crude gold was bought by the RBM by September 2022. The market has offered better prices which have improved livelihoods of Artisanal Miners. The miners have conveniently accessed the market where RBM purchased and paid the miners instantly at competitive prices. Further, the RBM envisions that the initiative will eventually increase employment in the production areas as well as business opportunities across the value chain.

AGCOM Projects, largely through PPP arrangements;

- supporting the creation of development financing instruments in the existing commercial banks and other financial institutions;
- establishing Industry directorates at all local councils to undertake industrial functions, including SMEs and cooperatives promotion and development activities at the district level;
- developing standards for all products identified in the SME Order;
- aligning tax, tariff and excise to the Southern African Development Community (SADC)- Common Market for Eastern and Southern Africa
- (COMESA) best practice; and establishing job centres.

Set up agro-processing, packaging and storage facilities for processing and value addition:

Various agro-processing companies are being set mainly through the support of the Malawi Innovation Challenge Fund, a matching grant facility established by UNDP Malawi and MAIIC. These initiatives have since provided co-financing to the private Sector for innovative, inclusive business initiatives in the agricultural, manufacturing, logistics and financial sectors. Some of the value additions and manufacturing supported are:
i. Ziweto: Ziweto nutrition is a company that provides access to reliable and affordable animal health services and feed. The company produces a wide range of livestock feed at its Kanengo factory. It also offers a network of franchised vet shops providing veterinary, livestock extension, and markets for smallholder farmers in rural Malawi. It provides customers access to quality and affordable veterinary and animal nutrition products.

ii. Multiseed Company (MUSECO): The company specialize in hybrid seed production and research. It has benefited from grants and has also got a loan from MAIIC to set their premises. The company produces seeds for legumes (beans, soya beans, groundnut etc.); cereals (such as maize, sorghum, rice etc) and oil seeds such as sunflower and soon sesame etc. They are a certified seed producer have a string of farmers multiplying the seeds.

iii. Peanut Butter manufacturing by Estrell Trading Company: The Company acts as an off taker for groundnuts farmers around Blantyre. The Company has been supported to construct a factory floor and a warehouse. The factory is equipped with different machinery for processing groundnuts into flour and peanut butter. The Company has also installed a plant for processing bottled water.

iv.Press cane- Chikwawa: The project is supporting out-grower farmers to grow sugarcane on a 1000 ha of land to provide feedstock to ethanol production. Through the project a sugar mill will be constructed for production of syrup from sugarcane grown by out growers and increase ethanol production from 17 million litres to 27 million litres. Other project deliverables include production of biogas for generation of electricity up to 2MW; using ash for the construction of blocks; production of up to 10,000 tonnes of fertilizer rich in potassium. In terms of progress in the deliverables, 1000-hectare farm with 2000 farmers engaged. The biogas plant is available and ready for commissioning while the Pharma plant is at advanced stage.

Detailed Table of Implementation Progress on Interventions under Pillar 2

MIP-1 Interventions	Period	Progress/ Status	Rating	Remarks	Responsible Institution
Legislation and Institutional Capacity Building					
Review National Industry Policy to incorporate issues of industrial strategies and roadmap	2022-2023	Consultant was recruited	Started: On-track		Ministry of Trade and Industry
Finalise the Petroleum (Exploration and Production) Policy	2021-2022	The Petroleum (Exploration and Production Policy) Policy is currently in the final stages of development	Started: Off-track	Fast-track process	Ministry of Trade and Industry
Review the Cooperatives Societies Act	2021-2023	The recruitment process for a consultant to review the Act is underway, with the draft Policy and Strategy already submitted to Office of the President and Cabinet (OPC) for processing towards cabinet approval	Started: Slow Progress		Ministry of Trade and Industry
Review the Mines and Minerals Policy	2021-2023	Review in progress. Desk studies have been conducted	Started: Slow Progress		Ministry of Trade and Industry
Review the Artisanal and Small-Scale Mining Policy	2021-2023	The Policy is being drafted	Started: On-track		Ministry of Trade and Industry
Review the Petroleum (Exploration and Production) Act, including the subsidiary legislation	2021-2023	Draft Bill submitted to OPC for cabinet approval	Started: On-track		Ministry of Trade and Industry
Review the Explosives Act, including the subsidiary legislation	2022-2023	The Explosives Act, including the subsidiary legislations, are being drafted	Started: On-track		Ministry of Trade and Industry
Finalise the review of the Mines and Minerals (Mineral Title) Regulations	2021-2022	No progress reported	Not Started	Prioritise in next year's budget	Ministry of Trade and Industry
Finalise the Mines Safety Regulations	2021-2022	The Mines Safety Regulations were submitted to the Ministry of Justice for final vetting	Started: Off-track		Ministry of Trade and Industry
Review of monetary and fiscal incentives for the mining sector	2021-2025	Treasury commenced the process of reviewing fiscal incentives across all economic sectors. Currently the process is on research stage to determine nature and scope of incentives to stimulate economic activities without compromising fiscus	Started: Slow Progress		Ministry of Trade and Industry
Review and formulate mining laws so as to allow the participation of local communities and the youth through cooperatives; and ensure access to markets for the cooperatives	2021-2030	Issues included in various policies and laws which are under review and formulation	Started: On-track		Ministry of Trade and Industry
Facilitate enactment of the Special Economic Zones Bill; and ensure it covers all strategic sectors	2021-2022	The proposed Bill is with the Ministry of Justice for finalisation and processing with Cabinet and onward submission to Parliament	Started: Off-track	Fast-track	Ministry of Trade and Industry
Develop National Economic Empowerment Strategy for indigenous industrialists	2021-2022	Buy Malawi Strategy was presented as an import substitution strategy. The strategy is under review to develop the Buy Malawi Strategy II	Started: Off-track	Resources have been secured from UNDP for developing regulations	Ministry of Trade and Industry
Review legal frameworks for joint ventures (Public Private Partnerships Act, Companies Act, Investment and Export Promotion Act)	2021-2023	Public Private Partnerships Act (Amended) was enacted in Parliament; while the Investment and Export Promotion Act is being reviewed	Started: On-track	SW	Ministry of Trade and Industry
Develop Industry legislative frameworks for all	2021-	Included in various laws, policies and strategies including Export	Started: Slow		Ministry of Trade

MIP-1 Interventions	Period	Progress/ Status	Rating	Remarks	Responsible Institution
strategic industrial-linked agricultural products, such as sugar	2022	Promotion Act, Buy Malawi Strategy etc	Progress		and Industry
Develop and implement Strategic Plan for the Ministry(ies) coordinating Pillar 2	2021-2030	No progress reported	Not Started	Prioritise in the next budget circle	Ministry of Trade and Industry
Build institutional and human resource capacity in the institutions that will be coordinating mining and industrialisation (with adherence to minimum requirements)	2021-2030	Ongoing; however, need to systematically develop capacity building programme that responds to the needs of the MIP-1	Started: Slow Progress		Ministry of Trade and Industry
Industrialising Mining					
Operationalise the National Mining Investment and Development Corporation (NMIDC)	2022-2023	Operationalisation is waiting for incorporation of the Development Catalysing Institution so that the NMIDC will be an Special Purpose Vehicle.	Started: Slow Progress		Ministry of Trade and Industry
Support establishment of large private mining companies, largely promoted under PPPs	2021-2030	The Ministry is working with a number of companies to begin large mining corporations in the country	Started: Slow Progress	Delayed due to Protracted negotiations on Mining Development Agreements (MDA)	Ministry of Trade and Industry
Establish and capacitate inclusive local cooperatives with mining skills	2021-2030	A total of 16 mining cooperatives have been formalised across the country. 2 more cooperatives are undergoing formalisation, one in Nkhotakota and another in Nkhata Bay	Started: Potential to Meet Target	Inadequate resources affected trainings	Ministry of Trade and Industry
Finalise geo-mineral resource mapping across the country	2021-2023	Geo-scientific investigations were conducted and completed in the first half of 2022/2023; and the report and maps have since been produced	Started: On-track		Ministry of Trade and Industry
Facilitate exploitation of uranium, coal, rare earth niobium, iron ore, rock phosphate, limestone, gypsum, pyrite and other precious metals and minerals	2022-2030	Process started, exploitation activities are yet to commence	Started: Off-track	Exploration activities have been done in parts of Rumphi, Karonga, Kasungu, Nkhotakota, Machinga, Blantyre and Ntcheu districts	Ministry of Trade and Industry
Operationalise Kanyika Niobium Mining	2022-2024	Mining Development Agreement (MDA) with Attorney General for review	Started: Slow Progress	Behind schedule due to protracted MDA negotiations	Ministry of Trade and Industry
Re-commission Kayelekera Uranium with properly negotiated agreements	2021-2023	Negotiations under way	Started: Slow Progress	Behind schedule due to protracted MDA negotiations	Ministry of Trade and Industry
Facilitate development of Malingunde Graphite and Kasiya Rutile Project	2021-2023	Malingunde Graphite mining – the ESIAs were done and await approval by the Malawi Environment Society For Kasiya Rutile – scoping study has been done	Started: Off-track	Behind schedule due to protracted MDA negotiations	Ministry of Trade and Industry
Facilitate development of mining of rare earth minerals in Phalombe (Songwe Hills)	2021-2023	Discussion on the MDA underway	Started: Slow Progress	Behind schedule due to protracted MDA negotiations	Ministry of Trade and Industry
Undertake annual mining audit	2021-2030	Quarterly audited exercises are being conducted	Started: On-track		Ministry of Trade and Industry
Diversification, Value Addition and Competitiveness largely Targeting Export Markets					
Profile high value minerals for the development	2021-	Profiling has been done and exploration activities are in progress	Started: On-track		Ministry of Trade

MIP-1 Interventions	Period	Progress/ Status	Rating	Remarks	Responsible Institution
of industry value chains	2022				and Industry
Develop a national strategy on mineral beneficiation and value addition	2021-2023	No progress reported	Not Started		Ministry of Trade and Industry
Establish model mineral value addition centres	2022-2026	Plans are underway to turn already existing structures, e.g., In Karonga (Uliwa), Mzimba, Balaka, Chikwawa and Lilongwe into model centres	Not Started		Ministry of Trade and Industry
Introduce mineral and petroleum value addition curricula (including mining and energy law) in technical colleges and universities	2021-2025	Already introduced in universities like Malawi University of Science and Technology (MUST), University of Malawi (UNIMA) and Malawi University of Business and Applied Sciences (MUBAS). The curriculum has incorporated Liquified Petroleum Gas Installation Level 1 and Small-Scale Mining level 2&3 has been completed.	Started: On-track		Ministry of Trade and Industry
Re-demarcate oil and gas blocks and develop a licensing criterion for awarding oil and gas blocks	2022-2030	No progress reported	Not Started		Ministry of Trade and Industry
Establish a development catalysing entity as an investment promoter	2021-2025	Taskforce formed; and processes to establish the entity are under way	Started: Slow Progress		Ministry of Trade and Industry
Support establishment of anchor firms in designated areas of secondary cities for niche products and selected high value chains from the existing NES and Agriculture commercialisation projects, largely through PPP arrangements	2022-2024	At initial stages, the government is in discussion with various prospective investors. Chipoka Fisheries and Aquaculture Project is the only project progressing at the moment	Started: Off-track		Ministry of Trade and Industry
Support the creation of development financing instruments in the existing commercial banks and other financial institutions	2022-2026	No progress reported in the period under reporting than what is already operational	Not Started		Ministry of Trade and Industry
Establish Industry directorates at all local councils to undertake industrial functions, including SMEs and cooperatives promotion and development activities at district level	2021-2030	A draft proposed structure was developed by DHRMD in collaboration with Ministry of Local Government	Started: Slow Progress	The Ministry to expand the scope to cover SMEs development and industrialisation drive	Ministry of Trade and Industry
Facilitate increase in cement production	2022-2025	Granted 5 exploration licenses for limestone and pozzollana which are used for cement production.	Started: Slow Progress	Energy supply remain key issue in cement production expansion	Ministry of Trade and Industry
Establish structured markets for all high-value minerals	2021-2025	The only structured market at the moment is the gold market. EDF plans to commence purchasing of gemstones from Artisanal Miners (ASMs) before the end of the 2022/23 Financial Year for export. The priority gemstones are ruby, sapphire, garnets, tourmalines, aquamarine and rhodolite. Other gemstones will depend on the demand from the off takers	Started: On-track		Ministry of Trade and Industry
Invest in steel manufacturing for various equipment and tools	2021-2022	A few private sector players are producing steel from scrap metals. So far, the manufacturing is limited to deformed bars and square tubes	Started: Off-track	Government to provide incentives for scaling up	Ministry of Trade and Industry

MIP-1 Interventions	Period	Progress/ Status	Rating	Remarks	Responsible Institution
Build capacity of MSMEs and marginalised groups to effectively implement SME Order	2021-2022	Through SMEDI, the government is building capacity of upcoming entrepreneurs including youth and women	Started: Off-track	Missed the 2022 target; expedite	Ministry of Trade and Industry
Develop standards for all products identified in the SME Order	2022-2026	No progress reported	No Info Provided		Ministry of Trade and Industry
Expand certification of standards	2021-2023	No progress reported	No Info Provided		Ministry of Trade and Industry
Promote rural-based agricultural value addition infrastructure development to enable women and youth participation in industrialisation	2021-2022	Two projects have been earmarked for machine installation this year. The Projects are Mgwirizano Tomato Processing at Chezi in Dowa; and a cassava processing factory at Chiwamba area in rural Lilongwe district	Started: Off-track		Ministry of Agriculture
Map and profile international opportunities for prioritising investments in strategic sectors as defined by NES II (Economic Intelligence)	2021-2022	Opportunities have been mapped for Malawi to tap into.	Started: Off-track	The country has been slow to act on exploiting such opportunities	Ministry of Trade and Industry
Align tax, tariff and excise to SADC-COMESA best practice	2021-2023	No progress reported	No Info Provided		Ministry of Finance and Economic Affairs
Establish job centres	2021-2023	The process of establishing one job centre in Blantyre commenced with setting up infrastructure. However, the centre is yet to be operationalised	Started: Off-track		Ministry of Labour
Establish one-stop business information and services provision centres in district councils across the country to cater for SMEs, cooperatives and industries.	2021-2023	Being operationalised under the Mlambe initiative	Started: Off-track	Yet to be devolved to district councils	Ministry of Trade and Industry
Creation of Special Economic Zones (SEZs) and Export Processing Zones (EPZs)					
Develop the supporting infrastructure for the Special Economic Zones and Export Processing Zones	2022-2030	Proposed Bill on Special Economic Zones at final stage. Already have Act. However, development of the supporting infrastructure is yet to commence	Started: Slow Progress	Consider in the next budget circle	Ministry of Trade and Industry
Build freeport facilities at Kamuzu, Chileka and Mzuzu airports	2022-2030	No progress reported	Not Started		Ministry of Trade and Industry
Establish a national single window for trade	2021-2022	Planning to recruit a consultant to develop software.	Not Started		Ministry of Trade and Industry
Develop Special Economic Zones targeting potential products for both domestic and export purposes, with all its commensurate support services (i.e., banking, insurance and marketing)	2021-2026	A proposed Special Economic Zones Bill is at Ministry of Justice in final stages of development for submission to Cabinet for approval before tabling in Parliament in 2023. However, development of the supporting infrastructure is yet to commence	Started: Slow Progress		Ministry of Trade and Industry

MIP-1 Interventions	Period	Progress/ Status	Rating	Remarks	Responsible Institution
Develop industrial parks in designated places (Area 55 Lilongwe, Matindi in Blantyre, Dunduzu in Mzuzu)	2021-2025	Master plans, feasibility studies and business plans for Matindi (in Blantyre); Dunduzu (in Mzuzu); and Area 55 (in Lilongwe) Industrial Parks delivered to Government. Land compensation assessment for Area 55 site was done and Valuation Report was produced. For Matindi site, preparations for land compensation reassessment are underway. The land compensation assessments pave the way for the development phase Government, EDF and Afrexim Bank currently in the process of identifying a Transaction Advisor to lead the development phase process	Started: Slow Progress		Ministry of Trade and Industry
Develop industrial extension programme linking farmers and agro-processing industries	2021-2025	No progress reported	Not Started	Consider in the next budget circle	Ministry of Trade and Industry
Research, Science, Technology and Innovation					
Establish centres of excellence for critical industrial sector areas, including mining	2023-2030	No progress reported	Not Started	Consider in the next budget circle	Ministry of Trade and Industry
Construct and rehabilitate minerals testing laboratories	2021-2022	Construction of the minerals testing laboratories building in Area 4 is at 90% completion	Started: On-track		Ministry of Trade and Industry
Re-design education curriculum to incorporate requisite skills needed for the fourth industrial revolution	2021-2024	Curriculum review underway – includes review initiation, sensitisation of stakeholders, needs assessment and framing of the curriculum itself	Started: On-track	The implementation timeframe may have to be extended since curriculum review is a long process which can take an average of three years	Ministry of Education
Strengthen the Industrial, Research and Technology Centre to provide innovative solutions for industrialisation priorities	2021-2025	No progress reported	No Info Provided		Ministry of Trade and Industry
Create a large Government-led innovation fund targeting individuals and institutions to develop innovations that can be patented	2023-2030	No progress reported	Not Started		Ministry of Trade and Industry
Develop contractual and licensing guidelines to facilitate commercialisation of intellectual property rights	2021-2022	No progress reported	Not Started		Ministry of Trade and Industry
Establish and capacitate a functional Companies and Intellectual Property Office to promote and enforce intellectual property rights	2021-2023	Being mainstreamed within the Registry General Office	Started: Slow Progress		Ministry of Trade and Industry
Scale up the Best Buy Malawi Strategy campaign	2021-2030	Ongoing activity. Need to be strategic to harness local industries	Started: Slow Progress		Ministry of Trade and Industry
Mobilise cooperatives into e-bulking and e-marketing	2022-2025	Intiative part of agriculture aggregation centres	Not Started		Ministry of Agriculture
Establish secondary cooperatives (Cooperative	2021-	A total of 13 cooperative societies were provided with	Started: Off-track	Scale up to cover many value-	Ministry of Trade

MIP-1 Interventions	Period	Progress/ Status	Rating	Remarks	Responsible Institution
Unions) for specific value chains identified for each district to undertake processing and value addition services for primary cooperatives	2022	Cooperative Extension Services. A total of 1,506 members for 26 pre-cooperative groups trained in Cooperative member education in preparation for registration and 16 groups were registered as cooperative societies.		additions	and Industry
		Started: On-track	20.63%		
		Started: Slow Progress	28.57%		
		Started: Potential to Meet Target	1.59%		
		Started: Off-track	22.22%		
		Not started/No Info Provided	26.98%		

Pillar 3: Urbanisation

This Pillar envisions a Malawi with world-class urban centres and tourism hubs that have requisite modern socio-economic amenities. These urban centres are important for the national economy as they provide a platform for economic activities and infrastructural services. Malawi has four primary cities (Blantyre, Zomba, Lilongwe and Mzuzu) which form the economic core of the national economy with a total contribution to the national GDP of 33 percent. This is far larger than their population share of 13 percent. In comparison, rural areas contain 85 percent of the population but account for only 62 percent of the national GDP. Developing urban centres in areas with significant economic potential will, therefore, propel the country towards the middle-income status much faster.

In addition, the need for urbanisation has steadily risen over the years, given Malawi's high population growth rates (2.9 percent in 2018). Conservatively, it is expected that the country's population will more than will move from latest estimate 17.5 million to over 45 million by 2063. Nonetheless, Malawi's urban population of 15 percent remains persistently low and is among the lowest in the world.

Further, developing tourism as a priority for urbanisation in Malawi will also foster the achievement of the MIP-1 milestones. Currently, the existing tourist attraction sites are not well serviced with good transport infrastructure, decent accommodation, affordable and fast internet connectivity, appropriate financial services, uninterrupted energy, and water supply. Promoting Malawi largely through eco-tourism as the 'green warm heart of Africa' will be an important strategy under the MIP-1. The urbanisation of all tourist attraction sites will, therefore, harness domestic, regional, as well as global tourist markets.

At intervention level, the implementation of 70 percent of the MIP-1 prioritised interventions due in the period of reporting has commenced. Out of the interventions which have commenced, 11 percent are on track with Tourism Development Focus Area being the best performing and Development of Secondary Cities lags behind. The implementation progress of Pillar 3 focus areas is summarised in *Figure 14*, below.

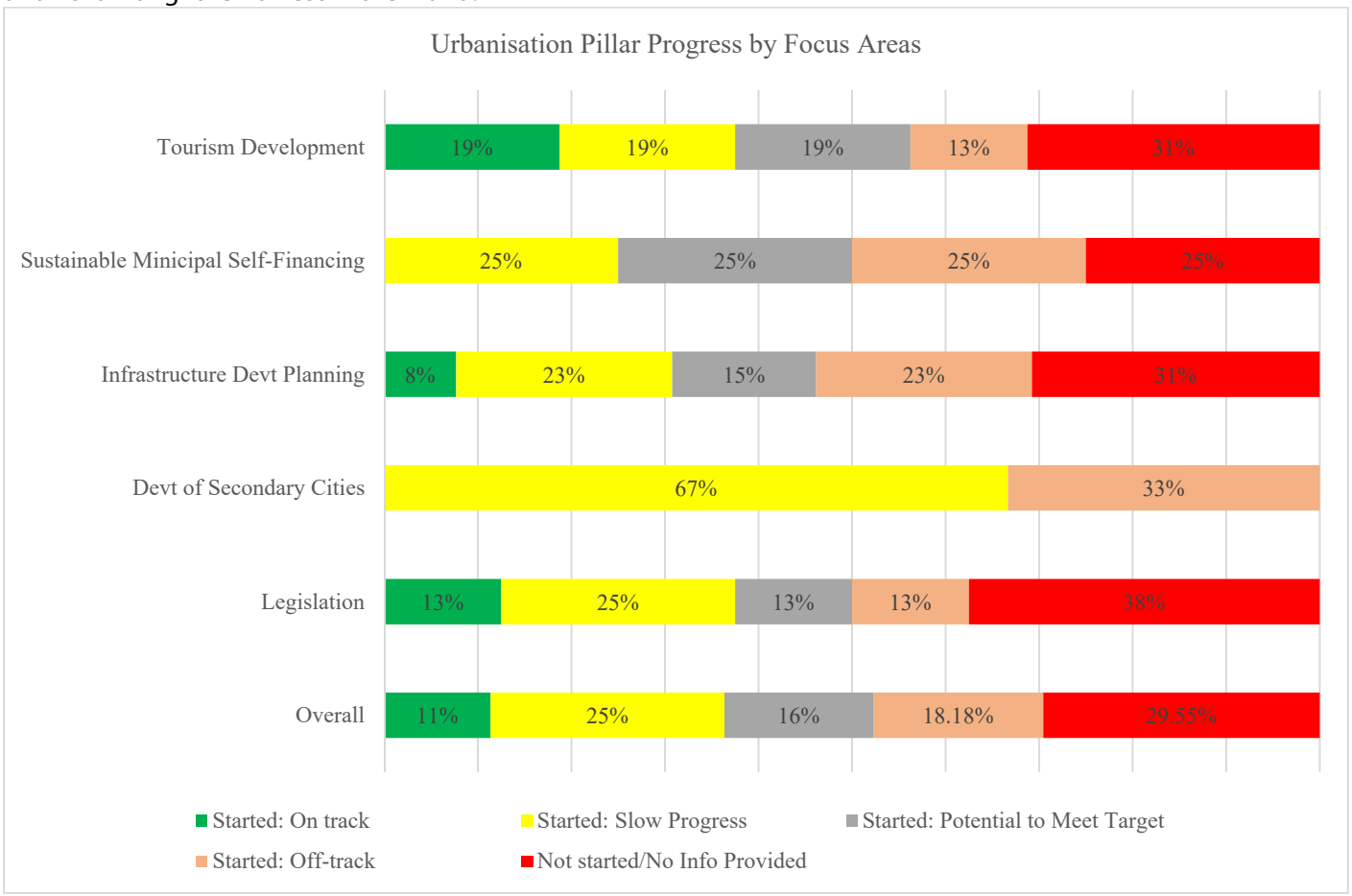


Figure 14: Pillar 3 Implementation Progress by Focus Areas

Progress on Focus Area and Interventions

Priority Area P3.1: Legislation and Institutional Capacity Building

Developing and reviewing laws and policies for urban land use and urban development

Progress has been made in the development of the National Land Use Policy and the National Resettlement Policy; and considerable work has been done towards the development of the following critical land-related Bills:

- the Sectional Titles Bill;
- the Property Valuation Bill; and
- the Landlord and Tenant Bill.

Further, the Government is developing a devolution plan to devolve the functions of the Ministry of Lands to district councils; and has already recruited land officers and physical planning officers to be deployed in district councils to operationalise the devolution processes. Efforts are being harnessed to establish district land registries in all districts.

However, the implementation of other interventions under this focus area has either not started or no progress has been reported, including the following:

- reviewing and harmonising the various pieces of creative arts and heritage legislation and aligning them to other jurisdictions, both at the regional and international level;
- conducting civic education on urban development, subsidiary legislation and emerging issues;
- developing and reviewing laws and policies that foster eco-tourism;
- reviewing regulations for audio-visual works for the Africa Region;
- developing and implementing strategic plans for the Ministry(ies) coordinating this Pillar; and
- building the institutional, technical and human resource capacity in the institutions that will be coordinating urbanisation (with adherence to minimum requirements).

Priority Area P3.2: Development of Secondary Cities

Malawi has identified eight initial sites with the potential to be developed into secondary cities. These sites have been identified based on their connectivity, anchoring economic activities and potential to urbanise.

Establishing, through legislation, a Secondary Cities Development Agency/Corporation to accelerate the creation of secondary cities

Ideally, a Secondary Cities Development Cooperation would spearhead the development process; however, its proper development and functional operation within the current national fiscal challenges could take time to materialise. In the meantime, therefore, a Taskforce has been established to look at all necessary steps needed to realise the new cities. The Taskforce has a higher-level Steering Committee and a Technical Team from MDAs and other institutions that includes the Ministries responsible for Lands, Local Government, Finance and Economic Affairs, Energy, Transport, Trade, Industry, Tourism, Information and Digitalisation, Justice, Malawi Institute of Physical Planners, OPC, NPC and the Charter Cities Institute (CCI) as a technical partner. The Ministries of Local Government and Lands will co-lead the implementation of the MSCP, with secretarial support from the NPC

Malawi Secondary Cities Plan: A Spatial Guide for Development

Malawi launched the Secondary Cities Plan (MSCP) through which eight new areas will be developed into secondary cities that are anchored on economic activities in agriculture, tourism, mining, logistics and industry as one way of easing pressure on the current cities in the country and taking development to the people.

The eight areas earmarked for development into secondary cities are Karonga, Nkhatabay, Chipoka/Salima, Liwonde in Machinga, Mangochi/Monkeybay, Kasungu, Luchenza in Mulanje and Thyolo, and Bangula in Nsanje. Their identification was based on their potential to urbanize, levels of connectivity and the existing economic opportunities for inclusive wealth creation in those localities and beyond.

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

The MIP-1 aims to decrease the proportion of the urban population living in informal settlements or inadequate housing from 60 percent in 2020 to below 50 percent by 2030. In addition, the Government will enforce adherence to city master plans to ensure that all newly developed areas comply with city plans.

Developing and/ or updating master plans for the existing cities of Lilongwe, Blantyre, Zomba and Mzuzu

Discussions with the Lilongwe city council on the review of the master plan have commenced. However,

the process has not yet started for Blantyre, Mzuzu and Zomba.

Digitising land records, systems, and processes

The Ministry of Lands is developing the Land Information Management System (LIMS) data capturing and testing system which aims to digitise land information. The development of a Global Positioning System (GPS)-trackable digital database of all real estate and properties in the towns and cities is awaiting the full operationalisation of LIMS.

Standard flats with necessities in select high-density locations in the country's cities and towns

Project preparation for the construction of standard flats to upgrade urban slums has been completed. The implementation of the slum upgrading programme will start with the piloting of Mgona township in Lilongwe.

Developing and implementing a green housing development programme

Training of local artisans on guidelines for the construction of green housing has been done. Current plans are to conduct reviews and disseminate the building guidelines as well as institutionalise them in academic curriculum for institutions such as Technical Education, Vocational and Entrepreneurship Training Authority (TEVETA). Implementation of housing projects such as houses for security institutions using cement blocks and metal roofing has commenced.

Interventions on which little or no progress has not been reported or are yet to commence under this priority area include:

- modernising the geodetic network;
- capitalising a land development fund to make fully serviced land available for residential, industrial, commercial and social services development; and
- creating municipal police for each of the major cities and setting up and operationalising municipal courts to try bylaw offenders.

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

Within the spirit of inclusive wealth creation and self-reliance, as espoused in the MW2063, local authorities need to improve their revenue collection to finance their operations. In the period of reporting, own revenue as a share of local authority revenue has increased from 40 percent in 2020 to 49 percent. The substantial increase mainly relates to town councils and municipals, whereas district councils and city councils reported a marginal decline.

Under this priority area, councils were expected to undertake the following interventions which are yet to commence, or no progress has been reported:

- modernise revenue collection by designing, developing and operationalising the deployment of a digital geographic information database of all rentable properties in all councils;
- construct basic marketing infrastructure for SMEs, especially for cooperatives across the country's districts;
- implement innovative and cost-effective valuation and billing of all city properties to significantly spread the property tax burden and improve revenue; and
- transfer all public land in city and town jurisdictions to town/city councils to comply with land laws and to expand the revenue base for councils through ground rents.

Priority Area P3.5: Tourism Development

Tourism is a key economic enabler of urbanisation. As of 2020, tourism was contributing 6.7 percent to the national economy. The MIP-1 aims to develop a tourism industry that contributes about 11 percent to GDP and 15 percent to employment by 2030.

Developing creative industries and heritage infrastructure in potential districts and cities

Concept-note to establish open spaces for the arts in select districts was submitted for inclusion under the Public Sector Investment Programme (PSIP). The Ministry of Tourism is developing information centres at select heritage sites to provide visitors with information and enhance their experience. One such site is the Chongoni Heritage site in Dedza. The first-ever local film industry festival was also launched in 2022 in collaboration with the Film Association of Malawi.

Attracting big direct airlines from the region and overseas by reviewing airline landing fees and airspace agreements

Consultations between the Ministry of Tourism and the Department for Civil Aviation are ongoing to facilitate engagement with some international airlines to commence flights to Malawi. High-level discussions within the Government to lower visa fees and streamline e-payment systems with options for the visa at the point of entry is at an advanced stage.

Conducting civic education on the benefits of local and international tourism

Efforts around public sensitisations for communities (including local leaders) and key stakeholders (politicians and local councils) were done on the benefits of tourism while soliciting their support, starting with the four districts of Mangochi, Salima, Nkhotakota and Nkhata Bay. There has also been capacity building for local tourism projects (training, incubation centre and matching grants) in the four districts.

Developing a tourism infrastructure investment masterplan (to include a minimum tourism infrastructure package and setting aside land for tourism)

A national tourism masterplan was developed and launched in 2022. The review of the Tourism and Hotels Act is underway to create an enabling environment for implementing the projects as outlined in the masterplan. The masterplan has been presented to the Parliamentary Committee on Tourism; and to the Department of Economic Planning and Development in the Ministry of Finance and Economic Affairs for inclusion of the projects in the PSIP.

Other interventions yet to commence or where little progress has been reported include:

- establishing a system that provides preferential treatment to domestic tourists;
- reviewing tourist visa requirements to attract tourists;
- providing necessary services (such as banks, free internet, access roads and decent accommodation) in tourist attraction sites;
- establishing online hubs for the promotion of creative arts at local and international markets;
- organising promotional events, festivals, groupings and awards for the youth in creative arts and sports;
- preserving museum artefacts and specimens and upgrading retrieval system; and
- facilitating investment in diversified tourism products such as heritage tourism, medical tourism and community-based tourism, among others.



Sunbird Water front Salima

Detailed Table of Implementation Progress on Interventions under Pillar 3

MIP-1 Interventions	Period	Progress/ Status	Rating	Remarks	Responsible Institution
Legislation and Institutional Capacity Building					
Develop and review laws and policies for urban land use and urban development	2021-2023	Six land related laws were assented to: these include Customary Land Act (Amended); Land Act (Amended) Land Survey (Amended); Physical Planning Act (Amended); Land Acquisition and Compensation (Amended); and Registered Land (Amended). Commenced development of the national land use policy and national resettlement policy; and the following land-related Bills: Sectional Titles Bill; Property Valuation Bill; and Landlord and Tenant Bill	Started: Slow Progress		Ministry of Local Government
Review urban laws and policies to devolve urban land management functions to town/city councils	2021-2023	Developing the devolution plan to devolve functions of the Ministry of Lands to district councils; recruited lands officers and physical planning officers to be deployed in district councils; started discussions with city councils to deploy physical planners in the councils; and mobilising resources for the establishment of district land registries in all districts	Started: Off-track	Need to fast track deployment of staff and functions to councils	Ministry of Lands
Review and harmonise the various pieces of creative arts and heritage legislation and align them to other jurisdictions both at regional and international levels	2021-2025	No progress reported	No Info Provided		Ministry of Tourism
Conduct civic education on urban development, subsidiary legislation and emerging issues	2021-2023	Developed the MSCP to guide the development of 8 secondary cities; and commenced sensitisation of the MSCP. Sensitisation meetings in the earmarked secondary cities (Nkhata bay, Salima, Machinga (Liwonde), Nsanje (Bangula)) were conducted. Legislation of Special Economic Zone Bill to catalyse private sector investment in the existing cities and earmarked secondary cities is yet to be tabled in Parliament	Started: Slow Progress	Need to intensify sensitisations in the remaining districts.	Ministry of Local Government
Develop and review laws and policies that foster eco-tourism	2021-2023	The Malawi National Tourism Investment Masterplan to guide how Malawi will implement 10 priority tourism projects (2022 to 2042). Some of the policies which were finalised are National Tourism Policy; National Eco-Tourism Strategy; eco-tourism and Protected Area Management Investment Strategy	Started: On-track	Need to prioritise review of the subsidiary laws to promote eco-tourism	Ministry of Tourism
Review regulations for audio-visual works for the Africa Region	2021-2023	No progress reported	No Info Provided		Ministry of Tourism
Develop and implement strategic plans for the Ministry(ies) coordinating this Pillar	2021-2030	No progress reported	Not Started	Prioritise in the 2023/24 Financial Year	Ministry of Local Government

MIP-1 Interventions	Period	Progress/ Status	Rating	Remarks	Responsible Institution
Build the institutional, technical and human resource capacity in the institutions that will be coordinating urbanisation (with adherence to minimum requirements)	2021-2030	Started: developed the devolution plan to devolve functions of the Ministry of Lands to district councils; recruited lands officers and physical planning officers to be deployed in district councils; started discussions with city councils to deploy physical planners in the councils; and mobilising resources for the establishment of district land registries in all districts.	Started: Potential to Meet Target	Need to systematically develop an institutional and human resource capacity development plan that respond to MIP-1 needs.	Ministry of Local Government
Creation of Secondary Cities					
Create tailor made anchor investments with the potential to pull private investments in the 8 pilot secondary cities	2022-2030	Efforts to review potential value chains for Kasungu, Salima and Mangochi are underway in collaboration with development partners such as CCI, Flanders and IFPRI; these will form a basis for engaging the private sector in 2023.	Started: Slow Progress		Ministry of Local Government
Develop master plans for the 8 upcoming secondary cities	2022-2023	Consultations have commenced	Started: Off-track	There is likelihood of missing the 2023 target; hence the need to expedite implementation	Ministry of Local Government
Establish, through legislation, a Secondary Cities Development Agency/Corporation to accelerate the creation of secondary cities	2022-2025	Due to phyfical space a Taskforce co-chaired by the Ministries of Local Government and Lands with the NPC as secretariat is now in place to spearhead the process. Relatedly, the Ministry of Justice is working on laws with a critical bearing to the development of secondary cities, including the Special Economic Zones Bill	Started: Slow Progress		Ministry of Local Government
Infrastructure Development Planning and Investment in Cities and Towns					
Develop/update master plans for the existing cities of Lilongwe, Blantyre, Zomba and Mzuzu	2021-2022	High-level discussions commenced with the Lilongwe City Council on the review of its master plan. Blantyre, Mzuzu and Zomba have not yet started	Started: Off-track	The target has been missed, need to revise the implementation plan	Ministry of Local Government
Capitalise a land development fund to make fully serviced land available for residential, industrial, commercial and social services development	2021-2030	yet to be capitalised	Not Started	Need to be prioritised for councils to implement master plans	Ministry of Land
Digitise land records, systems and processes	2021-2023	LIMS data capturing system is scheduled to be launched in Feb 2023	Started: On-track		Ministry of Land
Modernise the geodetic network	2021-2023	No progress reported	Not Started	To be prioritised in the next financial year	Ministry of Land
Develop a GPS-trackable digital database of	2021-	Awaits full operationalisation of the LIMS	Not Started	To revise the	Ministry of Land

MIP-1 Interventions	Period	Progress/ Status	Rating	Remarks	Responsible Institution
all real estates and properties in the towns and cities	2023			implementation period	
Enforce adherence to master plans in all cities, including development of 'ecological corridors'	2021-2030	Full compliance of the city master plans in cities like Lilongwe challenged by compensations	Started: Slow Progress		Ministry of Local Government
Establish a National Spatial Data Centre	2022-2025	No progress reported	Not Started		Ministry of Land
Track and monitor adherence to land-related standards and guidelines	2021-2030	Ongoing but with slow progress	Started: Slow Progress	Need to build capacity of councils to fully enforce new land laws	Ministry of Land
Construct standard flats with basic necessities in select high-density locations in cities and towns	2022-2030	Commenced implementation of the slum upgrading programme, with Mgona slum identified as a pilot programme	Started: Potential to Meet Target	Need to pool resources from different sources including CSOs	Ministry of Land
Develop and implement a green housing development programme	2021-2030	Training the local artisans on green house building guidelines; mobilising resources to review and disseminate the building guidelines as well as institutionalising them in academic curriculum for institutions such as TEVETA; and implementing housing projects such as houses for security institutions using cement blocks and metal roofing	Started: Potential to Meet Target		Ministry of Land
Implement an integrated infrastructure development plan in cities and towns	2022-2030	Cities like Lilongwe are using their master plans and strategic plans as guiding tools	Started: Slow Progress		Ministry of Local Government
Create municipal police for each of the major cities	2022-2023	Currently at concept level and reached the PS' Committee level, but is yet to be presented to the Cabinet	Started: Off-track		Ministry of Local Government
Set up and operationalise municipal courts to try bylaw offenders	2022-2023	Currently at concept level and reached the PS' Committee level, but is yet to be presented to the Cabinet	Started: Off-track		Ministry of Local Government
Sustainable Municipal Self-Financing Mechanisms					
Implement innovative and cost-effective valuation and billing of all city properties in order to significantly spread the property tax burden and improve revenue	2022-2023	Blantyre and Lilongwe City Councils have started the initial processes	Started: Off-track		Ministry of Local Government
Transfer all public land in city and town jurisdictions to town/city councils to comply with land laws and to expand the revenue base for councils through ground rents	2022-2023	No progress reported	Not Started	Stakeholders need to liaise to consensus	Ministry of Land
Modernise revenue collection by designing, developing and operationalising the deployment of a digital geographic information database of all rateable	2021-2025	Local authorities are currently migrating from Paper Based Revenue Collection method to the Automated Revenue Collection method, e.g., e-ticketing at revenue sources. For instance, Blantyre City Council has engaged a consultant to develop a system to link the Council to	Started: Slow Progress		Ministry of Local Government

MIP-1 Interventions	Period	Progress/ Status	Rating	Remarks	Responsible Institution
properties in all councils		property owners using mobile phones and email. Some district councils, such as Mwanza District Council, are currently developing LoRMIS as part of the Public Sector Reforms Programme (with assistance from UNDP)			
Construct basic marketing infrastructure for SMEs, especially for cooperatives across the country's districts	2021-2030	The Ministry has on-going projects under the PSIP on the Construction of Urban and Rural Markets. So far, works have been done in Songani Market (Zomba), Kapiri Market (Dedza), Namitambo Market (Chiradzulu) and Mphanje Market. Markets completed include Mulanje Mission, Nsika wa Njala, Chinakanaka, Nsanje Boma and Tengani. Further, the Ministry intends to embark on a newly approved project for the construction of modern markets. The target is to construct at least 4 story markets targeting SMEs by 2025, particularly in urban areas	Started: Potential to Meet Target		Ministry of Local Government
Tourism Development					
Rehabilitate air strips in all tourist attraction sites such as Mangochi (Club Makokola), Salima and Mzuzu	2021-2025	No progress reported	Not Started		Ministry of Transport and Public Works
Conduct civic education on benefits of local and international tourism	2021-2030	Public sensitisation of communities and key stakeholders, including local leaders, politicians and local councils were conducted on the benefits of tourism, while also soliciting their support	Started: On-track		Ministry of Tourism
Establish a system that provides preferential treatment to domestic tourists	2021-2023	No progress reported	No Info Provided		Ministry of Tourism
Review tourist visa requirements to attract tourists	2021-2023	The process commenced, visas for strategic countries to be issued on arrival	Started: On-track		Ministry of Homeland Security
Construct water sports infrastructure in the lakeshore districts of Karonga, Salima, Nkhata Bay and Mangochi	2022-2025	As a pilot, land has been secured in Salima, and a conceptual master plan has been developed. The project has also been included as one of the 10 priority projects within the National Tourism Investment Masterplan	Started: Potential to Meet Target		Ministry of Tourism
Develop a tourism infrastructure investment masterplan (to include a minimum tourism infrastructure package and setting aside land for tourism)	2021-2024	Masterplan developed and launched; community sensitisation of tourism projects undertaken in 4 districts; presentation of the Masterplan to Parliamentary Committee on Tourism done; and presentation of the masterplan projects to the Ministry of Finance and Economic Affairs for inclusion under the PSIP to support infrastructure and feasibility studies done	Started: On-track		Ministry of Tourism
Attract big direct airlines from the region and overseas by reviewing airline landing fees and airspace agreements	2021-2023	The Department of Civil Aviation engaged of some international airlines to commence flights to Malawi. The discussions are still underway.,	Started: Off-track	The success of the discussion will depend on the business viability.	Ministry of Transport and Public Works

MIP-1 Interventions	Period	Progress/ Status	Rating	Remarks	Responsible Institution
Provide necessary services (such as banks, free internet, access roads, decent accommodation) in tourist attraction sites	2021-2023	Government is upgrading feeder roads to tourist attraction sites while accommodation is being provided by private sector (with free internet localised at individual facilities). However, completion of some feeder roads has delayed (e.g., Cape Maclear Road)	Started: Off-track		Ministry of Tourism
Establish online hubs for the promotion of creative arts at local and international markets	2021-2023	No progress reported	No Info Provided		Ministry of Tourism
Establish capacity building programmes for creative arts at national and decentralised levels	2021-2023	No progress reported	No Info Provided		Ministry of Tourism
Organise promotional events, festivals, groupings and awards for the youth in creative arts and sports	2021-2030	Efforts commenced, including launch of the local film industry festival in 2022. Various sports events are being organised in the country	Started: Potential to Meet Target		Ministry of Tourism
Introduce and sustain innovations which will scale up the preservation, presentation, and marketing of cultural and natural heritage for tourism development	2021-2030	No progress reported	No Info Provided		Ministry of Tourism
Develop creative industries and heritage infrastructure in select districts and cities	2021-2030	Engaging the Ministry of Finance and Economic Affairs on open spaces for the arts in select districts for inclusion in the PSIP. Established information centres at select heritage sites to provide visitors with information and enhance their experience has started, such as Chongoni in Dedza	Started: Potential to Meet Target	To expedite the process	Ministry of Tourism
Preserve museum artefacts and specimens, and upgrade retrieval system	2021-2030	Preservation of the museum artefacts is an ongoing activity. The upgrade of the retrieval system is yet to commence	Started: Slow Progress		Ministry of Tourism
Facilitate investment in diversified tourism products such as heritage tourism, medical tourism and community-based tourism, among others	2021-2030	Slow progress with religious tourism emerging as one potential area	Started: Slow Progress		Ministry of Tourism
Facilitate provision of appropriate incentives to promote foreign and local investment, especially in the Tourism Development Zones	2021-2030	Legislation of Special Economic Zone Bill to catalyse private sector investment in the Tourism Development Zones is yet to be tabled in Parliament	Started: Slow Progress		Ministry of Tourism
		Started: On-track	11.36%		
		Started: Slow Progress	25.00%		
		Started: Potential to Meet Target	15.91%		
		Started: Off-track	18.18%		
		Not started/No Info Provided	29.55%		

Enabler 1: Mindset Change

The realisation of an inclusively wealthy and self-reliant Malawi demands the commitment of a transformed citizenry that actively and positively contributes to national development. The attainment of national development aspirations will require the cultivation of new ways of thinking and doing things. Mindset change at the individual, community and national level is, therefore, important for instilling a culture of self-reliance toward the inclusive wealth creation agenda.

The MIP-1 promotes nation building through the preservation of a culture that encourages hard work, self-belief and other positive ethical, moral and social norms. It is expected that upon the change in mindset, Malawians will be active and meaningful participants in the implementation of various interventions toward national development.

Mindset change is one of the MW2063 Enablers where most of the implementation of the MIP-1 prioritised interventions have commenced. In the period of reporting, implementation of 90 percent of the interventions has commenced with 24 percent of the interventions on track. This is mainly because the focus areas of this enabler have few or in other cases only one intervention. However, *Build Patriotism* focus area is lagging. The implementation progress of Enabler 1 focus areas is summarised in *Figure 15*, below.

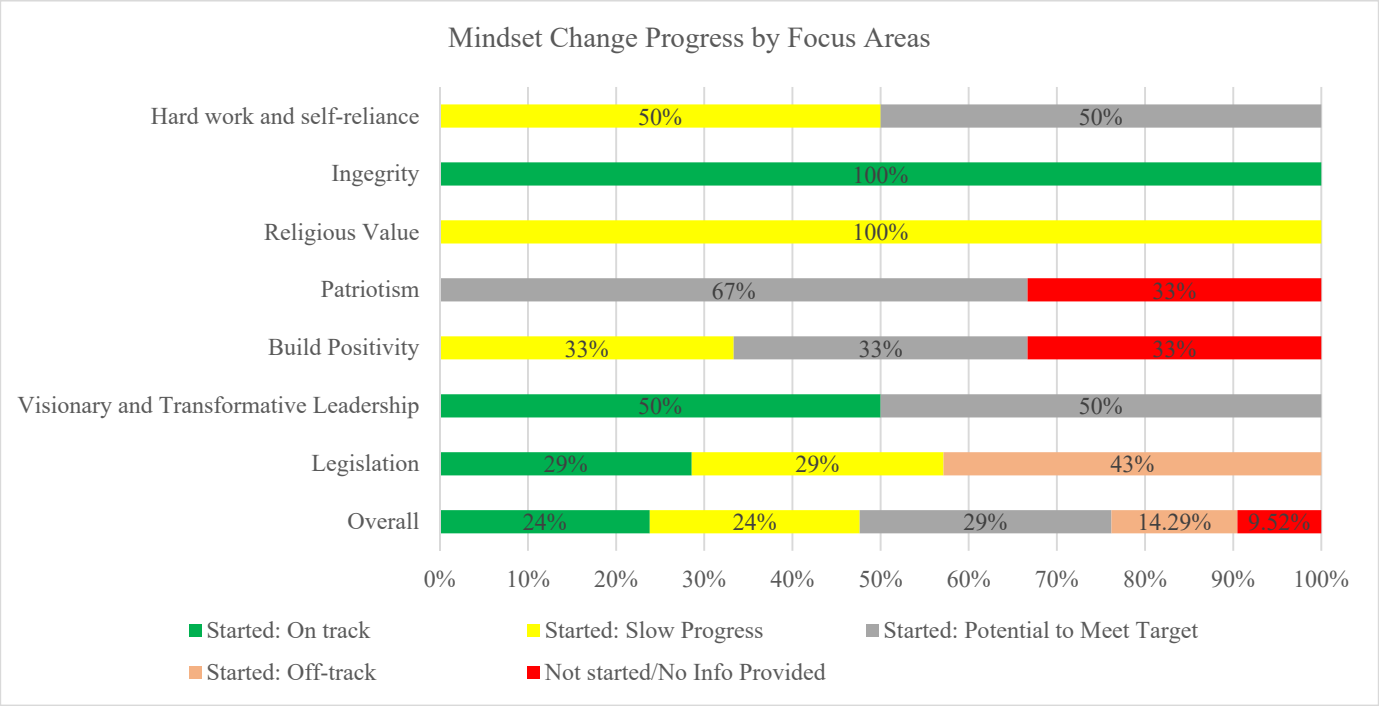


Figure 15: Enabler 1 Implementation Progress by Focus Areas

Progress on Focus Area and Interventions

Priority Area E1.1: Legislation

Developing a nation-wide communications strategy through which messages on mindset change will be created and disseminated

The development of a communications strategy started with the recruitment of a consultant to develop the civic education guidelines which, together with the Civic Education Handbook that is pending validation, will standardise the messaging of key issues. The guidelines and Handbook will also outline national social and behavioural change strategies targeting citizens, Government, private sector, and CSOs, including religious groups.

The enactment of the National Unity Bill

The National Unity Bill was enacted into law by Parliament 2022. The Ministry of National Unity and Civic Education will embark on operationalising and rolling out provisions of the Act. Ministry of National Unity and its partners have commenced research on the criminalisation of all harmful cultural practices by 2023, as well as criminalising regionalism, racism and tribalism.



HE Lazarus Chakwera Leading Malawians on the National Day of Unity

Priority Area E1.2: Building Positivity

Scaling transformative development initiatives and locally generated innovations and technologies

The NPC and partners have been running the Ndizotheka Eminent Speaker Series and Ndizotheka Initiative. Under the Ndizotheka Eminent Speaker Series, several high-profile individuals have been speaking on and discussing various innovations to influence policy, and their adoption, scaling up and implementation. While under the Ndizotheka Initiative, various local innovations have been profiled and documented for showcasing and scaling up.

Priority Area E1.3: Hard Work and Self-reliance

The National Community and Youth Service to nurture the self-help mindset. The National Youth Service was officially launched by the State President. To operationalise the Service, the Ministry of Youth and Sports, in collaboration with its partners, is implementing projects while working on the overall programme strategy to guide the Service.

Priority Area E1.4: Patriotism

Cultural week as a hub for cultural marketing, eco-tourism and national unity. With the leadership of the Ministry of National Unity and Civic Education, Government has designated a National Week of Unity and Cultural Heritage in consultation with stakeholders to commemorate cultural diversity in unifying the nation and promoting national pride. The first National Week of Unity and Cultural Heritage was held in October 2022.

Scaling of the Best Buy Malawi Strategy campaign

In progress and reported under private sector dynamism.

Priority Area E1.5: Visionary and Transformative Leadership

Civic education on inclusivity and ownership of MW2063

Awareness of the MW2063 is part of the nationwide civic education campaign on mind-set change at all leadership levels. This is happening from the country's

presidency all the way to the heads of Ministries, Departments and Agencies and statutory corporations, faith and traditional leaders, leadership in the private sector and all non-state actor institutions. The task remains in accelerating the translation of this rallying around the Vision into tangible actions through effective programming by both state and non-state actors.

The NPC partnered with the National Initiative for Civic Education (NICE) to leverage the grassroots structures of NICE in taking the message of the MW2063 to the masses. The Malawi Broadcasting Cooperation (MBC) is also running a weekly programme on Masomphenya (Vision) to popularise the MW2063 and clarify any outstanding issues from Malawians.

Civic awareness of transformative leadership at all levels

Awareness of transformative leadership at all levels is being done as part of the nationwide civic education campaign on mindset change.

Mainstreaming the participation of marginalised, vulnerable and disadvantaged groups in the formulation, implementation and realisation of development plans

The Government has taken a policy direction to ensure that marginalised, vulnerable and disadvantaged groups are part of the decision-making process. One key strategy undertaken is to deliberately incorporate the marginalised groups in Area Development Committees (ADCs) and District Executive Committees (DECs).

Priority Area E1.6: Religious Values

Many religious organisations, including churches, have embraced the Mindset Change Enabler and have included it in their endeavours and operations. For example, the Zomba Church of the Central African Presbyterian (CCAP) has developed a vision that aligns with the MW2063, focusing on mindset change and social and infrastructure development, as its contribution to the MW2063 and MIP-1.



Figure 16: Youth in a cleannng exercise

Detailed Table of Implementation Progress on Interventions under Enabler 1

MIP-1 Interventions	Period	Progress/ Status	Rating	Remarks	Responsible Institution
Legislation and Institutional Capacity Building					
Legislate the criminalisation of all harmful cultural practices	2022-2023	Submitted Position Paper to Ministry of Justice to inform the legislation; developed a schedule of harmful practices; and the HIV and AIDS (Prevention and Management) Act criminalises some harmful practices under a defined list	Started: Slow Progress		Ministry of Gender, Community Development and Social Welfare
Facilitate the enactment of the National Unity Bill	2021-2022	Successfully done	Completed	Plans are in place to popularise the Peace and Unity Act and set-up the Peace and Unity Commission	Ministry of National Unity
Criminalise regionalism, racism and tribalism	2022-2023	In progress. The Ministry's Work Plan has made provisions for facilitating research and development of legislation criminalising regionalism, racism and tribalism	Started: Off-track		Ministry of National Unity
Develop a robust nation-wide communications strategy through which messages on mindset change will be created and disseminated	2021-2022	In progress. A consultant has been engaged to develop the civic education guidelines; and the Civic Education Handbook is pending validation	Started: Off-track	The Ministry is fast-tracking the meeting of stakeholders to validate the Civic Education Handbook	Ministry of National Unity
Develop and implement strategic plans for the Ministry(ies) coordinating this Enabler	2021-2030	In progress. The Ministry of National Unity is finalising the development of its strategic plan; and the strategic plan for the Ministry of Local Government is at the preparatory stage	Started: On-track		Ministry of National Unity
Build the institutional, technical and human resource capacity in the institution that will be coordinating the mindset change interventions (with adherence to minimum requirements)	2021-2030	In progress. NICE volunteers have been oriented on the MW2063 and MIP-1	Started: Slow Progress	To systematically develop an institutional and human resource building plan that respond to MIP-1 needs.	Ministry of Finance and Economic Affairs
Develop a national social and behavioural change strategy targeting citizens, CSOs, private sector and Government	2021-2022	To be part of the civic education guidelines	Started: Off-track		Ministry of National Unity
Visionary and Transformative Leadership					
Conduct civic education on inclusivity and ownership of MW2063	2021-2030	Pre-consultative meetings have been carried out in Karonga, Nkhata Bay, Machinga and Mangochi. The consultation aims to establish and sustain local hubs/platforms (*Pa bwalo*) as discussion forums for communities to discuss issues (including MW2063) at the Area /Village Development Committees (ADCs/VDCs) level; and establish and operationalise the National Civic Education Technical Working Group	Started: On-track	Plans are on track to scale up to other districts	Ministry of National Unity
Conduct civic awareness on transformative leadership at all levels	2021-2030	The Ministry of National Unity, through the Department of Civic Education, has produced and aired more than 20 Malawi Wanga Radio and Television Programmes, currently being aired on MBC radio and TV; MBC	Started: Potential to Meet Target	Progressing as planned	Ministry of National Unity

MIP-1 Interventions	Period	Progress/ Status	Rating	Remarks	Responsible Institution
		broadcasts *masomphenya*programme on weekly basis			
Mainstream participation of marginalised, vulnerable and disadvantage groups in the formulation, implementation and realisation of development plans	2021-2030	Local development programmes, social economic profiles and village action plans are currently being developed; and vulnerable groups, including children, are involved in the development of these development frameworks in Chikwawa and Nsanje.	Started: Potential to Meet Target		Ministry of Local Government
Establish and sustain local hubs and/or platforms (*Pa bwalo*) as discussion forums for the communities to discuss public issues, including at the ADC level	2021-2030	The Ministry, through the Department of Civic Education, set out to establish and sustain local hubs/platforms (*Pa bwalo*) as discussion forums for communities to discuss issues (including MW2063) at the Area /Village Development Committees (ADCs/VDCs) level; and establish and operationalise the National Civic Education Technical Working Group. A total of 8 hubs were planned to be established in the 2022/23 Financial Year. The European Union (EU) supported Chilungamo Project has also established similar platforms	Started: On-track	Progressing as planned but need to consolidate with similar initiatives being implemented by other state and non-state actors	Ministry of National Unity
Patriotism					
Institute a cultural week as a hub for cultural marketing, eco-tourism, and national unity	2021-2022	Currently, culture heritages continued to be celebrated idiosyncratically	Not Started		Ministry of Tourism
Conduct civic education to promote national pride	2021-2030	Commenced with the launch of the National Day of Unity and Dialogue, with one of the aims of the day being to promote national pride and unity	Started: Potential to Meet Target		Ministry of National Unity
Scale up the Best Buy Malawi Strategy campaign	2021-2030	In progress. Plans are underway to set up a permanent secretariat for the Best Buy Malawi Strategy by 2024 with support from UNDP. The Government has strengthened the Buy Malawi Strategy with the MSME Order that compels public institutions to procure local products and services	Started: Potential to Meet Target		Ministry of Trade and Industry
Religious Values					
Orient religions to promote mindset change towards hard-work, inclusive wealth creation, prosperity, and self-reliance	2021-2030	A Mind-set change programme under conceptualisation will consolidate the religious elements	Started: Slow Progress		Ministry of National Unity
Integrity					
Revise school curricula to include ethics, integrity, and positive values	2022-2024	The Ministry of National Unity has currently engaged stakeholders to conduct a curriculum audit that ensures that national values are integrated. NICE, working with Domasi College of Education and Malawi Institute of Education, conducted a gap analysis on civics and citizenship education in Teacher Training Colleges (TTCs), primary schools and Secondary schools. This highlighted the need for a comprehensive curriculum audit	Started: On-track	Progressing as planned, but there is need to source funding from different stakeholders to ensure the timely delivery of the intervention	Ministry of Education

MIP-1 Interventions	Period	Progress/ Status	Rating	Remarks	Responsible Institution
Hard Work and Self-Reliance					
Introduce the National Community and Youth Service to nurture the self-help mindset	2021-2023	Done. The National Youth Service was officially launched by the State President in Neno in July 2022	Started: Slow Progress	The Ministry of Youth and Sports, with its partners, needs to expedite the finalisation of the overall programme strategy to guide the execution of the National Youth Service	Ministry of Youth and Sports
Mobilise and sensitise communities to start conceiving and resourcing their own local development projects	2021-2030	Efforts started with the development of District Development Plans which have been informed by ADCs' submissions outlining communities' aspirations and how to resource their local development projects	Started: Potential to Meet Target		Ministry of Local Government
Build Positivity					
Profile and scale up transformative development initiatives and locally generated innovations and technologies - *Ndizotheka* Initiative	2021-2030	20 locally transformative initiatives have been profiled and documented under the *Ndizotheka* Initiative which showcases local innovations by individuals and socio-entrepreneurs	Started: Potential to Meet Target	On-going, need to systematically scale up innovations	Ministry of Finance and Economic Affairs
Enforce legislation discouraging handouts	2021-2030	No progress reported	Not Started	Consider in the next budget circle	Ministry of Justice
Scale up innovation competitions and scholarships	2022-2030	In 2022, a total of 553 students were provided with bursaries. This represents a significant increase from the 2021 figure of 385.	Started: Slow Progress	Although the intervention is ongoing, the innovation component is missing	Ministry of Education
		Started: On-track	23.81%		
		Started: Slow Progress	23.81%		
		Started: Potential to Meet Target	28.57%		
		Started: Off-track	14.29%		
		Not started/No Info Provided	9.52%		

Enabler 2: Effective Governance Systems and Institutions

Effective governance provides an enabling environment for sustainable national development. It consists of functional and accountable institutions by which authority is exercised within the framework of the constitution and the law. This includes the electoral processes, a government's capacity to effectively formulate and implement sound policies, respect for citizens' rights, and, more importantly, the effective functionality of governance institutions that regulate and manage citizens' economic and social interactions.

As Malawi aspires for effective and efficient governance systems with strict adherence to the rule of law, a remarkable dent in ending corruption needs to be registered by reducing the Corruption Perception Index (score) from 31 in 2019 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 43 in 2019 to at least 55 by 2030. Moving forward, the MIP-1 aims to improve the Mo Ibrahim Index of African Governance (IIAG) from the 2020 score of 55.8 percent 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.

On economic governance, the country is targeting to have a stable macroeconomic environment with a minimum of 6 months of import cover by 2030, from around 3 months in 2020. The country also targets to reduce the crime rate from 1.7 percent in 2012 to below 1.1 percent by 2030. Relatedly, the global peace ranking is to improve from 59 in 2020 to below 35 by 2030.

In the period of reporting, 83 percent of the interventions under the Effective Governance Systems and Institutions Enabler commenced implementation with 23 percent of the interventions on track. Financial and Economic Management focus area is progressing slowly. The implementation progress of Enabler 2 focus areas is summarised in *Figure 17*, below.

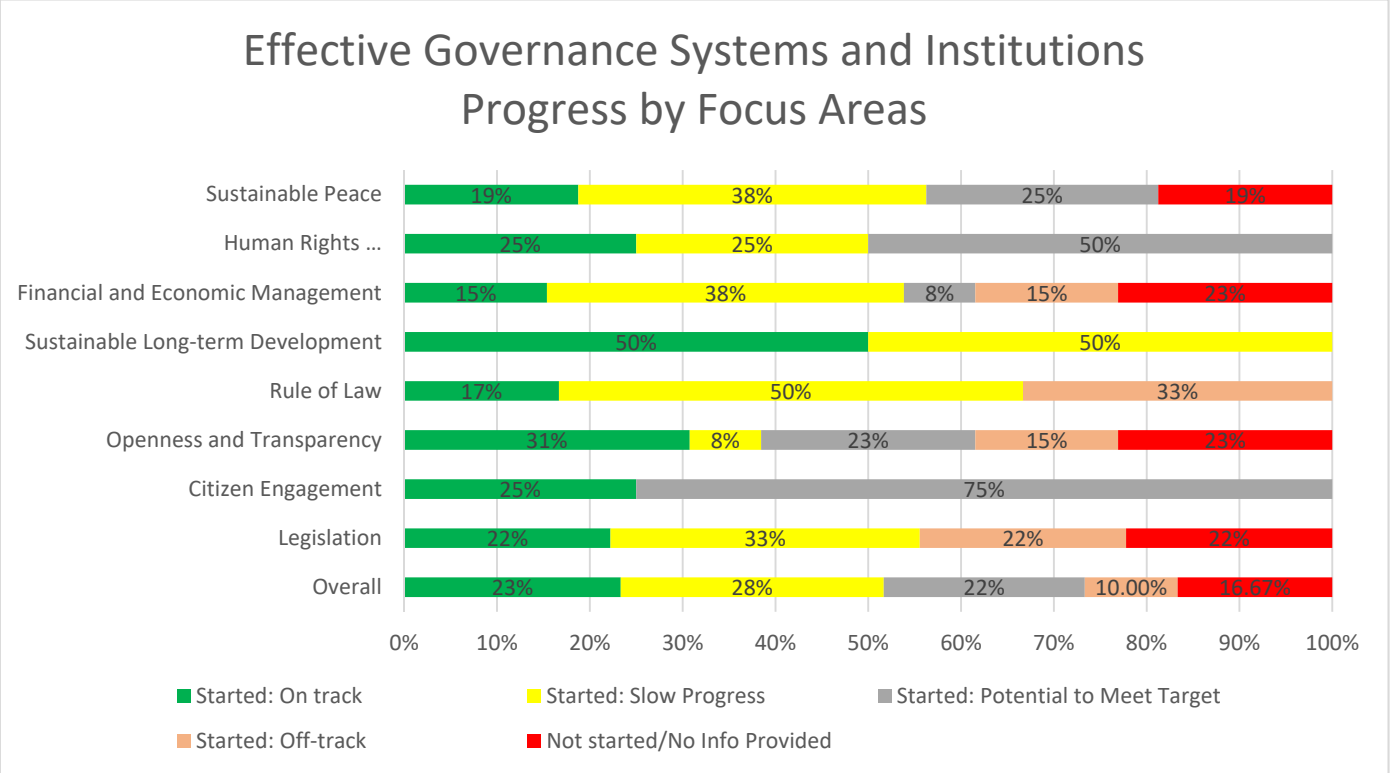


Figure 17: Enabler 2 Implementation Progress by Focus Areas

Progress on Focus Area and Interventions

Priority Area E2.1: Rule of Law

As of April 2022, the Judiciary registered 311 corruption cases in its magistrate courts and managed to conclude 65 percent of those cases, while the High Court concluded 1 out of the 6 cases under its Registry. As for gender-based violence cases, the magistrate courts registered 7,756 cases of which 60 percent of those cases were concluded, while the High court did not conclude the only one case it had.

Priority Area E2.2: Citizen Engagement, Participation, and Fair Conduct of Elections

Efforts have been made to deepen citizen engagements in development planning. With the expiry of the District Development Plans (DDPs), LAs have commenced development of the new DDPs by engaging various stakeholders and constituencies including people with disabilities, children, women, etc. to ensure the marginalised groups are represented in the decision-making processes. The Government has taken a deliberate stand to ensure decision making structures at grassrot level (ADC and DEC) include marginalised groups.

To strengthen electoral processes, MEC is making strides in digitizing electoral processes. Elections Management Device specifications have been developed (which will have registration, inspection of the register, candidate nomination and results management modules). Currently, strengthening of business and administrative systems is underway, and is to be fully automated by first quarter of 2023. MEC has also finalised the constituency re-demarcation exercise.

Priority Area E2.3: Sound financial and economic management

On economic governance, the country targeted diversified development financing options, reduced debt GDP ratio and combating public finance-related fraud. The Government issued a local development bond to finance key infrastructure projects, including the six-lane road, Inkosi Ya Makosi Mbelwa Universityand Judicial Complex in Lilongwe. The debt stock worsened from 61 percent in 2021 to 64 percent of GDP in Nov 2022. The rising debt stock is on account of the persistent budget deficit and suspension of budgetary support.

Priority Area E2.4: Sustainable peace and security

- The police/population ratio in the period of reporting slid backwards to 1 police officer to 1,378 people from a baseline of 1 police officer to 1,326 people in 2020. The target for 2021 was 1 police officer to 1,200 people, which implies that the indicator was not met.
- The proportion of sentenced detainees as a proportion of the overall prison population was recorded at 21 percent in 2021, which is a 1 percent improvement from the previous year 2020. The target for this indicator is 13 percent by 2030, meaning that there is a need for an accelerated effort to meet the target. In the same year, there was no reported incident of death in police custody occurring as a result of police (in)action.
- There were 234 incidents of crime reported in 2021 representing a 1.19 percent decrease, which is a positive trend towards the attainment of a safe and peaceful environment. The MIP-1 target is to reduce it further to below 1.1 percent by 2030.



Detailed Table of Implementation Progress on Interventions under Enabler 2

MIP-1 Interventions	Period	Progress/ Status	Rating	Remarks	Responsible Institution
Facilitate the development of policies and legislation that enhance the protection of whistle-blowers	2021-2023	Consultation processes started but have stalled.	Started: Off-track	Prioritise in the 2023/24 Financial Year so as not to miss the 2023 target	Ministry of Justice
Finalise the review of the PFM Act	2021-2022	PFM Act was reviewed and amended in Parliament	Completed		Ministry of Finance and Economic Affairs
Review the Fleet Management Policy to make civil service transport system cost-effective	2021-2022	No progress reported	No Info Provided	Prioritise in the 2023/24 Financial Year as the 2022 target has been missed	Ministry of Finance and Economic Affairs
Develop National Drugs Control Policy	2022-2023	A draft National Drugs Control Policy was developed. Two regional validation meetings were held where various stakeholders made their input into the Policy and the Ministry is revising the draft for submission to Cabinet	Started: On-track	Finalise Policy by 2023	Ministry of Homeland Security
Review the Immigration Act and Refugees Act and adhere to them to fulfil international obligations	2022-2023	The Special Law Commission completed the review of the Immigration Act, and the Report of the Law Commission is ready for submission to the Minister of Justice for onward submission to the Cabinet through the Cabinet Committee on Defence and Security	Started: Slow Progress	Progress reported on Immigration Act only; but target; likely to be missed because of the Refugees Act	Ministry of Homeland Security
Finalise Migration Policy for tracking history of application for citizenship	2021-2022	The Ministry of Homeland Security is finalising the draft Policy for onward transmission to the Cabinet for approval	Started: Off-track	Progress made, but needs to be prioritised in 2023 given that it has missed the initial 2022 deadline	Ministry of Homeland Security
Develop a policy and legislative framework for the adoption and use of Deoxyribonucleic Acid (DNA) technologies and evidence in criminal investigations and proceedings	2022-2024	No progress reported	No Info Provided		Ministry of Justice
Build the institutional, technical, and human resource capacity in the institutions that will be coordinating the Effective Governance Systems and Institutions interventions (with adherence to minimum requirements)	2021-2030	Ongoing but slow progress has been reported	Started: Slow Progress	Prioritise in the 2023/24 Financial Year	Ministry of Finance and Economic Affairs
Develop and implement strategic plans for the Ministry(ies) coordinating this Enabler	2021-2030	In progress	Started: Slow Progress	Prioritise in the 2023/24 Financial Year	Ministry of Justice
Citizen Engagement, Participation, and Fair Conduct of Elections					
Reinforce mechanisms at decentralised levels for inclusive citizen engagement, particularly for women, youth and persons with disabilities	2021-2030	Local development programmes, social economic profiles and village action plans are currently being developed; and vulnerable groups, including children, are involved in the development of these development frameworks.	Started: Potential to Meet Target		Ministry of Local Government

MIP-1 Interventions	Period	Progress/ Status	Rating	Remarks	Responsible Institution
Improve representation of minority groups in decision making platforms	2021-2030	Marginalised groups are deliberately included in decision making committees (ADC and DEC)	Started: Potential to Meet Target		Ministry of National Unity
Build capacity of community leaders (including faith and traditional) in social accountability monitoring	2021-2030	Both state and non-state actors are empowering communities to effectively engage duty bearers and service providers through community dialogue and action groups popularly known as Citizens' Forums	Started: Potential to Meet Target		Ministry of National Unity
Develop and implement a secure digital electoral system	2022-2024	Strengthening of business and administrative systems are underway; to be fully automated by first quarter of 2023. Elections Management Device specifications developed (to have registration, inspection of the register, candidate nomination and results management modules)	Started: On-track	Budget support required to ensure that the required number of Elections Management Devices are procured by the end of the 2023/24 Financial Year	Malawi Electoral Commission (MEC)
Openness and Transparency					
Institute a citizen-government forum that will have both the conventional and digital platforms	2021-2023	Activities have already been planned for; a total of 8 hubs were planned for establishment in the 2022/23 Financial Year	Started: Off-track	To avoid running off-track, prioritise in the 2023/24 Financial Year	Ministry of National Unity
Enforce a public expenditure tracking system	2021-2030	In progress	Started: Potential to Meet Target	Efforts mostly being made by non-state actors	Ministry of Finance and Economic Affairs
Regularise user/client/customer satisfaction surveys	2022-2030	No progress reported	No Info Provided	Prioritise in the 2023/24 Financial Year	OPC
Publicise annual Key Performance Indicators (KPI) for Cabinet Ministers, and heads of MDAs and statutory bodies	2021-2030	OPC is revamping organisational performance contracts with MDAs	Started: Slow Progress	Fast-track so all senior management in MDAs have performance contracts by start of the 2023/24 Financial Year	OPC
Introduce and sustain public hearings/inquiries on the performance of public functionaries	2022-2030	Parliament conducts hearings that are broadcasted live on TV, local radios and other social media platforms	Started: On-track		OPC
Decentralise to the district level all public offices of governance oversight institutions, such as the Anti-Corruption Bureau (ACB), Office of the Ombudsman (OoO), Office of the Director of Public Officers' Declarations (ODPOD)	2021-2030	No progress reported	Not Started	Prioritise in the 2023/24 Financial Year	Ministry of Justice
Build institutional and human resource capacity in the judicial system to handle cases timely	2021-2025	Judicial system was reorganised, including the establishment of the Financial Crimes Division of the High Court and appointing additional judges to the High Court and new justices of appeal to the Supreme Court	Started: On-track		Ministry of Justice
Construction of Judicial Complex in Lilongwe	2021-2025	The project was included in the PSIP, and the President launched the project. However, the project has stalled with the	Started: Off-track		Ministry of Justice

MIP-1 Interventions	Period	Progress/ Status	Rating	Remarks	Responsible Institution
		development of architectural designs			
Construction of offices for governance institutions	2021-2030	No progress reported	Not Started	Prioritise in the 2023/24 Financial Year	Ministry of Lands
Improving court infrastructure, including construction of new primary courts	2021-2030	Ongoing	Started: Potential to Meet Target	On going	Ministry of Justice
Protect budgetary allocation of governance and accountability institutions to enhance operational independence	2022-2025	In progress. As a first step, the budgetary allocation to governance institutions has been increasing	Started: On-track		Parliament
Enforce laws that ensure independence of institutions to inhibit undue political influence on development plans	2021-2030	Political Parties Act was amended to ensure party manifestos are aligned to MW2063.	Started: Potential to Meet Target	Prioritise development of Guidelines in 2023 for vetting of Political Party manifestos	Judiciary
Build capacity of development planners and policymakers on long term development planning and integration at all levels	2021-2030	Engaged all local authorities on development plans that talk to inclusive wealth creation and self-reliance	Started: On-track	Scale up and conduct capacity building systematically by providing continuous and	Ministry of Finance and Economic Affairs
Sustainable and long-term development orientation					
Ringfence allocation to the development budget at an annual minimum of 25 percent of the financial year	2021-2030	Development budget is allocated not less than 25 percent of the fiscal year. However, their is no mechanism to ringfence the development budget due to limited fiscal space.	Started: Slow Progress	Ringfencing is challenged by expenditure capacity.	Ministry of Finance and Economic Affairs
Integrate local and central government Integrated Financial Management Information System (IFMIS) systems	2021-2024	Processes to upgrade, strengthen and integrate IFMIS is ongoing	Started: Slow Progress	Should be a top priority in the 2023/24 Financial Year	Ministry of Finance and Economic Affairs
Establish a Debt Retirement Fund	2021-2022	Debt Retirement Fund is now part of the recently enacted PFM Act. However, the process of establishment of the Fund has delayed. Government is consulting stakeholders on how best to resource and operationalise the fund	Started: Off-track	Identify sustainable financing mechanisms for the Debt Retirement Fund in the 2023/24 Financial Year	Ministry of Finance and Economic Affairs
Establish a high-level multi-stakeholder Debt Policy Committee that provides oversight on public debt management	2021-2022	This is provided for in the recently enacted PFM Act, but yet to commence meetings	Started: Off-track	Operationalise in the 2023/24 Financial Year	Ministry of Finance and Economic Affairs
Maintain a current account balance of not more than negative 3 percent of GDP in line with the SADC macroeconomic convergence target	2021-2030	Efforts to reduce in each year towards the target are underway by the Ministry of Finance and Economic Affairs	Started: Slow Progress		Ministry of Finance and Economic Affairs
Ensure gradual shifting to zero-deficit budget for recurrent expenditure	2021-2030	No progress reported	No Info Provided		Ministry of Finance and Economic Affairs
Automate the public procurement process	2021-2023	Process commenced with some elements now fully automated	Started: Slow Progress	Expedite to ensure full and operational automation	Ministry of Finance and Economic Affairs
Review the Corrupt Practices Act to ensure that it is modern and fit for purpose	2022-2023	Act was amended and assented to	Completed		Ministry of Justice

MIP-1 Interventions	Period	Progress/ Status	Rating	Remarks	Responsible Institution
Formalise the informal sector, largely through monetary and fiscal incentives and digitisation of trading systems	2021-2030	Efforts started with sensitisation workshops to potential and existing entrepreneurs, and youths as the main target group	Started: Potential to Meet Target	Prioritise in the 2023/24 Financial Year	Ministry of Finance and Economic Affairs
Manage the monetary policy to stabilise interest rates, exchange rates and inflation	2021-2030	RBM adopted interest-rate targeting monetary policy framework; and managed-float exchange rate regime. These are key in stabilising the economy	Started: On-track		RBM
Mobilise cooperatives into e-bulking and e-marketing	2022-2025	No progress reported	No Info Provided	Prioritise in the 2023/24 Financial Year	Ministry of Trade and Industry
Establish one-stop business information and service centres across the country	2021-2030	Process commenced under the *Mlambe* Centre, but yet to be fully operationalised and scaled up across the country	Started: Slow Progress		Ministry of Trade and Industry
Expand digital financial platforms that are convenient, available and accessible to everyone, especially those in remote areas	2022-2030	Mobile money platforms are making inroads in rural areas	Started: On-track	Scale up awareness	Ministry of Information
Secure a credit rating for Malawi for diversified project finance deals	2021-2023	Started, but with slow progress	Started: Slow Progress	Prioritise in the 2023/24 Financial Year. This includes developing a strategy to guide the process	Ministry of Finance and Economic Affairs
Facilitate the progressive development of civil society that is fully capable of holding Government accountable and defending citizens' rights	2021-2030	Ongoing	Started: Potential to Meet Target	Efforts mainly by non-state actors	MHRC
Ensure strict adherence to all international charters on human rights, including the Universal Declaration of Human Rights; African Charter on Human and People's Rights; and charters that protect vulnerable groups like children, women, refugees, people with disabilities and minority groups	2021-2030	Ongoing: Regular reporting commenced by the Ministry of Justice and responsible governance institutions	Started: Potential to Meet Target		MHRC
Operationalise child-centred governance institutions such as the newly established National Children's Commission	2021-2030	Operationalisation of the National Children's Commission has stalled	Started: Slow Progress		Ministry of Gender, Community Development and Social Welfare
Implement human rights awareness programmes using various media	2021-2030	In progress	Started: On-track		MHRC
Establish the Malawi Peace and Unity Commission	2022-2023	The Ministry is currently engaging commissions from different countries, including Ghana, to draw lessons from. The Malawi Peace and Unity Commission is scheduled to be operationalised in the 2023/24 Financial Year with the identification of commissioners at unadvanced stage	Started: On-track		Ministry of National Unity
Provide security institutions with adequate resourcing and modern equipment, e.g., public	2021-2030	More breathalysers were procured in the 2021/22 Financial Year. The Chinese Government has donated equipment for the	Started: Potential to	Intensify resource mobilisation to ensure	Ministries of Defence, and

MIP-1 Interventions	Period	Progress/ Status	Rating	Remarks	Responsible Institution
order equipment, forensic equipment, intelligence collection equipment and crime detection equipment		Fingerprints Lab	Meet Target	adequacy and sufficiency of capacities	Homeland Security
Integrate security databases	2022-2024	Malawi Police Service (MPS) is still in the process of developing its crime and road traffic accidents databases which will be integrated with the Automated Fingerprints Identification System (AFIS) and interfaced with the National Registration Bureau (NRB) database	Started: Slow Progress	Prioritise in the 2023/24 Financial Year	Ministry of Homeland Security
Support and strengthen the intelligence agencies to provide services that are able to deal with contemporary threats of money laundering, cross-border crime and human trafficking	2022-2025	An MOU between the Malawi Prisons Service and NIS on money laundering has been developed. Officers participated in various training on trafficking in persons to improve their capacity to prevent, detect, investigate, and prosecute trafficking in persons cases as well as to protect victims of such crimes. In addition, officers from Fiscal Police were trained in various programmes, including cyber security awareness, illegal wildlife trade, intellectual property, anti-money laundering and asset recovery, etc.	Started: On-track	Need for improvement in terms of timely coordination, especially in relation to the timely sharing of information across institutions	Ministry of Homeland Security
Conduct peace and security awareness campaigns or public anti-violence campaigns in all the regions and on different media platforms	2021-2030	MPS, in conjunction with Ministry of National Unity, conducted 9 joint public peace and confidence building meetings in the following places: Kauma, Area 24, Nsundwe, Mpingu, M'bwatalika and Chitedze in Lilongwe; Bvumbwe in Thyolo; Mulanje; and Chikwawa. In addition, the MPS also has radio programmes on peace, security and public anti-violence awareness campaigns on various radio stations, including community radio stations	Started: Slow Progress	These activities targeted hotspot areas and are ongoing	Ministry of Homeland Security
Establish police constabulary for training special police constables	2021-2024	Still in consultations phase	Not Started	Consultation in progress	Ministry of Homeland Security
Establish police academy	2021-2024	The project was submitted to the PSIP. The PSIP noted the need for security institutions to develop a joint programme for the development of a Law Enforcement Academy	Not Started	Prioritise in the 2023/24 Financial Year	Ministry of Homeland Security
Construct houses and hostels for army, police, immigration and prison officers	2021-2026	Houses under construction	Started: Slow Progress	At the current pace, the target might be missed	Ministry of Homeland Security
Construct three Regional Police Headquarters: Eastern Region, Zomba; Central East, Kasungu; and Southeast, Luchenza	2021-2030	Two projects (Central East and Southeast) were submitted to the PSIP	Not Started	Prioritise in the 2023/24 Financial Year	Ministry of Homeland Security

MIP-1 Interventions	Period	Progress/ Status	Rating	Remarks	Responsible Institution
Renovate police infrastructure across the country	2022-2030	This is a continuous activity which is funded by an average of K500 million per annum	Started: Slow Progress	In progress; however, there is a need to increase funding	Ministry of Homeland Security
Establish Police Forensic Science Laboratory	2022-2030	This project has been funded K200 million for procurement of preliminary services against a total estimate of K4.5 billion	Started: Potential to Meet Target		Ministry of Homeland Security
Build capacity in forensic investigation	2022-2024	6 police officers were trained in various forensic areas at international level	Started: Slow Progress	MPS needs to train more officers as the target was 100 per year (MPS SDP)	Ministry of Homeland Security
Expand agriculture in prisons to produce excess for marketing	2021-2025	So far, with support from development partners, the Prison Services has managed to establish a 5ha banana plantation at Kasungu Prison Farm	Started: Potential to Meet Target		Ministry of Homeland Security
Review tourist visa requirements to attract tourists	2021-2023	Yet to review application process and requirements, without compromising the security of the country	Started: Potential to Meet Target	Prioritise in the 2023/24 Financial Year	
Integrate security databases	2022-2024	Integrated the system with Interpol and other in-house systems, eg., E-Permit System and Integrated Border Control System	Started: On-track		
Integrate permit and visa systems with other national key systems	2021-2023				
		Started: On-track	23.33%		
		Started: Slow Progress	28.33%		
		Started: Potential to Meet Target	21.67%		
		Started: Off-track	10.00%		
		Not started/No Info Provided	16.67%		

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. In Malawi, public expenditure forms a significant part of GDP. The public sector is a substantial employer that plays a key role in the social and economic growth of the country.

Implementation of most of the MIP-1 prioritised interventions have commenced. Overall, 76 percent of the interventions have started with 17 percent of them on-track and 24 percent are yet to commence. *Legislation and institutional capacity building* focus area is lagging behind while *public sector reforms* is progressing well. The implementation progress of Enabler 3 focus areas is summarised in *Figure 18*, below.

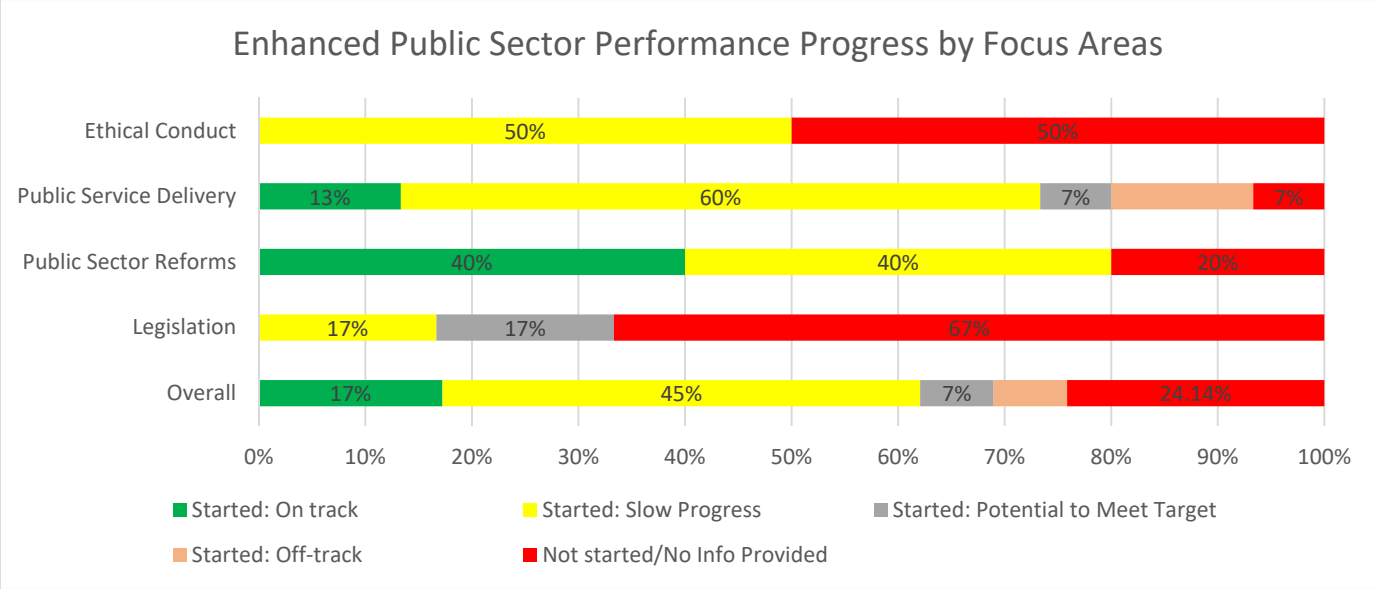


Figure 18: Enhanced Public Sector Performance Progress by Focus Areas

Progress on Focus Area and Interventions

Priority Areas E3.1: Public Sector Reforms

In 2019, the Government Effectiveness percentile ranking[3] was on the lower end (23rd) of the 193 countries that were measured. The MIP-1 aims to increase it to at least 42nd by 2030. Similarly, in the same year, Malawi was placed in the 24th percentile ranking in terms of Regulatory Quality, which will have to be improved to the 45th percentile ranking by 2030.

In 2021, the number of complaints against public institutions on corruption increased to 614 against a target of 400 and stagnated on maladministration at 1400. The number of systems interfacing through the Malawi enterprise architecture and interoperability framework was reported to be 1. The MIP-1 aims to improve it to at least 9 by 2030.

Priority Areas E3.2: Public Service Delivery

Malawi enacted the Access to Information Act which is fully operational. The Act provides step by step procedures that are to be followed by information holders as well as information users in the exercise and fulfilment of the right. The Act has also been translated into one vernacular (Chichewa) language to facilitate inclusive awareness.

The country has advanced its efforts to integrate permit and visa systems with other national systems. The System has currently been successfully integrated with Interpol and other in-house systems such as the E-permit system and Integrated Border Control system

[3] Percentile rank indicates the country's rank among all countries covered by the aggregate indicator, with 0 corresponding to lowest rank, and 100 to highest rank.

Detailed Table of Implementation Progress on Interventions under Enabler 3

MIP-1 interventions	Period	Progress/ status	Rating	Remarks	Responsible Institution
Legislation and Institution Capacity Building					
Review and enforce the Malawi Public Service Regulations (MPSR) together with other public service-related laws	2021-2023	No progress reported	No Info Provided	Prioritise in the 2023/24 Financial Year to avoid missing the set timeframe target	OPC
Review the Public Service Act; and enforce adherence to the Act	2021-2023	No progress reported	No Info Provided	Prioritise in the 2023/24 Financial Year to avoid missing the set timeframe target	OPC
Build the institutional, technical, and human resource capacity in the institutions that will be coordinating public sector performance enhancement (with adherence to minimum requirement)	2021-2030	In progress	Started: Slow Progress		OPC and Ministry of Finance and Economic Affairs
Develop and implement strategic plans for the Ministry(ies) coordinating this Enabler	2021-2030	No progress reported	No Info Provided	Prioritise in the 2023/24 Financial Year	OPC
Construct Government offices to accommodate MDAs accommodated in rented premises	2021-2025	No progress reported	Not Started		Ministry of Lands
Strengthen access to legal representation for poor people	2021-2030	Ongoing Government efforts and EU support to the Legal Aid Bureau (LAB) under CHILUNGAMO	Started: Potential to Meet Target		Ministry of Justice
Public Sector Reforms					
Introduce contract agreements for all senior public servants (from Grade I to A)	2021-2025	Framework was developed and consultations with MDA heads commenced	Started: Slow Progress	Prioritise in the 2023/24 Financial Year to avoid missing the set timeframe target	OPC
Establish and enforce the rewarding of good performance and the penalising of under-performance in accordance with public service regulations	2021-2030	No progress reported	No Info Provided		OPC
Expand the usage of the automated Human Resource Management Information System (HRMIS) to ensure a harmonised system that easily updates and reflects changes and amendments	2022-2025	Ongoing: Government in collaboration with EU is developing HRMIS under CHUMA CHA DZIKO Programme	Started: On-track		OPC
Review and streamline functionality of parastatals	2021-2023	Little progress reported. Some sporadic efforts .... observed	Started: Off-track	Prioritise in the 2023/24 Financial Year to avoid missing the set timeframe target	OPC
Establish the Malawi School of Government and Diplomacy with satellite centres in all the regions of the country	2022-2024	School established	Started: On-track		OPC
Develop and enforce measures for ensuring efficient public procurement (including e-procurement) allowances and contracting mechanisms	2021-2030	Ongoing Government efforts to improve public procurement under PFM with the support of partners such as the EU - CHUMA CHA DZIKO Programme	Started: Slow Progress		OPC

MIP-1 interventions	Period	Progress/ status	Rating	Remarks	Responsible Institution
Public Service Delivery					
Build capacity in the public service to effectively respond to citizen's demands	2021-2030	Ongoing. Reviewed the PFM Act to strengthen accountability.	Started: Potential to Meet Target		OPC
Operationalise the Open Government Initiative	2022-2023	Through media, there are several initiatives to engage leadership	Started: Slow Progress	Speed up implementation as its implementation period is due	Ministry of Information
Enforce the Access to Information Act	2021-2022	The Access to Information Act was enacted and assented to.	Started: Off-track	Prioritise in the 2023/24 Financial Year considering that its implementation period is overdue	Ministry of Information
Integrate permit and visa systems with other national key systems	2021-2023	Integration of the system with Interpol and other in-house systems, e.g., E-Permit System and Integrated Border Control System commenced	Started: On-track		Ministry of Homeland security
Digitise the documentation, procurement and operations of all relevant Government services	2021-2024	Ongoing Government efforts with EU support to improve public procurement under PFM - CHUMA CHA DZIKO Programme	Started: Slow Progress	Prioritise in the 2023/24 Financial Year to avoid missing the set target	Ministry of Information
Review and streamline the functions of public institutions to enhance coordination of cross-cutting functions (such as nutrition, population), eliminate overlapping mandates (such as water, fisheries, ECD), and reduce public expenditure	2021-2023	A coordination group on effective public sector performance was established which coordinates these elements	Started: Off-track	Prioritise the coordination group in the 2023/24 Financial Year and beyond so it effectively coordinates the interventions	OPC
Enforce PFM Act for performance-based resource allocation to MDAs and local councils	2021-2030	Government efforts with EU support for PFM reform implementation under PFM - CHUMA CHA DZIKO Programme	Started: Slow Progress	Intensify enforcement	Ministry of Finance and Economic Affairs
Roll out results based financial management in all MDAs and local councils	2021-2030	Commenced	Started: Slow Progress	This is a crucial intervention, and its urgent implementation can have a direct impact on the other prioritised interventions	Ministry of Finance and Economic Affairs
Realign the public service functions based on the skills and expertise of staff	2022-2023	No progress reported	No Info Provided	Prioritise fully in the 2023/24 Financial Year to avoid missing the set timeframe target	OPC
Enforce existing public service laws	2021-2030	Commenced and implementation is ongoing	Started: Slow Progress	Intensify enforcement	OPC
Capacitate local councils to manage the decentralised functions	2021-2030	Various are capacity building programmes ongoing, including institutional and human capacity on IFMIS	Started: Slow Progress		Ministry of Local Government
Integrate public IFMIS stand-alone systems across councils and to National Local Government Finance Committee (NLGFC)	2022-2025	IFMIS being rolled out to districts	Started: Slow Progress		Ministry of Finance and Economic Affairs
Establish and improve the functionality of PECGs, including the ability to projectise Pillar and Enabler interventions	2021-2030	PECGs were established.	Started: On-track	Government allocated resources to the operationalisation of the PECGs. Other development partners supporting PECGs include the EU and UNDP	Ministry of Finance and Economic Affairs

MIP-1 interventions	Period	Progress/ status	Rating	Remarks	Responsible Institution
Rollout e-visa and passport system to all regions, districts and border posts	2021-2025	The e-visa system has been rolled out to all regions. However, devolution to other border posts and district offices is failing due to unavailability of infrastructure and electricity. The passport system was rolled out to all regions. The Government is in the process of rehabilitating offices in Salima and Mzimba in readiness for the decentralisation of passport services to districts. Commenced	Started: Slow Progress	Currently, the e-passport contract with Techno-Brain Limited has been terminated and this has affected the rolling out of passport system to embassies and districts	Ministry of Homeland Security
Rollout the devolution and decentralisation process in its entirety to allow service delivery that is closer to the people	2021-2030	and most MDAs have started devolving their activities to allow service delivery closer to the grassroots	Started: Slow Progress		Ministry of Local Government
Ethical Conduct					
Provide rewards and sanctions to public servants in accordance with the law	2021-2030	No progress reported	No Info Provided	Intensify	OPC
Reform public service at national and local authority levels	2021-2025	Reform agenda being implemented for MDAs and local councils	Started: Slow Progress	Scale-up in subsequent Financial Years	OPC
		Started: On-track	17%		
		Started: Slow Progress	45%		
		Started: Potential to Meet Target	7%		
		Started: Off-track	7%		
		Not started/No Info Provided	24%		

Enabler 4: Private Sector Dynamism

The key objective is to have a dynamic and vibrant private sector that effectively delivers on the industrialised upper middle-income status within the shortest time possible. Malawi has huge potential for accelerating private sector growth due to a peaceful environment, an independent judicial system, a relatively youthful labour force, and an agriculture sector that has productivity and commercialisation potential. There is commitment to improve economic infrastructure, especially energy and ease of doing business reforms. These can be harnessed from inclusive private investment growth.

Considering the importance of the private sector in meeting the middle-income status by 2030, the MIP-1 aims to create a private sector that is dynamic and competitive to facilitate the structural transformation of the economy and catalyse the development of a "middle class". The MIP-1 aims to improve the country's Global Competitive Index from 44 in 2019 to at least 57 by 2030; increase Foreign Direct Investment (net inflows) from $112.30 million in 2019 to at least $500 million by 2030; and improve the domestic credit to the private sector (percent of GDP) from 0.5 percent in 2016 to at least 27.8 percent by 2030 of GDP. This will be done by ensuring that the business environment in Malawi is enhanced and competitive for both local and foreign investments.

According to the MW2063, the private sector is important in spurring economic development and inclusive wealth creation through, among other things, the provision of innovative solutions, the creation of jobs and the mobilisation of domestic revenue. However, in the year under review, largely driven by exogenous shocks, the country encountered several challenges such as an increase in inflation, instability of Malawi currency (Kwacha) against major trading currencies such as the United States Dollar, shrinking import cover, and declining domestic credit to the private sector.

The Private Sector Dynamism Enabler has commenced 76 percent of interventions with 16 percent of the interventions on track. *Digital Economy Promotion* focus area is lagging behind while *MSME Development* is progressing relatively well. The implementation progress of Enabler 4 focus areas is summarised in *Figure 19*, below.

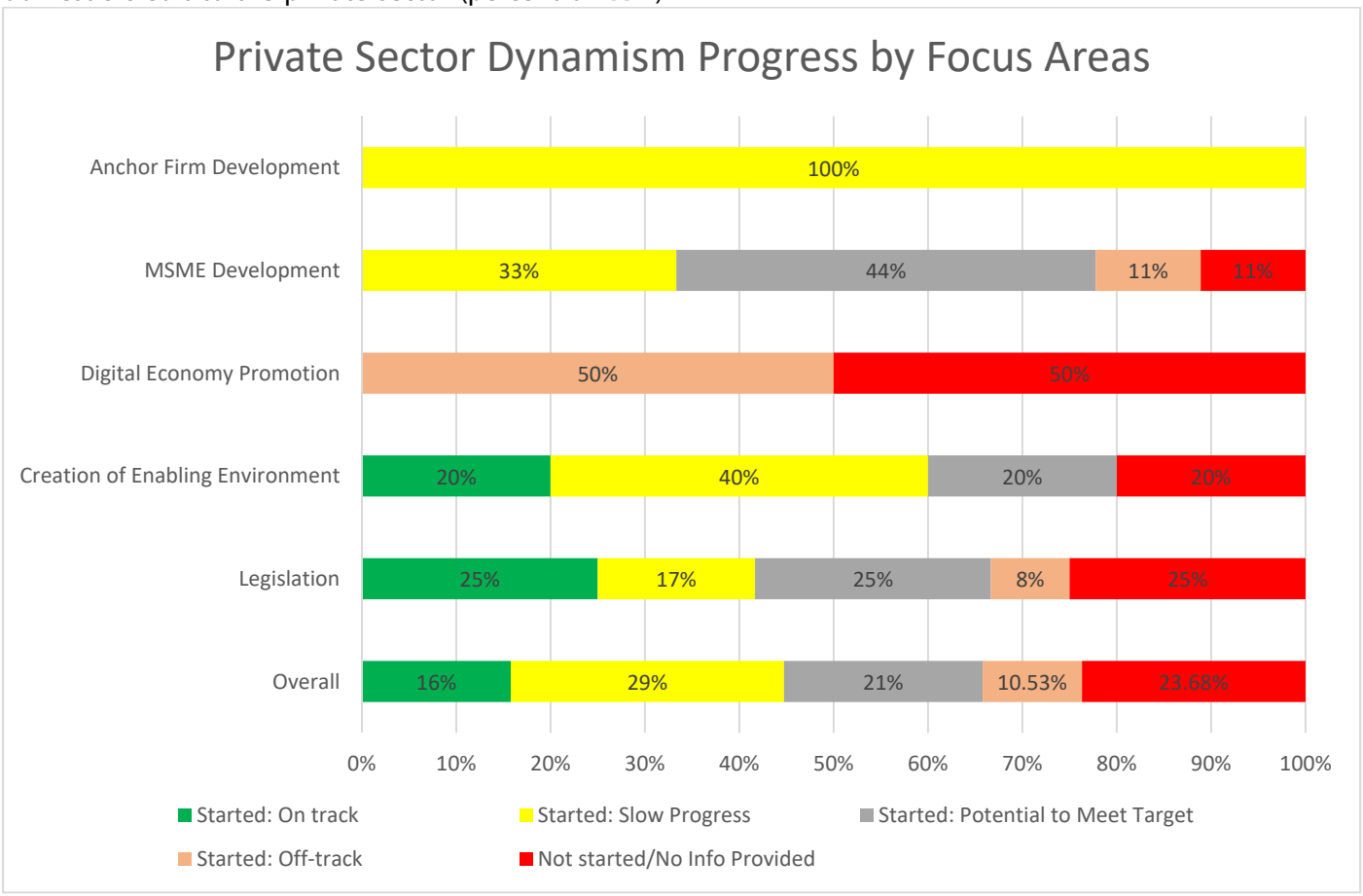


Figure 19: Enabler 4 Implementation Progress by Focus Areas

Progress on Focus Area and Interventions

Priority Area E4.1: Legislation and Institutional Capacity Building

Various laws and policies are being reviewed or developed to create an enabling environment for the promotion of commercial agriculture, mining, tourism, and manufacturing sectors. Some of the laws and policies which are being reviewed and are at different stages include:

- *The enactment of the seed and fertiliser bills into law*;
- *The enactment and gazetting of the Special Economic Zones Bill.* A proposed bill currently in it's final stage of development pending submission to cabinet for approval
- *The National Import Substitution Strategy (NISS)* has been conceptualised. Meanwhile, the Best Buy Malawi Strategy II is filling-in for NISS; and
- *The Cooperative Development Policy* final draft is, after being reviewed by OPC, at the final stages of revision for onward submission to the cabinet for approval.

Priority Area E4.2: Creation of Enabling Business Environment

According to the 2020 World Bank annual rating, Malawi scored 60.9 in "ease of doing business". The plan is to improve the score to at least 65 by 2030. A stable macroeconomic environment is a prerequisite condition for creating a vibrant private sector. In 2021/22 the economy was relatively stable for most part of the year, with signs of instability becoming visible in the last three months of the Financial Year.

Key macroeconomic indicators were as follows:

- *Inflation:* Inflation has increased to 26.7 percent in October 2022, up from 9.8 percent in October 2021. Consequently, in 2022, annual average inflation was projected to rise to around 21.5 percent from 9.3 percent registered in 2021. The annual inflation rate was projected to rise from 9.3 percent in 2021 to 21.5 percent in 2022 against the target of below 10 percent. This increase was attributed to the COVID-19 pandemic, natural disasters and the Russia-Ukraine conflict which disrupted supply chains. Looking ahead to 2022, inflation was projected to continue with the continuation of the Russia–-Ukraine conflict as the major driver.
- *Policy rate:* In 2022, the RBM adjusted the policy rate twice from 12 percent to 14 percent then to 18 percent. In the long term, the country aims to reduce the policy rate to 8 percent by 2030. The tight monetary policy is a response to rising inflation.
- *Exchange rate:* Following the 25 percent depreciation in May 2022, the exchange rate in 2022 rose to K1,026 from K749.53. The Government is implementing a flexible exchange rate regime. The policy directions ensure the alignment of the exchange rate, and that it continues to be market-determined while alleviating excess exchange rate volatilities.
- *Import cover:* Import cover was reported to be on a downward spiral. The gross official reserves fell to $357.18 million, which is an equivalent of 1.43 months of import cover in September 2022 from $521.87 million, an equivalent of 2.09 months of import cover in August 2021. This is lower than the targeted 3 months of import cover for 2022.
- *Domestic Credit to Private Sector:* Domestic credit to the private sector slumped by 0.5 percentage points from 7.2 percent in 2021 to 6.7 percent in 2022. If the situation does not improve, it will adversely affect the growth of the private sector.

Managing monetary policy to stabilise interest rate, exchange rate and inflation that beats regional average

The RBM continues to enforce the use of the reference rate as the base lending rate for commercial banks. This is a transparent way of setting the lending rates in Malawi and helps to avoid arbitrary interest rate adjustments by commercial banks**.**

The RBM issued a foreign exchange Surrender Requirement Directive which requires all exporters to

remit 30 percent of their foreign exchange proceeds to the RBM. In May 2022, the RBM adjusted the Kwacha exchange rate by 25 percent to align the currency with macroeconomic fundamentals. This was done to boost foreign exchange availability and reduce pressure on the depreciation of the kwacha. The Bank also conducted foreign exchange market stakeholder interface meetings aimed at explaining the foreign exchange situation in the country to improve market confidence.

The RBM raised the Policy rate by 200 basis points to 14.0 percent from 12.0 percent. This was in response to mounting inflationary pressures following the persistence of the pandemic-induced supply-demand imbalances, supply-chain disruptions, and rising global energy and food prices, which have been compounded by the Russia-Ukraine conflict. The RBM has enhanced its monetary policy communication strategy to anchor inflation expectations.

Priority Area E4.3: MSME Development

MSME development is key to ensuring the full participation of Malawians in various industries and the creation of a robust middle class. To develop a vibrant MSME, the MIP-1 aims to create a structured and resourced MSME sector; improve access to finance for businesses and entrepreneurship; and improve the quality of products from Malawi.

In the period of reporting, domestic credit to the private sector as a percentage of GDP shrunk from 10.5 percent in 2020 to 7.2 percent in 2022. The decline is mainly attributed to the economic slowdown due to COVID-19.

Establishing and sustaining a Public-Private Dialogue Forum for SMEs and Cooperatives

The Ministry of Trade and Industry has developed the Terms of Reference (ToRs) for the Forum to make it operational in the first quarter of 2023.

Establish an MSME regulatory board

The Ministry of Trade and Industry, in collaboration with the Ministry of Justice, facilitated the drafting of the MSME Bill through which the regulatory board will be operationalised.

Implementation of the MSME Policy

The Ministry of Trade and Industry is implementing various projects in line with proposed policy priority areas. One key project is the Financial Inclusion and Entrepreneurship Project aimed at increasing MSME access to finance/credit for business growth. The Ministry has also developed the Business Incubation Strategy as per the MSME policy proposal and the strategy is currently being implemented.

Establishment of one-stop shop for MSMEs

The One-stop Service Centre is operational at the Malawi Investment and Trade Centre (MITC) with a focus on investment. There are plans to introduce trade support services in the One-stop Service Centre. A concept paper was developed proposing the introduction of the following services in the One-stop Service Centre:

- issuing export licenses;
- issuing export permits;
- registering exporters; and
- exporter aftercare.

Trademark East Africa has been supporting the MITC with the digitalisation and automation of systems and processes for trade through a single-window information system portal that will assist exporters. To-date, procurement of equipment have been done. However, the remaining stages include development of systems' specifications and analysis of inception report.

Automation of licenses and permit systems to allow interoperability among designating authorities

Ministry of Trade and Industry, with support from the United Nations Development Programme (UNDP), has developed the Malawi Electronic Trade Licensing aimed at easing application processing of and different licenses issued by the Ministry.

Scaling-up the Best Buy Malawi Strategy (BMS) campaign

The Government has strengthened the BMS with the MSME Order that compels public institutions to plan and implement procurements that accommodate local goods and services.

Establishing an export training programme to help build the export readiness of entrepreneurs and enterprises

The Ministry of Trade and Industry, through MITC, is implementing an export training programme which provides entrepreneurship training to youths, women and persons with disabilities.

Interventions that are yet to commence or progressing slow progress include:

- Setting up sector-specific Design and Innovation Centres (jewellery, fashion, wood, leather, etc.);
- Restructuring and recapitalising financing instruments for business finance for youth, women and persons with disabilities;
- Establishing special purpose vehicles for major partnership projects with the private sector;
- Developing community banks; and
- Enforcing legislation that makes it compulsory for foreign investors to partner with local investors in every venture with a set minimum.

Priority Area E4.4: Digital Economy Promotion

Progress on this priority area is reported under Enabler 6 on ICT development.

Priority Area E4.5: Anchor Firm Development

Establishing the Development Catalysing Entity as a trailblazer parastatal to set up anchor firms in alliance with the private sector

So far, legal processes for its establishment are in progress.

Providing tax incentives to firms (both local and foreign) investing in priority sectors of the economy as guided by the MW2063

The Ministry of Finance and Economic Affairs and Malawi Revenue Authority is running sensitisation campaigns across the country on available fiscal incentives to potential and existing entrepreneurs, especially the youth, while identifying new tax incentives to be introduced to promote the growth of various industries while maintaining optimal tax yield.

Some interventions as stipulated in MIP-1 are yet to commence such as the facilitation of investment in the manufacturing of steel products, including scrap metal, and development of the pharmaceutical sector, especially for products that are currently being imported.



One border post to facilitate trade, Mwami-Border

Detailed Table of Implementation Progress on Interventions under Enabler

MIP-1 interventions	Period	Progress/ status	Rating	Remarks	Responsible Institution
Legislation and Institutional Capacity Building					
Facilitate the enactment and gazetting of the Special Economic Zones Bill	2022-2025	A proposed Special Economic Zones Bill is at the Ministry of Justice in final stages of development for submission to Cabinet for approval before tabling in Parliament in 2023	Started: Off-track		Ministry of Trade and Industry
Facilitate the enactment of the MSME Bill and develop regulations	2022-2024	The Ministry of Trade and Industry, in collaboration with Ministry of Justice, facilitated the drafting of the MSME Bill which is yet to be enacted. The Regulations will follow once the Bill has been enacted	Started: On-track	Prioritise in the 2023/24 Financial Year so it remains on track	Ministry of Trade and Industry
Develop the Business Incubation Strategy	2022-2024	As part of the MSME Policy, the Ministry has also developed the Business Incubation Strategy as per the policy proposal and the strategy is currently being implemented	Started: On-track		Ministry of Trade and Industry
Develop the legislative framework for the establishment of innovative SMEs and community banks	2021-2023	No progress recorded	Not Started	Prioritise in the 2023/24 Financial Year	Ministry of Finance and Economic Affairs
Review the Reserve Bank of Malawi Act to promote Government borrowing for investment	2021-2023	No progress recorded	Not Started	Prioritised in the 2023/24 Financial Year	Ministry of Finance and Economic Affairs
Develop and implement a Cooperative Development Policy	2021-2030	The draft policy was developed and reviewed by OPC	Started: Potential to Meet Target		Ministry of Trade and Industry
Develop the National Import Substitution Strategy (NISS)	2021-2030	The Ministry has already developed the Concept Note for the National Import Substitution Strategy. The Strategy is meanwhile being complemented by the Buy Malawi Strategy II	Started: Potential to Meet Target		Ministry of Trade and Industry
Review of the National Trade Policy	2022-2024	Procurement of the consultant is at an advanced stage	Started: On-track	Ensure committed resources for the process in the 2023/24 Financial Year	Ministry of Trade and Industry
Review of the Cooperative Societies Act and Regulations	2022-2024	The review is awaiting approval of the Cooperative Development Policy. However, the recruitment process for a consultant is underway	Started: Slow Progress		Ministry of Trade and Industry
Review supportive instruments such as the PPPs Act, sovereign guarantees and introduction of special development funds to empower private sector investors and quickly mobilise more private financing towards economic infrastructure	2021-2023	Progress commenced with review of the PPP Act being completed. This is expected to allow the inclusion of unsolicited bids	Started: Slow Progress		Ministry of Finance and Economic Affairs
Build the institutional, technical and human resource capacity in the institutions that will be coordinating the private investment promotion	2021-2030	MITC have done functional reviews and its currently under implementation. MITC Act is being reviewed to establish the One-stop Service Centre. In addition, Ministry of Trade and	Started: Potential to Meet Target		OPC

MIP-1 interventions	Period	Progress/ status	Rating	Remarks	Responsible Institution
(with adherence to minimum requirements)		Industry is recruiting more staff to focus on investment			
Develop and implement Strategic Plans for the Ministry(ies) coordinating this Enabler	2021-2030	No progress reported	No Info Provided	Prioritise in the 2023/24 Financial Year	Ministry of Trade and Industry
Creation of Enabling Business Environment					
Manage monetary policy to stabilise interest rates, exchange rate and inflation that beats regional averages	2021-2030	***On interest rates:*** the RBM continues to enforce the use of the reference rate as the base lending rate for the commercial banks. This is a transparent way of setting the lending rates in Malawi and helps to avoid arbitrary interest rate adjustments by commercial banks ***On exchange rate:*** the RBM issued a foreign exchange Surrender Requirement Directive which requires all exporters to remit 30% of their foreign exchange proceeds to the RBM. Adjusted the Kwacha exchange rate by 25 percent in order to align the currency with macroeconomic fundamentals	Started: Slow Progress	The overall expected impact of the policy rate adjustments has continued to be subdued by global economic crisis as a result of COVID-19 and Russia-Ukraine conflict	Ministry of Finance
Empower the Monetary Policy Committee to manage liquidity and cash flow projections beyond managing inflation towards supporting the long-term development aspirations of the country	2022-2025	No progress reported	No Info Provided		Ministry of Finance and Economic Affairs
Promote interbank trading to smoothen monetary policy operations and Government debt management practices	2021-2023	The central bank and treasury continue to provide strategic and policy direction, but efforts at interbank forex sales remains undeveloped	Started: Slow Progress	.	Ministry of Finance and Economic Affairs
Provide fiscal and monetary incentives for helping businesses to build back better from COVID- 19 effects	2021-2023	Provided moratorium support on bank loans	Started: On-track		Ministry of Finance and Economic Affairs
Determine and invest in the minimum infrastructure needs in energy, transport and ICT	2021-2030	The economic infrastructure needs are known. Commenced investing in trunk roads, railways, power plants and connectivity projects as evidenced by the ongoing projects in the capital budget	Started: Potential to Meet Target		Ministry of Finance and Economic Affairs
Digital Economy Promotion					
Establish a carrier neutral Internet Exchange Point (IXP)	2021-2025	No progress reported	No Info Provided		Ministry of Information and Digitisation
Review the tax regimes governing the ICT sector to ensure regional competitiveness	2021-2022	Consultations with different stakeholders are on going	Started: Off-track		Ministry of Finance and Economic Affairs
Provide fiscal incentives that promote digital services through reduction in device costs	2021-2022	The Malawi Digital Economy Strategy is yet to be approved by cabinet	Started: Off-track	A clear incentive schedule to be	Ministry of Finance and Economic Affairs

MIP-1 interventions	Period	Progress/ status	Rating	Remarks	Responsible Institution
				developed by Treasury	
Develop and implement a community digital champion programme to deepen digital literacy and skills across Malawi	2021-2030	No progress reported	No Info Provided	Consider in the 2023/24 Financial Year	Ministry of Information and Digitisation
MSME Development					
Implement the MSME Policy	2021-2030	The Ministry of Trade and Industry is implementing various projects in line with proposed policy priority areas. One key project is the Financial Inclusion and Entrepreneurship Project aimed at increasing MSME's access to finance/credit for business growth	Started: Potential to Meet Target		Ministry of Trade and Industry
Establish and sustain a Public-Private Dialogue Forum for SMEs and Cooperatives	2021-2030	The Ministry has developed ToRs for the Forum. The Forum is expected to hold its first meeting in early 2023	Started: Potential to Meet Target		Ministry of Trade and Industry
Institute an MSME regulatory board	2022-2023	The regulatory board will be instituted through the yet to be enacted MSME Bill which is yet to be enacted	Not Started	Prioritise in the 2023/24 Financial year to get back on track	Ministry of Trade and Industry
Set up sector specific Design and Innovation Centres (jewellery, fashion, wood, leather, etc.)	2023-2026	On going	Started: Slow Progress	Consider in the 2023/24 Financial Year so it does not miss the set timelines	Ministry of Trade and Industry
Provide entrepreneurship training to youths, women and persons with disabilities	2021-2030	The Ministry, through the Small and Medium Enterprises Development Institute, is implementing entrepreneurship training programmes	Started: Potential to Meet Target		Ministry of Labour
Restructure and recapitalise financing instruments for business finance for youth, women and persons with disabilities	2021-2025	More resources are being provided through vehicles such as the NEEF	Started: Started On-track	Additional resources need to be considered in subsequent budgets	Ministry of Finance and Economic Affairs
Design and implement functional financial literacy among small-scale farmers/producers	2021-2030	Ongoing	Started: Potential to Meet Target		Ministry of Finance and Economic Affairs
Expedite automation of licenses and permit systems to allow interoperability among designating authorities	2022-2023	The Ministry of Trade and Industry, with support from UNDP, has developed the Malawi Electronic Trade Licensing System, aimed at easing application processes	Started: Slow Progress		Ministry of Trade and Industry
Establish special purpose vehicles to major partnerships projects with private sector	2022-2023	Not much new progress reported beyond what was brokered around the Mpatamanga Hydro Power Plant	Started: Off-track	Likely to miss the 2023 target hence to be prioritised in the 2023/24 Financial	Ministry of Finance and Economic Affairs

MIP-1 interventions	Period	Progress/ status	Rating	Remarks	Responsible Institution
				Year	
Develop community banks	2022-2030	No progress recorded	Not Started		Ministry of Finance and Economic Affairs
Establish an export training programme to help build the export readiness of the entrepreneurs and the enterprises	2023-2025	The Ministry of Trade and Industry, through MITC, is implementing an export training programme	Started: Slow Progress	Consider scaling-up in the 2023/24 Financial Year	Ministry of Trade and Industry
Enforce legislation that makes it compulsory for foreign investors to partner with local investors in each and every venture with a set minimum	2021-2030	No progress reported	No Info Provided		Ministry of Trade and Industry
Anchor Firms Development					
Establish the Development Catalysing Entity as a trailblazer parastatal to set up anchor firms in alliance with the private sector	2021-2024	The taskforce to establish the entity was formed and processes to establish are under way	Started: Slow Progress	Prioritise and expedite process in the 2023/24 Financial Year	Ministry of Finance and Economic Affairs
Provide tax incentives to firms (both local and foreign) investing in priority sectors of the economy as guided by the MW2063	2022-2030	Incentives largely exist. The Ministry of Finance and Economic Affairs, NPC and MRA are running sensitisation campaigns across the country on the available fiscal incentives to potential and existing entrepreneurs, especially the youth, while identifying new tax incentives to be introduced to promote the growth of various industries while maintaining optimal tax yield	Started: Slow Progress	Consider in the 2023/24 Financial Year	Ministry of Finance and Economic Affairs
Promote strategic value chains as identified under the existing NES	2021-2030	Currently, the Ministry of Trade and Industry is developing proposals in three flagship projects for cotton, mining and fisheries	Started: Slow Progress		Ministry of Trade and Industry
Facilitate investment in the manufacturing of steel products, including from scrap metal	2022-2030	A few private sector players are producing steel from scrap metals. So far, the manufacturing is limited to deformed bars and square tubes	Started: Slow Progress		Ministry of Trade and Industry
Develop the pharmaceutical sector, especially for products that are currently being imported	2022-2030	An MoU was developed and is currently being reviewed under the Buy Malawi Strategy with pharmaceutical companies so that Government should be purchasing specific drugs form these local companies	Started: Slow Progress		Ministry of Trade and Industry
		Started: On-track	15.79%		
		Started: Slow Progress	28.95%		
		Started: Potential to Meet Target	21.05%		
		Started: Off-track	10.53%		
		Not started/No Info Provided	23.68%		

Enabler 5: Human Capital Development

The thrust of any economy is in its eople. Human capital is the conductor of an orchestra directing how other resources are put into productive use to attain desired outcomes. Developing human capital in Malawi is about empowering people with the essential and relevant skills that will enable them to pursue their developmental paths for meaningful opportunities to be self-reliant and contribute effectively to national development.

However, Malawi is still grappling with the development of human capacity, challenged by many factors, including poor nutrition which affects cognitive development; poor health and sanitation services, especially at the local community level; poor access to quality education at the early childhood, primary, secondary, and tertiary level; and skills mismatch.

Under the Human Capital Development Enabler, 82 percent of interventions have commenced implementation. Out of the 72 percent under implementation, 22 percent are on-track with Managing Population having the most interventions on- track. The Sports and Creative Arts Focus area has most of the interventions yet to commence. The implementation progress of Enabler 5 focus Areas is summarised in *Figure 20*, below.

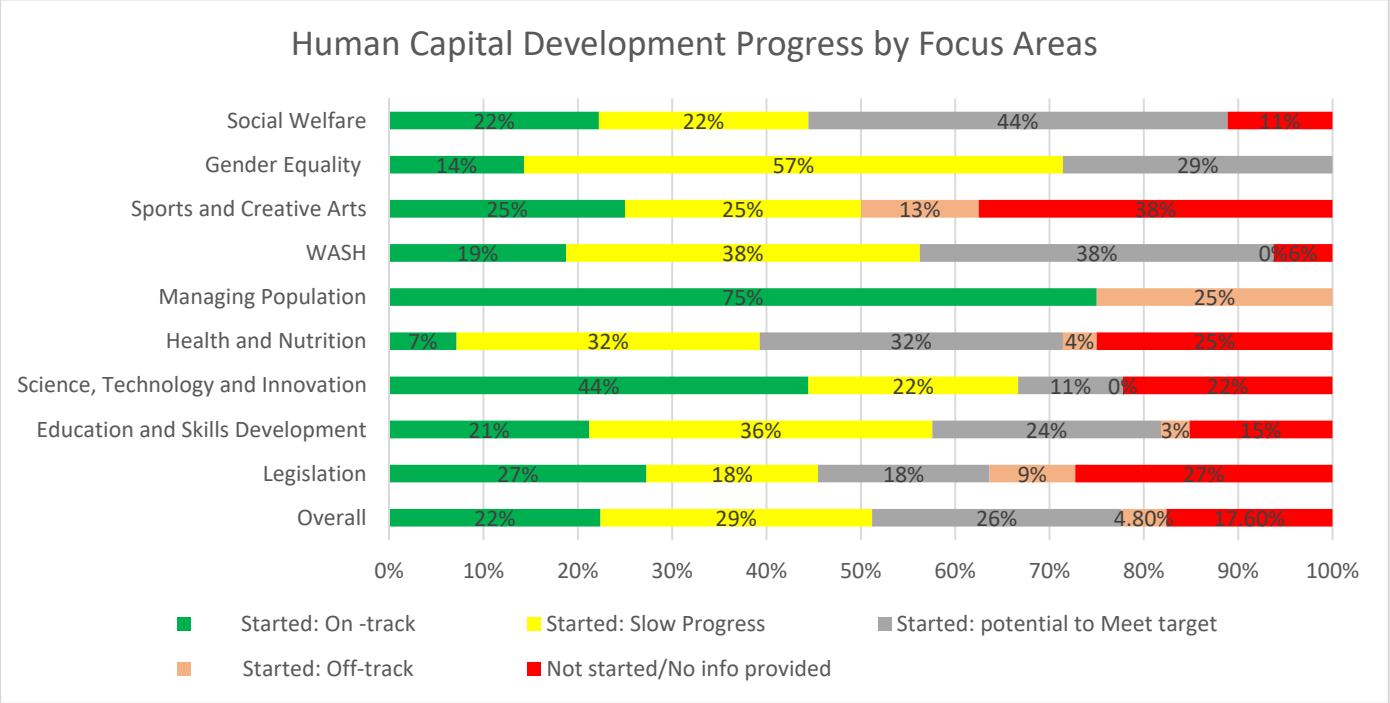


Figure 20: Enabler 5 Implementation Progress by Focus Areas

Progress on Focus Area and Interventions

Priority Area E5.1: Legislation and Institutional Capacity Building

Developing the National Science, Technology and Innovations (STI) Policy

A core team and a task force to lead the process of developing the Policy has been instituted.

Review school curriculum to include integrity, ethics and positive values

The Ministry of Education, Science and Technology, Malawi Institute of Education, and Ministry of National Unity have engaged stakeholders to conduct a curriculum audit.

Review 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 and 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 Audit being supported under the Skills for a Vibrant Economy Project will highlight further areas to inform curriculum development.

Re-design education curriculum to incorporate the requisite skills needed for the fourth industrial revolution

The curriculum review process has got ten stages, and, in the period of reporting, the Ministry of Education, Science and Technology conducted review initiation, sensitisation of stakeholders, needs assessment and framing of the curriculum itself.

Develop curriculum for primary and secondary schools to educate and engage students in environmental awareness and sustainability activities

The National Climate Change Learning Strategy (NCCLS) was updated to address knowledge gaps that are key for formulating informed policies and climate change interventions. The NCCLS is one of the tools for mainstreaming climate change learning through three main pillars, namely:

- individual learning and skills development;
- institutional capacity building; and
- resource mobilisation.

Review primary, secondary and teacher education curricula to incorporate technical, innovation, creative and critical thinking, entrepreneurship, and civics education aspects

The review process has started with a needs assessment; and the issues identified will be incorporated in due course.

Priority Area E5.2: Education Skills and Development

At the core of developing productive human capital is ensuring equitable access to quality education. Most indicators of access to education have improved since 2020, including:

- Participation rate in organised learning has improved from 36.5 percent in 2020 to 42 percent in 2021/22 year;
- Secondary school net enrolment rate has improved to 16.6 percent, though primary school has stagnated at 88 percent. The transition rate to secondary school has improved from 38.9 percent in 2020 to 42.5 percent in the period of reporting;
- Gender parity in both primary and secondary school remains high at 1.04 and 0.96, respectively; and
- The enrolment capacity of tertiary education has more than doubled from about 31,000 to 69,051.

Quality education has marginally improved in the period of reporting as measured by the following quality indicators:

- The primary school completion rate improved from 50 percent in 2020 to 56 percent in 2022;
- The secondary school completion rate dropped from 19.8 percent in 2020 to 19.4 percent in 2022; and
- Pupil qualified Teacher Ratio has remained constant at 62:1 between 2021 and 2022 for primary school, while for secondary school has improved from 38:1 in 2021 to 32:1 in 2022.

Provide adequate and relevant teaching and learning materials (textbooks, teacher's guides, lab equipment, desks, etc.), including special needs teaching and learning materials for all primary, secondary and tertiary schools

Procurement of 25,000 desks done for primary schools, with support from UNICEF. In the pipeline (with already secured financing from USAID and UNICEF) is the procurement of 400,000 textbooks (English, Mathematics and Chichewa) for senior primary schools; procurement of 9,120 single-seater desks and chairs for schools to be constructed through the Secondary Education Expansion for Development (SEED) Project; procurement of 400 computers and 5,000 mattresses for secondary schools; and repairing of 3,750 students' desks through ORT allocated for teaching and learning materials under the Ministry of Education, Science and Technology.

Construction of new primary schools; new classrooms in existing primary schools; new secondary schools; and laboratories in secondary schools and primary schools

Construction of 14 urban primary schools has commenced. Out of the 14 new schools that are being constructed, progress has been reported at different levels. The Government constructed 160 new permanent classrooms. In summary, the total number of permanent classrooms completed in the 2021/22 Financial Year through various interventions is 851. This means that an additional learning space of a minimum of 51,060 learners has been created.

Construction of 38 secondary schools is in progress and at different levels. The completion progress is as follows:

- 28 sites between 50 percent and 95.9 percent;
- 6 sites between 20 percent and 50 percent; and
- 4 sites between 7 percent and 20 percent.

Developing and implementing the National Open Distance and e-Learning (ODeL) Transformation Strategy to promote online and distance learning

The Ministry of Education, Science and Technology has drafted the ODeL Policy to guide the development of ODeL. The Policy is currently undergoing final review.

National Open Secondary School Digitalisation Strategy

The development of the Strategy is underway. The consultation tools have been developed in readiness for actual data collection.

Supporting marginalised students across all levels of education

The Ministry of Education, Science and Technology has drafted Policy Guidelines for supporting vulnerable children, including girls. The Guidelines are being reviewed by the Secondary Technical Working Group.

Equipping every secondary school with functioning ICT centres to facilitate the development of a science, technology and innovation-driven education system

The Ministry of Education, Science and Technology is procuring 450 desktop computers out of the planned 625 for students. The number of computers to be bought has been reduced due to the pressing need for mattresses in 2 secondary schools and price fluctuation. While 241 secondary schools have functional computer laboratories, most do not have the recommended number of computers. Lack of electricity in most schools continue to be a challenge in terms of usage and accessibility of ICT. Currently, a few secondary schools have internet connection and service providers are not willing to invest in extending their services to remote places without adequate potential customers.

Provide open access to digital content and support for teachers and students

The Learning Management System was finalised and is operational. The training of all ICT personnel to support the System in all public Teacher Training Colleges (TTCs) has been completed. All 414 TTC lecturers have been trained on how to use the digital library.

Install free broadband internet service in public universities and other selected public spaces

All the public universities have been installed with Free broadband internet service has been installed in all public univesities. Through the Malawi Research and Education Network (MAREN), and with funding from the World Bank under the Malawi Digital Project, all public universities, including Nalikule and Domasi College of Education, have an internet connection. In addition, the UNIMA and MUBAS now have Education Roaming[4] activated through MAREN. 5 private universities have also been connected, namely: UNICAF, Malawi Adventist University (MAU), University of Livingstonia (UNILIA), Catholic University of Malawi(CUNIMA) and University of Blantyre Synod.

Develop digital libraries to increase access to teaching and learning materials at all levels of education

- Digital Library has been developed and is accessible in all TTCs.
- Digital Terrain Elevation Data (DTED), with support from Gesellschaft für Internationale Zusammenarbeit (GIZ), is developing a Digital Library for all public TTCs and implementation is scheduled to start with the training of lecturers and librarians in all public TTC.

Building decent housing for teachers in secondary and primary schools

The Ministry of Education, Science and Technology is constructing 207 semi-detached and 414 stand-alone houses for primary school teachers. The construction is at different progress levels.

Upgrade and construct well-equipped and staffed technical and vocational skills centres in each district

6 Community Technical Colleges are under construction; and 4 are at the stage of being handed over to the Government, namely: Machinga, Nkhotakota and Nsoni in Chiradzulu. Currently, the Ministry of Education, Science and Technology is in the process of procuring training tools and equipment.

Construct at least one Technical, Entrepreneurship, Vocational, Education and Training (TEVET) teacher training institution

The Ministry of Labour, through the Zantchito project, commenced the feasibility study for the construction of the TEVET teacher training institutions.

However, the Ministry of Labour is still awaiting allocation of additional land by the Ministry of Lands to construct the college.

[4] EDUROAM is an international secure world-wide roaming access developed for the international research and education community.

Expanding existing infrastructure in existing public universities to provide fit-for-purpose offices, more learning space and hostels

The Government has embarked on extensive infrastructure development in higher education institutions as follows:

(a) *TTCs*: namely Rumphi,Chikwawa and Mchinji are nearing completion and commissioning for operations;

(b) *Domasi College of Education*:

Construction of the library is at 56 percent completion rate, lecture rooms at 65 percent, laboratory at 75 percent, office block at 66 percent and a female hostel at 77 percent;

(c) *MUST*: Construction of lecture theatres and laboratories is in progress;

(d) MZUNI: Construction of a library and auditorium is at 50 percent completion;

(e) *LUANAR*: The administration block was completed and was officially opened on 6th May 2022; the teaching complex is at 95 percent completion rate; the ODEL Centre in area 47 is at 80 percent completion rate; and the teaching complex at Natural Resources College(NRC) is at a 3 percent completion rate;

(f) *Kamuzu University of Health Sciences (KUHes)*: The administration block construction is at a 10.8 percent completion rate. The skills laboratory work has not started due to procurement challenges;

(g) *UNIMA*: The administration block is at a 40 percent completion rate and work is progressing well. The School of Economics was completed and has since been handed over; and

(h) *MUBAS*: The administration block is at the technical evaluation level; Ndirande Hostel completion is at over 85 percent; and construction of Nyika Hostel is due for commencement.



New Library at Mzuni under construction

Training of teachers for special needs education
Montfort Special Needs College is providing training support to teachers for special needs education; and supporting student teachers at Machinga TTC in special needs education. However, the number of teachers trained in special needs education remains low, compared to the need for such teachers in both primary and secondary schools across the country.

Develop a national STI policy
A core team and task force have been put in place to define the roadmap and execution of the assignment.

Conduct research jointly with higher education (including postgraduates) and industry players aimed at catalysing private investment
The Directorate of Science and Technology Innovation (STI) in the Ministry of Education, Science and Technology is collaborating with the National Council of Science and Technology (NCST), which is the custodian of the research funds, on joint research work.

Conduct Action Research on teacher education (including postgraduates) with teachers and teachers' educators to develop best classroom practices aimed at the initialisation of Science, Technology, Engineering, Arts and Mathematics (STEM) education
The Ministry of Education, Science and Technology spearheaded the establishment of research committees in public and private TTCs; currently, all public TTCs have already developed proposals and action research is underway.

Train scientists, technologists, innovators and entrepreneurs
100 scientists, technologists, innovators and entrepreneurs have been trained. However, there is a need to reach out to research centres that are not in the mainstream, e.g., Chitedze and Mhub to gather their data.

Expand business, innovations and technological incubation centres (fabrication laboratories, maker spaces, innovation hubs, innovation garages and technology parks) in higher education institutions
Currently, 20 percent of the institutions have innovations and technological incubation centres.

Expand virtual science laboratories for STEM simulations and analytical sciences
Virtual Science Laboratories have been launched.

Establish Malawi Qualifications Authority (MAQA) to implement National Qualifications Framework
The draft Bill on the establishment of MAQA is with the Ministry of Justice for vetting and further processing.

Priority Area E5.3: Health and Nutrition

The overall objective is to provide universal health coverage which is of high quality, equitable and affordable to improve health status, financial risk protection and client satisfaction. The country made significant strides in reducing death rates from major diseases. HIV mortality reduced from 12,771 in 2020 to 7,229 in 2021; while Malaria and TB also registered a reduction from 12 to 11 per 1,000 people and from 68 to 37 per 100,000, respectively. The human capacity within the health sector has also improved with the nurse density increasing from 5.9 to 6.6 nurses per 10,000 people.

Conducting regular mobile pre-screening for Non-Communicable Diseases (NCDs) in all regions of the country
The Ministry of Health is currently conducting community screenings, starting with the Southern region, with funding from development partners. Other screenings are being conducted with NCD support groups in the communities and radio listening clubs. The screening aims at improving access to and availability of NCD services by all.

Intensifying awareness of the prevention of NCDs
The Ministry of Health is carrying out awareness campaigns through radio listening clubs, health education facilities, and health talks on local radio stations.

Capacitating all public health centres for early detection of NCDs
Healthcare providers are being trained and mentored in NCDs management by teams of NCDs mentors in the Ministry of Health.

Constructing health facilities: rehabilitate and upgrade all existing health facilities and ensure they are well equipped
The Ministry of Health is currently constructing health facilities in Karonga and Salima. These structures, once completed, will serve as NCD clinics in the districts.

Awareness of mental health education and services, especially among young people

The Ministry of Health aims to have improved Mental Health Services; and has, therefore, conducted awareness campaigns in hospitals through media, specifically targeting young people.

Counselling and psychosocial support, especially to young people with mental health issues and drug and substance abuse or addictions

Players in the health sector provided counselling and psychosocial support in all district health facilities; and provided community-based psychological first aid for young people with mental health issues.

Priority Area E5.4: Managing Population Growth

High fertility rates remain a challenge, averaging 4.4 births per woman in her lifetime. This is compounded by early marriages and teenage pregnancies, with 46 percent of young women married before the age of 18 years; and 29 percent aged 15-19 having begun childbearing, contributing to 25 percent of all pregnancies annually. The population is expected to rise to 30.3 million by 2035. To improve the status quo, the MIP-1 seeks to ensure increased female participation in wage employment; general female economic empowerment; and that the girl child remains in school. The MIP-1 aims to reduce the population growth rate of 2.69 percent in 2020 to 2.1 percent by 2030. To accelerate efforts towards a managed and quality population, Cabinet recently approved the revised National Population Policy.

Priority Area E5.5: Gender Equality

There were five indicators tracked in the period of reporting to assess the progress made under gender equality, namely: proportion of seats in Parliament and local governments held by women; proportion of managerial positions in public service held by women; gender-based violence prevalence; proportion of population covered by social protection (programmes targeting households); and proportion of social protection beneficiaries graduating/becoming self-reliant, as the rest had no data; – with the following results:

- The proportion of seats in Parliament and local governments held by women was reported at 17 percent and 11 percent, respectively. This is expected to remain like this since elections are periodically held every five years; thus, until 2025, it will be difficult to appreciate the impact of the efforts towards the attainment of 50 percent by 2030;
- The percentage of women in managerial positions in public service was reported at 26 percent against a baseline of 24 percent in 2020, thus exceeding the target. Nevertheless, the MIP-1 targets to attain a 40 percent proportion of women in managerial positions by 2030; and
- In terms of Gender Based Violence (GBV), in 2021, 12 percent of women reported reduction to experiencing GBV against a targeted 12 percent. More effort should be done to reduce the percentage to zero.

Some key interventions attributed to these achievements include:

- Increased women and youth representation and participation in decision-making positions through deliberate policies;
- Effective implementation of the Gender Policy;
- Enforcement of the relevant laws that protect the rights of women, girls, men and boys against all forms of violence and prohibit child marriage, including the Gender Equality Act; Marriage, Divorce and Family Relations Acts; and Prevention of Domestic Violence Act;
- Awareness campaigns to eradicate all harmful cultural practices;
- Mainstreaming of gender into national development programmes, policies and interventions, including empowerment programmes and entrepreneurship;
- A catalytic and transformative social cash transfer to the elderly, orphans and persons with disability;
- Access to catalytic business opportunities for less privileged groups, including access to finance; and
- Cvil protection committees on the effective delivery of social support programmes.

Overall, the performance of the Gender Equality Priority Area is indicating positive progression in almost all targets for the indicators measured in 2021. However, there is need for extra efforts for the gender-based violence indicator to reduce the incidences further.

Priority Area E5.6: Water, Sanitation, and Hygiene (WASH)

There were two indicators measured in 2021, with one related to sanitation and the other to water supply as follows:

- Under sanitation, the population practicing open defecation increased from 6.2 percent in the base year 2016 to 6.7 percent in 2022, against a reduced target of 5.5 percent. This is worrying as the MIP-1 aims at improving the health and well-being of people by 2030.

- In terms of the population using safe drinking water, the indicator missed the target as it recorded 88.3 percent against 90 percent. Nevertheless, this is a slight improvement from 87 percent in 2016. The MIP-1 aims at attaining 100 percent access to safely managed drinking water services by 2030.

Some key interventions attributable to this achievement within the defined catalytic interventions include:

Fully capacitate the Water Resources Board for its full regulatory function operationalisation

To operationalise the National Water Resources Authority, a Chief Executive Officer was recruited, and the processes are being supported by World Bank.

Develop and operationalise urban water supply and waste-water management Master Plan for all major cities and secondary cities

The Ministry of Water and Sanitation is developing a Water and Sanitation Investment Plan to guide investment priority areas. The Foreign, Commonwealth & Development Office, through Global Water Partnership, is providing support.

Incentivise private sector participation in the sanitation value chain, in urban and peri-urban areas

The Waste for Worth Programme is mobilising the community in urban and peri-urban areas to collect waste and produce composite manure. The Blantyre City Council engaged private companies to collect waste for the production of biogas that would be used to generate electricity for supply to the national grid.

Institute and enforce the mandatory installation and/or ownership of household latrines by homeowners and landlords in urban, peri-urban and rural areas

Under the Water and Sanitation Investment Programme (WSIP) two groups have been targeted. The first target group are households using septic tanks conected to the waterborne sewerline. The second target group are households using pit latrines.

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

The Ministry of Water and Sanitation is in the process of redefining the roles of water boards and city councils on the management of liquid and solid waste, respectively. Liquid waste management infrastructure has already been handed over to water boards.

Priority Area E5.7: Sports and Creative Arts

In 2021, the sports and creative arts sector did not implement most of the prioritised interventions in the MIP-1; hence there were only two indicators to measure progresson as follows:

- The proportion of sports disciplines with national competitions in the period of reporting was recorded at 0.37 percent against the baseline of 0.35 percent; and

- The number of national sports competitions for people with disabilities, 0.05 percent.

However, despite the slow performance of the sector in 2021, the Government is continuing with the implementation of different activities, notably the construction of stadia in Thyolo, Nsanje, Mzimba and Nkhotakota; and the construction of an aquatic stadium at the rehabilitated Kamuzu Institute for Youth and the Griffin Saenda National Indoor Sports Complex in Lilongwe, see Figure 21 and 22 below.



Figure 21: The Griffin Saenda National Indoor Sports Complex



Figure 22: The National Aquatic Complex ,Kamuzu Institute for Youth

Priority Area E5.8: Social Welfare

In ensuring that marginalised and vulnerable people are cushioned and provided with basic social needs, the following were some of the interventions undertaken in the period of reporting:

Capacitate the Civil Protection Committees in the effective delivery of social support programmes.
Oriented 28 Full District Councils on ACSPWP as a way of migrating from AIP.

Facilitate access to catalytic business opportunities for less privileged groups, including access to finance
The Ministry of Gender, Community Development and Social Welfare trained 14 District Councils and 100 staff in Savings and Loans Group (SLG) approaches, including the formation of SLG District Coordination Networks in 14 Councils.

Detailed Table of Implementation Progress on Interventions under Enabler 5

MIP-1 Interventions	Period	Progress/ status	Rating	Remarks	Responsible Institution
Legislation and Institutional Capacity Building					
Legislate for a mandatory early-child, primary and secondary education	2021-2023	The legslation for mandatory primary education is in place; the Ministry of Education and Ministry of Justice are working on guidelines. However, the legislations of secondary and ECD is yet to be developed	Started: Off-track		Ministry of Gender, Community Development and Social Welfare and Ministry of Education
Revise school curricula to include ethics, integrity and positive values	2022-2024	The Ministry of Education, Malawi Institute of Education and Ministry of National Unity have currently engaged stakeholders to conduct a curriculum audit that includes these national values	Started: On-track	To prioritise in the 2023/24 Fiscal Year	Ministry of Education
Review the non-formal education curriculum (Functional Literacy)	2021-2030	No progress reported	No Info Provided	To prioritise in the 2023/24 Fiscal Year	Ministry of Education
Establish a national population coordinating institution	2023-2025	Coordinating institutions defined in the revised National Population Policy that is before Cabinet for approval	Started: On-track		OPC
Develop and implement social protection policies and programmes that respond to specific risks faced throughout the life cycle	2021-2025	Climate-smart public works complemented by existing social cash transfers being sustained and linked to productivity of the recipients	Started: Potential to Meet Target		Ministry of Gender, Community Development and Social Welfare
Strengthen child policies and legal frameworks that provide an enabling environment that enable children to grow into full potential	2021-2025	No progress reported	No Info Provided	To prioritise in the 2023/24 Fiscal Year	Ministry of Gender, Community Development and Social Welfare
Build the institutional, technical and human resource capacity in the institutions that will be coordinating the human capital development (with adherence to minimum requirements)	2021-2030	In progress	Started: Slow progress		OPC & Ministry of Finance
Develop and implement Strategic Plans for the Ministry(ies) coordinating this Enabler	2021-2030	Efforts commenced with Ministry of Health finalising a 10-year health sector strategy that will govern their operations in the health sector.	Started: Potential to Meet Target	To prioritise in the 2023/24 Fiscal Year	OPC
Fully capacitate the Water Resources Board for its full regulatory function operationalisation.	2021-2025	To operationalise the National Water Resources Authority, a Chief Executive Officer was recruited, and the processes are being supported by World Bank.	Started: On-track		OPC
Finalise the review of the Public Health Act and enforce upon enactment.	2022-2025	The Special Law Commission on the Review of the Public Health Act concluded the review process	Started: On-track		Ministry of Health
Develop national STI policy.	2021-2024	A core team and a task force to lead the process of developing the policy has been instituted	Started: Slow progress		Ministry of Education
Education and Skills Development					
a) **Early Childhood Development**					

MIP-1 interventions	Period	Progress/ status	Rating	Remarks	Responsible Institution
Construct standardised gender and disability friendly ECD structures	2021-2030	10 ECD centres upgraded. 110 ECD centres equipped with learning and playing materials	Started: Potential to Meet Target		Ministry of Gender
Design and implement a mentorship and training programme for ECD instructors	2021-2030	Trained 2,000 mentors in Early Learning Kiosk with an objective to equip them with skills and knowledge in school readiness. Distributed 2,000 tablets, solar panels and batteries to mentors	Started: Potential to Meet Target	On-going	Ministry of Gender, Community Development and Social Welfare
Formalise employment of ECD instructors	2022-2024	Finalised identification of 2,000 mentors to be introduced on payroll for payment of honoraria	Started: Slow progress	On-going	Ministry of Gender, Community Development and Social Welfare
Reform the education system so that all primary schools should have early childhood development services	2021-2025	This has started and being implemented by Ministry of Gender, Children, Disability and Social Welfare under the World Bank-Funded Investing in Early Years Project	Started: Slow progress	There is need for close collaboration between Ministries of Education, and Gender	Ministry of Gender, Community Development and Social Welfare
b) **Primary, Secondary and Tertiary Education**					
Construct new primary schools; new classrooms in existing primary schools; new secondary schools; and laboratories in secondary schools and in primary schools	2021-2030	Construction of 5 full primary schools in urban centres Complited. Construction of 1,500 new classrooms in existing primary schools (MERP) and construction of 38 new secondary schools (SEED) at differnt levels of construction including: 1 school (Bwemba) which has already been completed and is operational; 4 schools (Ngona, Chizingwe, Kaliyeka, Ching'ombe) in Lilongwe at 80%, 60%, 42% and 68% respectively	Started: Potential to Meet Target	Constructions works to be finalised by the end of this Financial Year.	Ministry of Education
Develop and implement the National ODeL Transformation Strategy to promote online and distance learning	2021-2023	Incorporation of OPC comments done, awaiting re-submission of refined policy to OPC	Started: Slow progress		Ministry of Education
Establish an online education big data centre to support online education expansion	2021-2022	No progress reported	No Info Provided		Ministry of Education
Develop the National Open Secondary School Digitalisation Strategy	2021-2023	The delvelopment of the National Open Secondary School strategy is under way and falls under the National ODeL policy. The strategy is at consultation stage.	Started: Slow progress		Ministry of Education
Support marginalised students across all levels of education	2021-2030	120,000 vulnerable primary school learners supported through the Primary School Improvement Grant (at least 20 learners per school); and 25,993 vulnerable learners at secondary school supported (Government - 14,449, UNICEF (Kind)-6974, UNICEF (Spotlight Initiative) - 584, Campaign for Female Education - 3529, Equity with Quality and Learning at Secondary Project - 221 and Press Trust	Started: On-track		Ministry of Education
Expand virtual science laboratories for STEM simulations and analytical sciences	2021-2030	(Merit) - 236) Virtual Science Laboratories launched	Started: On-track		Ministry of Education
Equip every secondary school with functioning	2021-2030	Procurement of 450 students' desktops underway	Started:	Procurement	Ministry of Education &

MIP-1 interventions	Period	Progress/ status	Rating	Remarks	Responsible Institution
ICT centres to facilitate the development of a science and technology and innovation driven education system			Potential to Meet Target	underway.	Ministry of Information and Digitisation
Install free broadband Internet Service to public universities and other selected public spaces.	2021-2023	Through MAREN, with a loan from the World Bank under the Malawi Digital Project, all public universities, including Nalikule and Domasi college of education have Internet connection and four of these have free wi-fi	Started: On-track		Ministry of Information and Digitisation & Ministry of Education
Build decent housing for teachers in secondary and primary schools	2021-2030	414 houses for primary school teachers built with support from the Department of Disaster Management Affairs (DoDMA). 76 teachers' houses for secondary school teachers built through SEED Project	Started: Potential to Meet Target		Ministry of Education & Ministry of Local Government
Build Special Needs Learning Centres in every council	2023-2030	No progress reported	No Info Provided	The project will commence in 2023	Ministry of Education
Expand existing infrastructure in existing public universities to provide fit-for-purpose offices, more learning space and hostels.	2021-2025	Three TTCs are nearing completion and commissioning for operations.	Started: Potential to Meet Target		Ministry of Education
		For Domasi College of Education, construction work (Library, lecture theatre, laboratory, offices, female hostel) is at 72% completion			
		For MUST: Construction works will start any time. Strides made so far:			
		1. All approvals have been done			
		2. Contract has been signed			
		3. Site has been handed over			
		4. Contractor has mobilised			
		5. Advance payment paid to the contractor			
		6. Excavation works are in progress			
		For MZUNI: Construction works are at 25.5 % completion;			
		For LUANAR:			
		1. The administration block was completed (100%) and was officially opened on 6th May 2022 by the State President Other works in progress include teaching complex, ODEL Centre, teaching complex at NRC			
		For KUHeS:			
		1. The administration block construction is at 10.8 % completion rate			
		For UNIMA:			
		The administration block is at 40% completion rate and work is progressing well, while the School of Economics was completed and has since been handed over.			
		For MUBAS:			
		Administration Block: Government made available K 800 million for the project in the 2022/23 budget. The			

MIP-1 interventions	Period	Progress/ status	Rating	Remarks	Responsible Institution
		Administration Block is at technical evaluation level. 2. Ndirande Hostel: Completion is at over 85%.			
Train a critical mass of teachers for special needs education	2022-2025	Montfort Special Needs College is providing training support, and some students are studying TTC via the support and mentorship of Montfort Special needs college No progress reported	Started: Slow progress		Ministry of Education
Construct a special needs education institute	2023-2027		Not Started	The intervention will start in 2023	Ministry of Education
Establish Community Learning Centres for adult skills development and lifelong learning opportunities	2021-2026	In 2022, the TEVET system had 23 Community Skills Development Centres and 17 Community Technical Colleges. In a bid to improve equitable access to TEVET programmes, all the structures used for learning were continuously rehabilitated and refurbished to maintain the minimum infrastructure standards.	Started: Slow progress		Ministry of Education
Provide non-formal/functional education facilities that facilitate inclusive quality of teaching and learning including youth with disabilities	2021-2030	Ongoing with (MUST) playing a key role in identifying youths that may not have had much formal education but with talents and skills that can be nurtured	Started: Slow progress		Ministry of Education
Establish an inclusive non-formal education programme	2021-2030	Ongoing with the Malawi University of Science and Technology (MUST) playing a key role in identifying youths that may not have had much formal education but with talents and skills that can be nurtured	Started: Slow progress		Ministry of Education
Provide adequate and relevant teaching and learning materials (textbooks, teachers' guides, lab equipment, desks etc) including special needs teaching and learning materials for all primary, secondary and tertiary schools	2021-2030	Procurement of 25,000 desks for primary schools done, with support from UNICEF. In the pipeline (with already secured financing from USAID/UNICEF is the procurement of 400,000 textbooks (English, Mathematics and Chichewa) for senior primary schools; procurement of 9,120 single seater desks and chairs for schools to be constructed under SEED Project; procurement of 400 computers and 5,000 mattresses for secondary schools; repairing of 3,750 students' desks through ORT allocated for teaching and learning materials	Started: Slow progress		Ministry of Education
Develop digital libraries to increase access to teaching and learning materials at all levels of education.	2021-2027	Digital Library has been developed and is accessible in all TTCs	Started: On-track		Ministry of Education
Capacitate functional literacy with trained instructors, supervisors, and coordinators.	2021-2025	Commenced with of training of teachers in TTCs.	Started: Slow progress		Ministry of Education
Establish Malawi Qualifications Authority (MAQA) to implement National Qualifications Framework.	2022-2023	The draft Bill on the establishment of MAQA is with Ministry of Justice for vetting and further processing.	Started: Slow progress	The process to be finalised within 2022/23 FY.	Ministry of Education
Revitalise the teacher development fund to support continuous professional development	2022-2023	No progress reported	No Info Provided	Need to expedite.	Ministry of Education & Ministry of Finance

MIP-1 interventions	Period	Progress/ status	Rating	Remarks	Responsible Institution
model					
Upgrade existing teacher training institutions to accommodate for continuous teacher training and development	2022-2025	Expansion of female hostels, office complex, library, lecture theatres & laboratories at Domasi College of Education is at an advanced phase, especially the part supported by JICA	Started: Potential to Meet Target		Ministry of Education
Provide open access to digital content and support for teachers and students	2022-2025	The Learning Management System was finalised and is operational. Training of all ICT personnel to support the system in all public TTCs was completed. All 414 TTC lecturers have been trained on the digital Library.	Started: On-track		Ministry of Education
Revise teacher training curriculum to include blended learning, device usage for education and Learning Management System	2022-2025	Efforts commenced by Ministry of Education and Malawi Institute of Education	Started: Slow progress		Ministry of Education
Introduce TEVET programmes at the basic and secondary levels of education	2022-2025	The Government has re-introduced TEVET subjects in basic education; established VET subjects in Community Day Secondary School; Capacitated secondary education VET teachers; and mainstreamed Organic Agriculture curriculum in Secondary Education	Started: On-track		Ministry of Education & Ministry of Labour
Review primary, secondary and teacher education curricula to incorporate technical, innovation, creativity, and critical thinking, entrepreneurship, and civics education aspects	2022-2023	The review process has started, with needs assessment done, and the issues identified will be incorporated in due course	Started: Off-track	The implementation timeframe may have to be extended since curriculum review is a long process	Ministry of Education & Ministry of Labour
Review the technical and vocational skills training curricula to increase trades that should meet the current market demands	2022-2023	TEVETA is currently developing several curricula, including Leather and Leather Products, Industrial Engineering Technician and Refrigeration and Air Conditioning Mechanics (RAM), Upholstery, Street Vended Food, Meat Processing and Bee Keeping.	Started: On-track		Ministry of Labour
Construct at least one TEVET teacher training institution	2022-2026	In progress	Started: Slow progress	Feasibility study to be conducted in November 2022	Ministry of Labour
Upgrade and construct well equipped and staffed technical and vocational skills centres in each district.	2023-2030	Six Community Technical Colleges are under construction with four due for handing over to Government before end of the 2022/23 financial year. These are Nsoni in Chiradzulu, Machinga and Nkhotakota	Started: Potential to Meet Target		Ministry of Labour
Science, Technology and Innovation					
Establish an online education big data centre to support online education expansion.	2021-2022	No progress reported	Not Started		Ministry of Education
Support marginalised students across all levels of education.	2021-2030	Learners in secondary and tertiary institutions being supported to access education	Started: On-track		Ministry of Education

MIP-1 interventions	Period	Progress/ status	Rating	Remarks	Responsible Institution
Establish National Research Fund	2021-2030	Research fund established and operational	Started: On-track		Ministry of Finance
Expand business, innovations and technological incubation centres (fabrication laboratories, maker spaces, innovation hubs, innovation garages and technology parks) in higher education institutions.	2021-2025	20% of the institutions have innovations and technological incubation centres	Started: Slow progress		Ministry of Education
Train scientists, technologists, innovators and entrepreneurs.	2021-2030	100 scientists, technologists, innovators and entrepreneurs trained. However, there is need to reach out to more research centres which are not in the mainstream, e.g., Chitedze, Mhub to gather their data	Started: Potential to Meet Target		Ministry of Education
Conduct research jointly with higher education (including postgraduates) and industry players aimed at catalysing private investment	2023-2030	DTED spearheaded the establishment of research committees in public and private TTCs; currently all public TTCs have developed proposals and action research is underway Conduct Action Research on teacher education (including postgraduates) with teachers and teachers' educators to develop best classroom practices aimed at initialisation of Science, Technology, Engineering, Arts and Mathematics Education	Started: Slow progress		Ministry of Education
Establish Malawi Academy of Sciences (MAS).	2021-2022	MAS was launched .Registration to be finalised in the 2022/23 Financial Year	Completed		Ministry of Education
Establish the Network of Malawian Scientists in the diaspora.	2021-2022	No progress reported	No Info Provided	No progress reported	Ministry of Foreign Affairs
Re-design education curriculum to incorporate requisite skills needed for the fourth industrial revolution.	2021-2024	Curriculum review underway – including review initiation, sensitisation of stakeholders, needs assessment and framing of the curriculum itself	Started: On-track	The implementation timeframe may have to be extended since curriculum review is a long process	Ministry of Education
Water, Sanitation and Hygiene (WASH)					
Develop and operationalise urban water supply and waste water management Master Plan for all primary cities and secondary cities	2021-2025	Currently developing a Water and Sanitation Investment Plan to guide investment priority areas. Foreign, Commonwealth & Development Office through Global Water Partnership is providing support	Started: On-track		Ministry of Lands
Develop and operationalise a digitised/cloud-based management information system for communal water supply assets to help inform	2021-2024	A meter monitoring system is used to identify areas requiring new water investments. The Ministry is in the process of developing a robust Water MIS	Started: On-track		Ministry of Water and Sanitation

MIP-1 interventions	Period	Progress/ status	Rating	Remarks	Responsible Institution
allocation of new water investments					
Install and institutionalise a real-time groundwater level monitoring system using the latest telemetric technology to track fluctuation of groundwater.	2021-2030	No progress reported	No Info Provided		Ministry of Water and Sanitation
Establish a maintenance trust fund to facilitate local government's technical and capacity building support to rural communities.	2021-2025	There is a Water Maintenance Fund in place in all the districts which is coordinated by Members of Parliament	Started: On-track		Ministry of Water and Sanitation
Construct new piped water supply systems	2021-2030	New piped water supply systems have been constructed and are being constructed under the Malawi Disaster Risk Management Project, Malawi Resilience and Disaster Risk Management Project, Malawi Floods Emergency Recovery Project, Post cyclone Idai Project, and all the 5 water boards across the country	Started: Potential to Meet Target		Ministry of Water and Sanitation
Rehabilitate all gravity water schemes,	2021-2030	Gravity water schemes are still being constructed and rehabilitated under the Malawi Resilience and Disaster Risk Management Project, and Malawi Floods Emergency Recovery Project.	Started: Potential to Meet Target		Ministry of Water and Sanitation
Integrate and enforce catchment protection services within the water board operational framework, especially main river sources.	2021-2030	Under MWASIP, catchment protection, management and development are under way in over 7 districts. The 5 water boards are developing, managing and protecting catchments in their jurisdictions	Started: Slow progress		Ministry of Water and Sanitation
Develop sustainable water, sanitation and hygiene facilities and networks in rural areas and hard to reach areas to ensure that children, women and the youth have access to affordable and quality WASH services in all public schools and health facilities	2021-2030	Through the Community Led Total Sanitation Approach, a number of facilities are being constructed across the country. And, under the Post Cyclone Idai Project, water, sanitation and hygiene facilities are still being constructed	Started: Potential to Meet Target		Ministry of Health
Intensify promotion of good hygiene messages e.g., washing hands with soap, via mass media platforms	2021-2030	On going	Started: Potential to Meet Target		Ministry of Health
Incentivise private sector participation in the sanitation value chain, in urban and peri-urban areas	2021-2025	Waste for Worth Programme is mobilising communities in urban and peri-urban areas to be collecting waste and produce composite manure . Blantyre City engaged private companies to be collecting waste for production of Biogas that would be used to generate electricity for supply to the national grid	Started: Slow progress		Ministry of Local Government & Finance
Strengthen the water management human resource base especially at the district leval	2021-2030	Functional review is under way across all the districts. Currently, 12 districts have conducted functional reviews	Started: Potential to Meet Target		Ministry of Water and Sanitation
Conduct research and development of local solutions/technologies to solve local WASH problems	2021-2030	The Community Led Total Sanitation is one of the approaches of local solutions being implemented to solve local WASH problems in the rural areas	Started: Potential to Meet Target		Ministry of Health
Ratify and operationalise transboundary water	2021-2030	The Ministry is ratifying and operationalising the Joint Songwe	Started: Slow		Ministry of Water and

MIP-1 interventions	Period	Progress/ status	Rating	Remarks	Responsible Institution
course agreements with neighbouring countries to govern coordinated abstraction from shared water courses.		River Basin Commission with Tanzania. It is also operationalising the Malawi - Mozambique Water Commission with Mozambique and consultations with Zambia on the water course are under	progress		Sanitation & Ministry of Foreign Affairs
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	way In the process of redefining roles of Water Boards and City councils on management of liquid and solid waste respectively. Liquid Waste management infrastructure has already been handed over to Water boards	Started: Slow progress		Ministry of Lands
Construct/install and/or upgrade well-serviced sanitation facilities (i.e., toilets, washrooms, dust bins etc.) in all public places such as markets, bus terminals	2021-2030	Under the WSIP two groups have been targeted. The first target group are households using septic tanks conected to the waterborne sewerline. The second target group are households using pit latrines.	Started: Slow progress		Ministry of Local Government & Ministry of Health
Institute and enforce the mandatory installation and/or ownership of household latrines by homeowners and landlords in urban, peri-urban and rural areas	2021-2030	Under the WSIP two groups have been targeted. The first target group are households using septic tanks conected to the waterborne sewerline. The second target group are households using pit latrines.	Started: Slow progress		Ministry of Local Government & Ministry of Health
Health and Nutrition					
Scale up nutritional education programmes and communication programmes	2021-2030	Developed a resource book on different recipes, hygiene and sanitation and business management to be used by community members trained in nutrition	Started: Potential to Meet Target		Ministry of Agriculture
Streamline early detection and management of acute malnutrition in children	2021-2030	No progress reported	No Info Provided	Need to be prioritised in FY 2023/24	Ministry of Agriculture
Intensify civic education on consumption of diverse diets focusing on locally available foods among children, adolescent girls and boys, and pregnant and lactating mothers	2021-2030	Ongoing	Started: Slow progress	Need to be prioritised in FY 2023/24	Ministry of Education
Scale up school feeding programmes based on evidence of communities most in need	2021-2030	Ongoing	Started: Slow progress		Ministry responsible for nutrition
Scale-up social protection programmes that are catalytic and transformative in nature leading to resilient communities	2021-2030	On-going	Started: Slow progress		Ministry of Gender, Community Development and Social Welfare
Build and improve capacity and leadership in the prevention and effective detection of infectious disease threats.	2021-2030	No progress reported	No Info Provided		Ministry of Health
Conduct regular mobile pre-screening for NCDs in all regions of the country	2021-2030	Community screenings are currently being conducted through community groups and radio listening clubs	Started: Potential to Meet Target		Ministry of Health
Determine and provide a minimum set of sports facilities and recreation activities in all schools	2023-2030	No progress reported	No Info Provided	To commence in the FY 2023/24	Ministry of Youth and Sports & Ministry of Education
Intensify awareness on the prevention of NCDs	2021-2030	Awareness campaigns are currently being done through radio listening clubs, health education in the facilities, and health talk on local radio stations by NCD coordinators	Started: On-track		Ministry of Health & Ministry of Civic Education

MIP-1 interventions	Period	Progress/ status	Rating	Remarks	Responsible Institution
Capacitate all public health centres for early detection of NCDs	2021-2030	Health care providers are being trained and mentored in NCDs management by teams of mentors.	Started: On-track		Ministry of Health
Construct, rehabilitate and upgrade all existing health facilities and ensure they are well equipped	2021-2030	Construction of two structures in Karonga and Salima is underway. The structures will serve as NCDs clinics No progress reported	Started: Slow progress		Ministry of Health
Construct the University Tertiary Teaching Hospital to also act as referral for central hospitals	2022-2025		Not Started		Ministry of Health & Ministry of Education
Construct a referral military hospital that provides specialised health services.	2022-2026	No progress reported	Not Started		Ministry of Defence & Ministry of Health
Construct 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	No progress reported	Planned for 2023	Prioritised in Financial Year 2023/24	Ministry of Health
Establish designated centres in all 28 district hospitals with standard minimum capacities to handle pandemics such as COVID-19 and other emergencies at the district and community levels	2023-2030	No progress reported	Planned for 2023	To commence in the 2023/24 Financial Year	Ministry of Health
Construct modern district hospitals in Blantyre, Zomba, Lilongwe, and strategic locations in each of the four regions in order to decongest the existing central hospitals	2023-2030	No progress reported	Planned for 2023	To commence in the 2023/24 Financial Year	Ministry of Health
Construct and furnish Youth Friendly Centres with recreational, sports, health, and skills building to tackle issues of mental health (as well as NCD Sexual and Reproductive Health and Rights	2021-2030	No progress reported	No Info Provided		Ministry of Youth and Sports & Ministry of Health
Facilitate the establishment of a local pharmaceutical manufacturing industry to enhance the production of essential drugs and personal protective equipment	2023-2025	No progress reported	Planned for 2023	To commence in FY 2023/24	Ministry of Trade and Industry & Ministry of Health
Monitor quality of medicines and medical supplies in all districts. (i.e., MBS and Malawi Medicines and Poisons board)	2021-2030	Ongoing	Started: Slow progress		Ministry of Health
Operationalise the Logistic Management Information Systems	2021-2030	Ongoing	Started: Slow progress		Ministry of Health
Increase the number of District Environmental Health Officers and Health Surveillance Assistants (HSAs) for more preventive health services at the community level	2021-2030	Recruitment ongoing	Started: Slow progress		Ministry of Health
Increase the number of technical health personnel, especially doctors, nurses and clinical	2021-2030	Recruitment ongoing	Started: Slow progress		Ministry of Health

MIP-1 interventions	Period	Progress/ status	Rating	Remarks	Responsible Institution
Officers, at all levels of the health secto					
Establish universal national health insurance scheme	2024-2025	No progress reported	Planned for 2024	To commence in 2024	Ministry of Finance
Establish the National Health Fund to increase domestic health financing and improve long term sustainability of health financing	2023-2024	No progress reported	Planned for 2023	To commence in FY 2023/24	Ministry of Health & Ministry of Finance
Fully digitise the Health Management Information System	2023-2024	No progress reported	Planned for 2023	To commence in FY 2023/24	Ministry of Health
Conduct awareness on mental health education and services, especially among young people	2021-2023	Developed the Life Skills Manual with support from UNFPA. The Life Skills Manual covers mental health issues, including drug and substance abuse. Through the life skills training, general information is provided. What is missing is the availability of services such as counselling and treatment of mental health cases in communities and districts. Conducted hospital based and media based awareness campaigns .	Started: Slow progress		Ministry of Health
Provide counselling and psychosocial support, especially to young people with mental issues and drug and substance abuse or addictions	2021-2023	Ongoing- Providing counselling and psychosocial support in all district health facilities.	Started: Off-track		Ministry of Health
Invest in setting up and furnishing youth friendly centres with recreational, sports, health, and skills building to tackle issues of NCDs mental health, sexual and reproductive health and rights	2021-2030	Provided community based psychological first aid for young people with mental health issues.	No Info Provided	Need to be prioritised in FY 2023/24	Ministry of Youth and Sports & Ministry of Health
Managing Population Growth		No progress reported			
Offer universal access to Sexual and Reproductive Health, including family planning methods in schools and youth friendly health centres	2021-2030	Ongoing	Started: On-track		Ministry of Health, Ministry of Youth and Sports & Ministry of Education
Enforce laws and policies(re-admission policy, National Girls Education Strategy) that will help protect the girl child from early marriages and unwanted pregnancies	2021-2030	Ongoing	Started: On-track		Ministry of Gender, Community Development and Social Welfare & Ministry of Education
Identify and support champions in every ADC to discourage early marriages and teenage pregnancy.	2021-2030	Mentorship programmes being implemented by development partners including UNFPA	Started: On-track	to be prioritised in FY 23/23	Ministry of Gender, Community Development and Social Welfare.
Develop and roll out a mentorship programme for young people	2022-2023	Mentorship is a component under the broader National Youth Service (NYS)	Started: Off-track		Ministry of Education & Ministry of Youth and Sports

MIP-1 interventions	Period	Progress/ status	Rating	Remarks	Responsible Institution
Sports and Creative Arts					
Create and roll out an effective National Sports Talent Search System	2021-2023	Identification of communities and sports facility per district to be established as sports development centres.	Started: Off-track		Ministry of Youth and Sports
Promote and commercialise arts festivals	2021-2030	Efforts commenced, including launch of the local film industry festival in December 2022	Started: Slow progress	To be prioritised in FY 2022/23	Ministry of Tourism
Adapt and improve disability friendly sports programmes	2021-2030	No progress reported	No Info Provided	To be prioritised in FY 2022/23	Ministry of Youth and Sports
Introduce new sporting activities	2021-2030	Ongoing	Started: Slow progress	To be prioritised in FY 2022/23	Ministry of Youth and Sports
Construct sports village at Kamuzu Institute for Youth	2021-2025	80% of the works done Alternative football pitch constructed Competition pool (50mx25m) and practice pool both completed and currently in use. Gym and conference block constructed Procurements of sports equipment and renovations of facilities at centres were done	Started: On-track		Ministry of Youth and Sports
Implement a 'minimum sports infrastructure package' for all primary and secondary schools and tertiary education institutions	2022-2030	No progress reported	Not Started	To be prioritised in FY 2022/23	Ministry of Youth and Sports & Ministry of Education
Rehabilitate/Upgrade dilapidated sports infrastructure in all learning institutions	2021-2030	No progress reported	No Info Provided	To be prioritised in FY 2022/23	Ministry of Youth and Sports & Ministry of Education
Construct world class sports facilities for various inclusive sporting disciplines with ability to host international competitions	2021-2030	New world class sports facilities including the Griffin Saenda and Kamuzu Institute of Sports facilities were constructed	Started: On-track		Ministry of Youth and Sports
Gender Equality					
Fully implement the Gender Policy and enforce the Gender Equality Act	2021-2030	Recruitment of a consultant to review the expired Gender Policy and facilitate development of the successor Policy is underway.	Started: Slow progress		Ministry of Gender, Community Development and Social Welfare.
Provide access to finance to encourage entrepreneurship amongst women and girls.	2021-2030	Ongoing	Started: Slow progress		Ministry of Finance
Increase women and youth representation and	2021-2030	Ongoing	Started: Slow		Ministry of Gender,

MIP-1 interventions	Period	Progress/ status	Rating	Remarks	Responsible Institution
participation in decision making position through deliberate policies			progress		Community Development and Social Welfare & Ministry of Youth and Sports
Enforce laws that protect the rights of women, girls, boys and men against all forms of violence and laws to end child marriages	2021-2030	Ongoing	Started: Slow progress		Ministry of Gender, Community Development and Social Welfare & Ministry of Justice.
Undertake awareness campaigns to eradicate all harmful cultural practices; with stringent sanctions for perpetrators	2021-2030	The Ministry of Gender conducted GBV training of Members of Parliament. Conducted Gender Technical Working Group meeting. Facilitated development of messages on GBV screening in health settings. Oriented service providers in Sexual and Gender Based Violence prevention, response and referral mechanism.	Started: Potential to Meet Target		Ministry of Gender, Community Development and Social Welfare.
Mainstream gender into national development programmes, policies and interventions including empowerment programmes and entrepreneurship	2021-2030	Finalised the Public Service Sexual Harassment Policy. Participated in the SADC Regional Consultation on Women, Peace and Security Agenda. Recruitment of a consultant to review the expired Gender Policy and facilitate development of the successor policy is underway	Started: On-track		Ministry of Gender, Community Development and Social Welfare.
Mainstream child and youth-supportive interventions at all levels of development programming such as life-long learning and entrepreneurial skills development	2021-2030	Ongoing	Started: Potential to Meet Target		Ministry of Gender, Community Development and Social Welfare & Ministry of Youth and Sports
Social Welfare					
Provide catalytic and transformative social cash transfer to the elderly, orphans and persons with disability.	2021-2030	Ongoing as part of social protection programme.	Started: Potential to Meet Target		Ministry of Gender, Community Development and Social Welfare.
Introduce and sustain an old age pension scheme.	2021-2030	No progress recorded	Not Started		Ministry of Gender, Community Development and Social Welfare & Ministry of Finance
Facilitate access to catalytic business opportunities to less privileged groups including access to finance	2021-2030	The Ministry of Gender trained 14 District Councils and 100 staff in SLG approaches and facilitated formation of SLG District Coordination Networks in 14 Councils. NEEF and other micro-finance institutions providing financial capital	Started: Potential to Meet Target		Ministry of Gender, Community Development and Social Welfare & Ministry of Trade and Industry
Update the Unified Beneficiary Registry annually for informed targeting and provision of social	2021-2030	Unified Beneficiary Registry being updated	Started: On-track		Ministry of Gender, Community Development

MIP-1 Interventions	Period	Progress/ status	Rating	Remarks	Responsible Institution
support services.					and Social Welfare.
Capacitate the Civil Protection Committees in the effective delivery of social support programmes	2021-2030	Oriented 28 Full District Councils on Actionable Climate Smart Public Works Programmes (ACSPWP) as a way of migrating from AIP	Started: On-track		Ministry of Gender, Community Development and Social Welfare.
Include the needs of persons with disabilities in the development of plans such as disability-friendly infrastructure	2021-2030	Ongoing	Started: Potential to Meet Target		Ministry of Gender, Community Development and Social Welfare.
Increase children participation in the national development decision making processes	2021-2030	Ongoing	Started: Slow progress		Ministry of Gender, Community Development and Social Welfare.
Scale-up early childhood development and pre-school education.	2021-2030	Ongoing	Started: Slow progress		Ministry of Gender, Community Development and Social Welfare.
Advocate for and enforce child rights and laws at all levels	2021-2030	Ongoing	Started: Potential to Meet Target		Ministry of Gender, Community Development and Social Welfare.
		Started: On-track	22.40%		
		Started: Slow Progress	28.80%		
		Started: Potential to Meet Target	26.40%		
		Started: Off-track	4.80%		
		Not started/No Info Provided	17.60%		

Enabler 6: Economic Infrastructure

Economic infrastructure such as transport, ICT, and energy is pivotal to accelerating the growth of other sectors. Reliable and readily accessible energy is associated with economic and social benefits that result in huge multiplier effects. Efficient transport systems bring improved access to markets, generating employment and enhancing investments. The ICT sector forms the backbone of business activity, productivity, trade and social advancement. The sector continues to contribute significantly towards GDP. ICT has the potential to transform business and government - driving entrepreneurship, innovation, economic growth, and breaking down barriers of distance and cost in the delivery of services.

78 percent of the interventions under this Enabler commenced implementation. Out of the interventions that have commenced, 20 percent are on-track. The implementation progress of Enabler 6 focus areas is summarised in *Figure 23*, below.

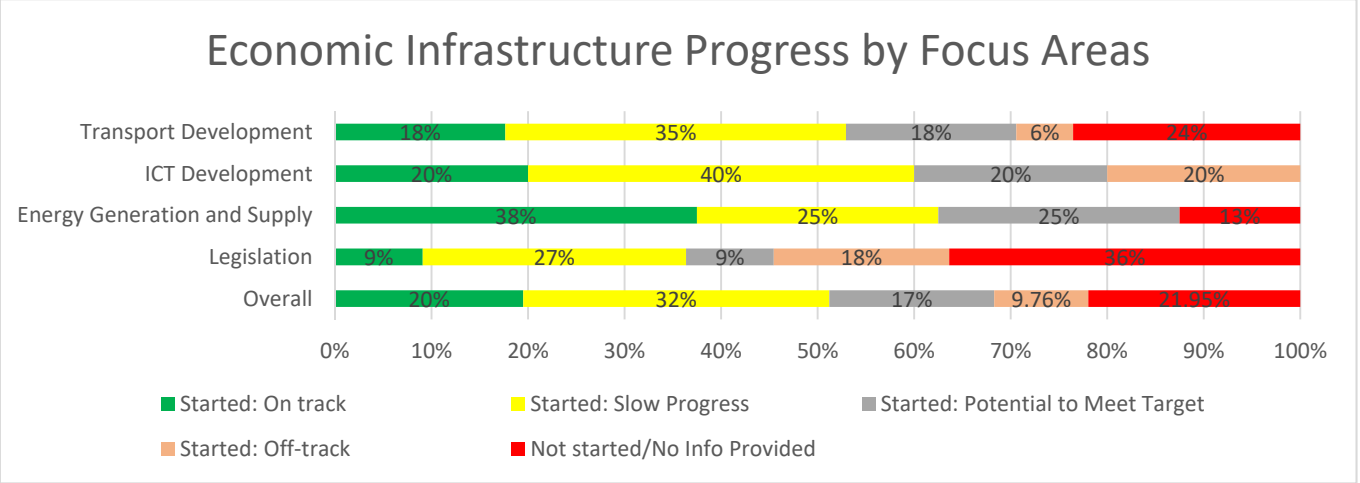


Figure 23: Enabler 6 Implementation Progress by Focus Areas

Progress on Focus Area and Interventions

Priority Area E6.1: Energy Development

The MIP-1 aims to increase access to electricity to 50 percent by 2030 while matching the proportion of energy generation to that of energy demand. In the period of reporting, the total installed generative capacity (Megawatts) increased by 217 megawatts from 373 megawatts in 2020 to 590 megawatts in 2022. The increase was mainly from diesel and solar plants. The increase in total installed generative capacity is a result of newly commissioned hydro power stations. The entry of Independent Power Producers (IPPs) in the electricity market also ensured there is an increase in power supply and security of energy for the country.

However, this gain was immediately reversed by tropical cyclones and the termination of the contract for diesel-powered plants. The cyclones damaged Nkula, Tedzani and Kapichira, resulting in a massive loss of effective energy generation to be well below the national energy demand.

Scaling the Rural Electrification Programme to widen national electricity coverage

The Rural Electrification Programme is ongoing. In the period of reporting, the Programme continued to electrify various areas under Ndawala Initiative which connected over 12,000 beneficiaries under Malawi Rural Electrification Programme. The Programme, alongside the Electricity Supply Corporation of Malawi (ESCOM), intensified clearance of the backlog of customers as part of its turnaround strategy that has contributed to increased access to electricity from 12.5 percent in 2018 to 19 percent in 2022.

Completion of energy projects in the pipeline which already commenced to increase energy supply to the national grid

It is encouraging that various energy projects have commenced and are at different stages. Notably, even though a number of these have commenced, energy projects generally take time to complete. Some of those that have either been completed or in the pipeline include:

- The 19.1 MW Tedzani IV Hydropower Plant. The project is funded by a Japanese Government grant through JICA amounting to US$52 million and a counterpart funding amounting to K6 billion from the Government of Malawi through the Electricity Generation Company (EGENCO);
- The 8.75 MW Ruo-Ndiza Hydropower Plant;

- Developed the 60MW JCM Solar PV Power Plant in Salima (completed);
- Commencement of the 350MW Mpatamanga public private partnership project negotiations for commencing works with financiers already identified; and
- Developed mini grids in Mchinji and Mulanje that have 80 kilowatts and 220 kilowatts capacity, respectively.

Providing incentives for renewable energy equipment to promote investments and adoption of renewable energy

The Government introduced tax incentives to stimulate investment in renewable energy, especially solar. This has increased the penetration of solar products (Pico and Solar home systems). The Government, through the Ministry of Energy and stakeholders, also intensified the raising of awareness on the use of Liquefied Petroleum Gas (LPG) for cooking.

Nevertheless, other key interventions are yet to commence or registering slow progress, including:

- Facilitating the establishment of a solar equipment manufacturing plant through PPP;
- Identifying and developing more sites for hydro, coal, geothermal, natural gas, solar, wind, agricultural waste, forestry waste, and biogas resources through IPP and PPP arrangements;
- Investing in new high-capacity power plants and constructing new distribution lines and substations to support energy generation and distribution capacity; and
- Fast-tracking the commencement and completion of the interconnection of Malawi's power system with that of Mozambique and Zambia.

Priority Area E6.2: ICT Development

Malawi is working to develop ICT to ensure improved access to reliable and affordable ICT services. As of 2021, the proportion of individuals who owned a mobile telephone was 43 percent, with an internet penetration of 37 percent. The target for 2030 is to increase both mobile ownership and internet penetration to 80 percent and 60 percent, respectively. In the period of reporting, Malawi has registered an increase in the use of Mobile Payments (K 4,376.14 billion) which has grown by 38 percent from K 3,173.90 billion in 2020.

Interventions that were earmarked as quick wins but are yet to commence or registering slow progress are:

- Reviewing levies on digital devices and services and all tariff/non-tariff barriers on ICT access;
- Upscaling on-going projects on ICT infrastructure development, e.g., Last Mile Rural Area Connectivity, National College of Information Technology (NACIT) Enhancement Project and Digital Malawi project;
- Building a fibre backbone from Nacala to Lilongwe to reduce landing costs which are a significant driver of high data costs in Malawi; and
- Intensifying ICT research education and training in all sectors to improve digital literacy.

Priority Area E6.3: Transport Development

The sector was heavily affected by cyclone *Ana* causing unprecedented destruction of road infrastructure in the country, especially in the Southern Region. In the period of reporting, the country constructed 66 km of tarmac roads against the target of 180 km. However, in 2021/22, the fatalities from traffic accidents have increased to 7.2 from 7 per 100,000 population in 2020/21.

Systematic maintenance and rehabilitation of road infrastructure including in rural areas

In the period of reporting, the Government continued to undertake systematic maintenance and rehabilitation of road infrastructure. In total, 3,240 km of paved roads and 4,616 km of unpaved roads have been maintained and rehabilitated.

Upgrading of urban roads to bitumen standards

In the period of reporting, some city roads have been upgraded to bitumen standard. About 86 km of urban roads have been upgraded as follows: 23 km in Lilongwe; 25 km in Blantyre; 25 km in Mzuzu; and 15 km in Zomba.

Increasing the lengths (km) of paved roads to above 50 percent, especially targeting rural roads and tourism and mining potential areas

In the period of reporting, the Government, with support from various development partners, added 66 km of paved road to the national road network. Some of the key roads and their implementation progress rate is as follows:

Key roads and implementation progress rate

Project description	Progress rate
Upgrading of the M1 road commencing with the stretch from Kamuzu International Airport junction to Mzimba Boma Turn-off	The project was launched, but the works are yet to commence in earnest
Njakwa - Livingstonia, Phwezi - Phwamphwa and Livingstonia Mission Loop Road	Ongoing – 75 percent completed
Jenda - Edingeni road	Ongoing – 54 percent completed
Nsanje - Marka	80 percent completed
Thyolo - Makwasa - Muona - Bangula	90 percent completed
Upgrading of Rumphi - Nyika - Chitipa Road	Ongoing – 12.6 percent completed

The following projects are in the pipeline:

- Kaphatenga - Dwangwa Road Project - with a loan and grant from African Development Bank (AfDB) as well as Government resources secured;
- Mzimba - Mzalangwe Road Project; and
- Chiringa - Muloza Road Project.

Decentralising road maintenance by reconstituting District Infrastructure Roads Maintenance Programme (DRIMP)

Devolution Plans and Management Guidelines have been finalised awaiting rolling out.

Guidelines for civil and building works in both cities and rural areas

National Construction Industry Council (NCIC) has developed Guidelines for Civil Works, Buildings Policy and Guidelines.

Dualization of prime city roads and district urban centres roads according to master plans

The Government is dualizing key city roads to decongest traffic and beautify cities. Key roads that have commenced in the period of reporting are:

- Parliament roundabout – Game in Lilongwe is at a 17 percent completion rate with an original completion date of March 2023;
- Crossroads – Kanengo is at a 10 percent completion rate with the original completion date of end of 2023; and
- Crossroads – Kamuzu Central Hospital is at a 15 percent completion rate with the original completion date of end of 2023.

Establish tollgates in designated points through PPP according to master plans

2 toll gates at Kalinyeka in Dedza and Chingeni in Ntcheu along the M1 have been completed and commissioned in the period of reporting. As of 31st March 2022, the revenue collected from the two toll gates was K1.2 billion. Annual revenue from toll gates is projected at K4 billion.

In the 2023/24 Financial Year, Government plans to construct 2 more toll gates in the country, on the Lilongwe - Mchinji stretch and the M1 Kasungu-Mzimba Road.

Bus terminals in Blantyre, Lilongwe, Karonga and Mzuzu; and railway terminals in Blantyre and Lilongwe

The Government is exploring a PPP arrangement under Southern Africa Trade and Connectivity Project (SATCP) to build both domestic and international bus terminals.

Rehabilitation of jetties and ports in designated areas such as Chipoka, Likoma, Chilumba, Nkhata Bay and Monkey Bay

The works have commenced at Likoma Jetty, where the progress is estimated at 35 percent.

Modernising and expanding existing international airports (Chileka and Kamuzu International Airports; and build one in Mzuzu)

The Government has secured co-financing from Bank for Economic Development in Africa and the Organisation of the Petroleum Exporting Countries

Fund for a feasibility study for the Mzuzu Airport which will start in the 2023/24 Financial Year.

Building dry ports at strategic places

The Government undertook a pre-feasibility study to assess the viability of Bangula, Blantyre, Lilongwe, Liwonde, Nsanje and Salima; and is now proceeding to undertake a full feasibility study.

Expanding railway coverage to international and local routes for cargo and passengers and intercity railway system

In the period of reporting, the Government prioritised the construction of the Bangula - Marka section of the railway. The contract was awarded to China Railway 20. The works commenced in the 2022/23 Financial Year. Construction of the Bangula - Marka railway line is on course despite some administrative hiccups that had stalled the project for a good part of the year. The railway line construction project will ensure a smooth link with the Mozambican rail network and once the rail line construction is completed, it will ease the transportation of goods from the ocean port of Beira in Mozambique to Malawi.

Interventions that are yet to commence or registering slow progress are:

- renovating and expanding water ports;
- build Rapid Transit Public Transport Systems in the existing cities;
- expanding and modernising all major airports and build a new airport in Mzuzu;
- introducing an efficient and reliable road, rail, and water public transport system that will encourage the use of public transport.



Solar Farm at Golomoti in Salima

Detailed Table of Implementation Progress on Interventions under Enabler 6

MIP-1 Interventions	Period	Progress/Status	Rating	Remarks	Responsible Institution
Legislation and Institutional Capacity Building					
Legislate the utilisation of pension funds for development/infrastructure projects	2021-2023	No progress reported	Not Started		Ministry of Finance and Economic Affairs
Formulate supportive policy and legislative framework for IPP and PPP arrangements in infrastructure development	2021-2023	The PPP Act (Amendment) was passed in February 2022, and it is operational. IPP framework is in place	Started: On-track		Ministry of Finance and Economic Affairs
Review public finance management laws to provide for a fixed proportion of domestic revenue for infrastructure development	2021-2022	The PFM Act was reviewed; however, the provision was not included. Currently, the development bonds provided finances for infrastructure development.	Started: Off-track	To explore relevant existing policies to advance infrastructure financing.	Ministry of Finance and Economic Affairs
Facilitate fiscal guarantees towards bankable private projects requiring huge investments that can be financed through external loans	2021-2030	No progress reported	No Info Provided		Ministry of Finance and Economic Affairs
Legislate against counterfeit energy equipment including solar modules	2021-2022	International standards (IEC-TS, 2020) for Solar Products are currently being reviewed for adoption by the MBS	Started: Off-track	Need to be prioritised in the 2023/24 fiscal year	Ministry of Energy
Legislate for minimum standards for transport and energy infrastructure	2021-2023	National Building Policy has set minimum standards for building.	Started: Slow Progress		Ministry of Transport and Ministry of Energy
Build the institutional, technical and human resource capacity of the institutions coordinating the Economic Infrastructure enabler (with adherence to minimum requirements)	2021-2030	Ongoing	Started: Slow Progress	Need to systematically develop capacity building plan	OPC and Ministry of Finance and Economic Affairs
Develop and implement Strategic Plans for the Ministry(ies) coordinating this Enabler	2021-2030	No progress reported	Not Started		Ministry Transport and Public works
Train the relevant MDAs and parastatals in acquiring bankable projects and PPP negotiating skills	2021-2030	Officers from local Government and health have been seconded to Public Private Partnership Commission to build their capacity on PPP.	Started: Potential to Meet Target		OPC (DHRMD)
Review the licensing framework for network operators/new entrants to promote competition and fair trading	2021-2022	No progress reported	No Info Provided		Ministry of Information and Digitisation
Mandate infrastructure sharing of ICT providers to reduce ICT costs	2021-2022	Operators are sharing although there is no mandatory order	Started: Slow Progress		Ministry of information and Digitisation
Energy Generation and Supply					
Facilitate establishment of solar equipment manufacturing plant through PPP.	2023-2026	No progress reported	Not Started	The intervention is planned to commence in 2023, hence no progress reported	Ministry of Trade and Industry

MIP-1 Interventions	Period	Progress/Status	Rating	Remarks	Responsible Institution
Identify and develop sites for hydro, coal, geothermal, natural gas, solar, wind, agricultural waste, forestry waste, and biogas resources through IPP and PPP arrangements	2021-2030	Feasibility study was completed by EGENCO. EGENCO is currently looking for Joint venture partners. Project to be implemented as PPP. Public Private Partnership Commission is reviewing project feasibility study as a process of starting the procurement of the joint venture partner for EGENCO	Started: On-track		Ministry of Energy
Provide incentives for renewable energy equipment to promote investments and adoption of renewable energy	2021-2030	Ongoing – incentives available and awareness-raising campaigns commenced led by the Ministry of Finance and Economic Affairs. Tax waivers on renewable energy system components in form of duty and VAT have been implemented. Request for Expression of Interest advertised for Participating Organizations (Off-grid Solar Companies) to benefit from loan and result-based financing facility to distribute 200,000 solar home systems	Started: Potential to Meet Target		Ministry of Finance and Economic Affairs
Scale up the Rural Electrification Program to widen national electricity coverage	2021-2030	Rural Electrification Program has helped to increase access to electricity to 19%. Detailed progress is as follows: Preparatory activities towards the construction of MAREP Phase 9 sub-phase 1 sites have been completed. This includes surveying, detailed designing and procurement of suppliers for the supply and delivery of power line materials Delivery of the power line materials is underway, and the Ministry has advertised for the procurement of contractors to construct the power lines. Sites for Mini-grid development have been identified (Usingini in Nkhatabay and Kasangazi in Mzimba). Completed payment of way leave compensation to 52% of the districts to be electrified under MAREP phase 9 sub phase 1 Guidelines for Ndawala phase 2 were developed and approved Data Collected for Ultra-Poor households and Ndawala II initiative to benefit from stand-alone solar home systems and in-house wiring for grid connection respectively. Procurement of materials for Ndawala II initiative underway. Procurement of solar home systems underway	Started: On-track		Ministry of Energy

MIP-1 Interventions	Period	Progress/Status	Rating	Remarks	Responsible Institution
Invest in new high-capacity power plants and construct new distribution lines and substations to support energy generation and distribution capacity	2021-2030	PPA negotiation is in progress and financing and governance agreement has been signed. Strategic Sponsor for the project was identified, Scatec and EDF). The relationship Agreement with the Sponsor was signed in September 2022. Mpatamanga Hydropower Generation Company was incorporated. Negotiations on Project Agreements are underway Resettlement Action Plan (RAP) process is almost finalised. Engagements with Project Affected Persons are underway. Rehabilitation of damaged Hydro power plants in progress . Strategic Sponsor for the project was identified, Scatec and EDF).	Started: Potential to Meet Target		Ministry of Energy
Development more Hydro-power plants	2021-2030	The relationship Agreement with the Sponsor was signed in September 2022. Mpatamanga Hydropower Generation Company was incorporated Negotiations on Project Agreements is underway RAP process is almost finalised. Engagements with Project Affected Persons is underway	Started: Slow Progress		Ministry of Energy
Expedite the completion of energy projects in the pipeline which already commenced to increase energy supply to the national grid	2021-2025	Ongoing – a number of energy projects (mostly solar) are in progress with a number of them commissioned So far 122.06MW has been procured and connected to the grid from EGENCO and Other IPPs" 91MW in 2021 and 23.06 in 2022 The Government is in process of identifying a PPP investor	Started: Slow Progress	A lot of flagship IPPs are progressing slowly. The Ministry need to strengthen monitoring and contract management	Ministry of Energy

MIP-1 Interventions	Period	Progress/Status	Rating	Remarks	Responsible Institution
Fast-track the commencement and completion of the interconnection of Malawi's power system with that of Mozambique and Zambia.	2021-2025	Completing the Malawi side of the Interconnector with EURO 20M, EU Funding, is being implemented by Kreditanstalt für Wiederaufbau (KfW) Completion is expected by end 2023. Design activities of 400kHVAC D/C Transmission Line from Matambo Sub Station up to the Border are currently underway Compensation of Project affected persons is currently underway with 60% of the compensations complete. Process to construct houses for Project Affected Persons commenced after completion of the RAP validation process. The Owner's Engineer mobilized in each country and is actively providing the required Project Management Technical Assistance. Consultant commenced work on the Implementation of RAP in September 2021	Started: On-track		Ministry of Energy
ICT Development					
Implement a "connect to a school" ICT program.	2021-2025	Connected 13 schools. Target for next 5 years is 250 schools (50 per year).	Started: Slow Progress	Need to scale up the in the subsequent years	Ministry of Information and Digitisation
Review levies on digital devices and services and all tariff/non-tariff barriers on ICT access.	2021-2023	Number of studies currently underway: digital taxation impact, Malawi Internet Service Providers' Association tax proposals	Started: Off-track	.	Ministry of Information and Digitisation
Upscale on-going projects on ICT infrastructure development e.g. Last Mile Rural Area Connectivity, NACIT Enhancement Project, Digital Malawi project.	2021-2030	17 towers were constructed and are operational and 11 towers will be equipped to go on air before the end of this financial year. Under NACIT Enhancement Project, Tendering has been done for Hostel Construction and the remaining rehabilitation works and submission for awarding of contracts have been made. Under Digital Malawi Project, selected critical Institutions such as Hospitals, Schools, Airports, and Markets were connected to public Free WI-FI. Grants have been granted to major tech hubs to support and nurture our youth. Tertiary institutions have been connected to affordable internet and primary national data will be constructed	Started: On-track		Ministry of Information and Digitisation

MIP-1 Interventions	Period	Progress/Status	Rating	Remarks	Responsible Institution
		from January 2023.			
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	MOI engaged with the Ministry of Transport including Central East African Railways on the position paper for the implementation of the fibre along the railway line. A roadmap to be agreed by all parties.	Planned for 2024		Ministry of Information and Digitisation
Intensify ICT research education and training in all sectors to improve on digital literacy.	2021-2030	A computer programming project that is targeting 200,000 primary school kids from across the country in 2 years is being implemented by MZUNI in conjunction with Malawi Communications Regulatory Authority	Started: Slow Progress		Ministry of Information and Digitisation
Transport Development					
Undertake systematic maintenance and rehabilitation of road infrastructure including in rural areas.	2021-2030	Commenced with 3,240 km done. However, a lot of roads are still in poor state	Started: Slow Progress		Ministry of Transport and Public works
Upgrade urban roads to bitumen standards.	2021-2030	Over 86 km in total (Lilongwe 23 km, Blantyre 25km, Mzuzu 23 km and Zomba 15km).	Started: Potential to Meet Target		Ministry of Local Government
Increase the lengths (kms) of paved roads to above 50% especially targeting rural roads and tourism and mining in potential areas.	2022-2025	Upgrading of unpaved roads to bitumen standard is at different levels in the ongoing projects Some of the projects are being implemented to improve infrastructure as well as services. The EU and European Investment Bank are funding the rehabilitation of the M1 Road (Loan EUR 30M + Grant EUR 16.5 M). This is 301 km. The EU and AfDB are funding the rehabilitation of the Nacala Road from Nsipe to Liwonde (55 km) as well as the Chiponde One-Stop-Border-Post.	Started: Slow Progress	Most projects have delayed due to cost overruns as a result of devaluation and subsequent rise in costs, forex scarcity andfuel disruptions	Ministry of Transport and Public works

Started: On-

MIP-1 Interventions	Period	Progress/Status	Rating	Remarks	Responsible Institution
		(Loan EUR 31.8M + Grant EUR 18.5 M)			
Decentralise road maintenance by reconstituting District Infrastructure Roads Maintenance Programme (DRIMP)	2022-2025	Devolution plans and management guidelines finalised.	Started: Potential to Meet Target		Ministry of Transport and Public works
Create guidelines for civil and building works in both cities and rural areas	2021-2022	National Construction Industry Council has guidelines for Civil works, Buildings Policy and Guidelines	Started: On-track		Ministry of Local Government and Ministry of Transport and Public works
Dualize prime city roads and district urban centres according to master plans.	2021-2030	Crossroads – Kanengo, Kenyatta Drive, Crossroads – Kamuzu Central Hospital, Lilongwe Church of the Central African Presbyterian (CCAP) – Crossroads	Started: Slow Progress	Most projects have delayed due to cost overruns as a result of devaluation and subsequent rise in costs, forex scarcity and fuel disruptions	Ministry of Local Government and Ministry of Transport and Public works
Establish tollgates in designated points through PPPs according to master plans	2021-2025	2 Toll gates (Kalinyeka Dedza and Chingeni Ntcheu); K1.2 billion collected by 31 March 2022. Annual projection pegged at K4 billion.	Started: On-track		Ministry of Transport and Public works
Build bus terminals in Blantyre, Lilongwe, Karonga and Mzuzu; and railway terminals in Blantyre and Lilongwe	2021-2027	Exploring PPP arrangement, under SACTP project. Pre-bid meeting with the serious bidders was held in October 2022	Started: Off-track		Ministry of Local Government
Build domestic bus terminals in cities and districts.	2021-2030	For Lilongwe, the construction of domestic bus terminal was advertised for prospective investors	Not Started		Ministry of Local Government
Rehabilitate jetties and ports in designated areas such as Chipoka, Likoma. Chilumba, Nkhata Bay and Monkey Bay.	2021-2027	52% progress on Likoma jetty but the others are yet to start. Apart from Likoma, other Jetties are yet to commence	Started: Slow Progress		Ministry of Transport and Public works
Modernise and expand existing international airports (Chileka, Kamuzu International Airport and build one in the Northern part of Malawi)	2021-2028	The EU and European Investment Bank are funding the rehabilitation of the Chileka/Blantyre Airport (Loan EUR 30M + Grant EUR 16.5 M). JICA and AfDB are expected to also participate with additional funding	Started: Slow Progress	To start a feasibility study for Mzuzu this financial year	Ministry of Transport and Public works
Build Rapid Transit Public Transport Systems in the existing cities.	2021-2030	Internal discussions are underway on the preliminary activities that need to be undertaken	Not Started		Ministry of Transport and Public works
Build dry ports at strategic places.	2021-2025	Pre-feasibility study done. (Locations studied were; Bangula, Blantyre, Lilongwe, Liwonde, Nsanje, Salima).	Started: Potential to Meet Target		Ministry of Transport and Public works
Renovate and expand water ports.	2022-2025	Concept note developed	Not Started		Ministry of Transport and Public works
Expand railway coverage to international and local routes for cargo and passengers and intercity railway system.	2022-2025	Contract awarded to China Railway 20; Geotechnical surveys have been completed.	Started: Slow Progress	Most projects have delayed due to cost	Ministry of Transport and Public works

MIP-1 Interventions	Period	Progress/Status	Rating	Remarks	Responsible Institution
				overruns as a result of devaluation and subsequent rise in costs, forex scarcity and fuel disruptions	
Introduce an efficient and reliable road, rail, and water public transport system that will encourage the use of public transport.	2021-2030		Not Started		Ministry of Transport and Public works
		Started: On-track	21.95%		
		Started: Slow Progress	36.59%		
		Started: Potential to Meet Target	7.32%		
		Started: Off-track	9.76%		
		Not started/No Info Provided	24.39%		

Enabler 7: Environmental Sustainability

Within the MIP-1, Malawi aims to achieve socio-economic development sustainably, without causing further harm to the environment. The success of many sectors, such as agriculture, energy, transportation, wildlife and tourism, rely on quality ecosystem. A sustainable environment with prudent natural resources management is, therefore, essential not only for the conservation of biodiversity, but also for the satisfaction of human needs and expectations.

The MIP-1 target is to bring the rate of deforestation down from as high as 1.6 percent in 2018 to 0.91 percent by 2030 and improve the Environmental Sustainability Index from 4 to 5 by 2030. The MIP-1 aims to increase the environmental status and quality while the rate of soil loss from 39 metric tons per ha per year in 2014 to 20 tons per ha per year by 2030.

In the period of reporting, the Government implemented various interventions on environmental sustainability to safeguard the country's natural resources and climate change for the economic growth and well-being of its population.

At interventions level, 71 percent of the interventions under the Enabler have commenced, with 27 percent on track. One key focus area which is lagging is waste management . The implementation progress of Enabler 7 by focus areas is summarised in *Figure 24*, below.

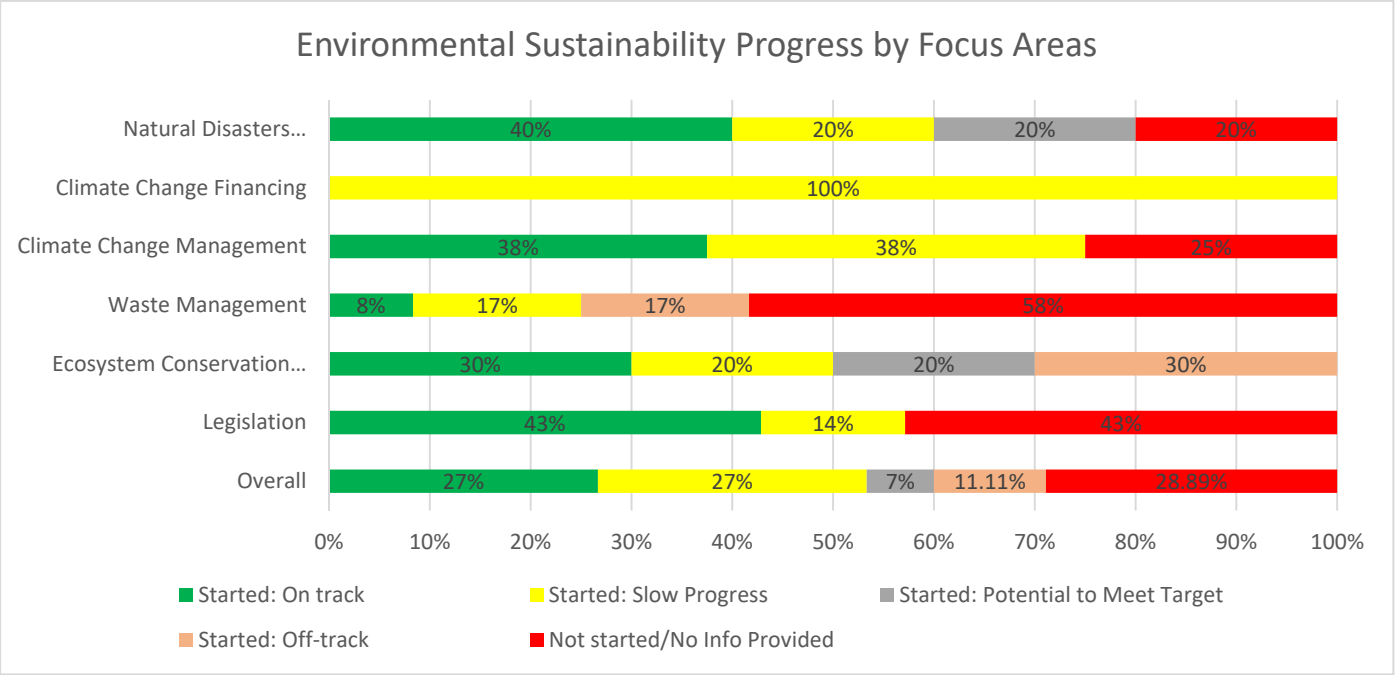


Figure 24: Enabler 7 Implementation Progress by Focus Areas

Progress on Focus Area and Interventions

Priority Area E7.1: Legislation and Institutional Capacity Building

Strengthening the legal framework for environmental protection management

To ensure that the existing legal frameworks play their critical roles on the sustainable management of resources, the Government planned to undertake major reviews of the existing environment-related laws,

policies and guidelines, including:

- Land-related laws to accommodate new maps and land use change across the country;
- Environmental guidelines and legislation to incorporate environmental sustainability principles, including outlawing the use of bricks burnt by wood for construction;
- Environmental policy to set up proper governing structures and clarify the mandate of institutions such as the Malawi Environmental Protection Agency (MEPA) and Atomic Energy Regulatory Authority (AERA);
- Laws and policies related to economic and fiscal instruments to raise revenues for sustainable conservation and management of natural resources and the environment; and
- Biosafety Act and Biosafety Regulations.

In the period of reporting, the Government continued collaboration with key stakeholders in developing policies, guidelines and strategies as follows:

- Initiated the development of the E-waste policy which is expected to be concluded in the 2022/23 Financial Year;
- Developed Guidelines for mainstreaming Nationally Determined Contribution (NDC) to guide sectors on integrating climate change in sectoral policies, strategies and plans. The NDC has outlined the Government's commitments, including mitigation and adaptation actions to be implemented in key sectors of the economy aiming at reducing greenhouse gas emissions and scaling adaptation actions for the period 2020 to 2040; and
- Developed resource mobilisation plans and strategies (National Determined Contribution Resource Mobilisation Strategy and Biodiversity Finance Plan).

Priority Area E7.2: Waste Management and Green Economy

Scaling-up recycling of the industrial by-products and waste management interventions countrywide

To ensure industrial-generated waste is safely disposed of the Government enforced compliance with legislation and policies. Currently about 70 percent of industrial-generated waste is safely disposed from the reported base value of a target of 30 percent (2020). However, the national recycling rate, tons of materials recycled declined from 8.6 to 8 percent in 2022.

The country aims to have 50 percent of domestic waste properly recycled by 2030. In the period of reporting, the demostric recycling rate remain unchanged at 10 percent .

A clean-up initiative was introduced in all councils to allow the collection of materials for recycling as one way of promoting sustainable waste management practices in the country. The initiative aim is to instil aculture of cleanliness and promote positive behavioural change through sustainable waste management practices. The second Friday of every month was designated as a National Clean-Up Day; however, the initiative is slowly losing momentum hence needs to be revamped.

Priority Area E7.3: Climate Change Management

Mainstreaming climate change in sector plans, policies and programmes

To enhance resilience to climate change impacts, 60 percent of sectoral policies and strategies already mainstreamed climate change issues against a target of 100 percent. In addition, to improve weather and climate monitoring for early warning, preparedness and timely response, 6 local councils adopted disaster risk reduction strategies.

Priority Area E7.4: Environment and Climate Change Financing

By 2030, the country aspires to have a coordinated and innovative financing mechanism for climate change, conservation, adaptation and mitigation measures. To achieve this, the Government planned to build the capacity for accessing local and international climate change financing, including the Climate Change Adaptation Fund and Green Climate Fund.

In the period of reporting, the Government established the National Climate Change Fund. The Ministry of Finance and Economic Affairs allocated carbon levy collections to the Fund. The Fund is aimed at mobilising, disbursing, monitoring, and accounting for climate change resources received both from domestic and international sources. The Fund will be accessible to all key climate change stakeholders from Government, civil society, academia, youths and the private sector for the implementation of climate change programmes. This brings the number of environmental and climate change funding sources to 3 against a target of 2.

Priority Area E7.5: Ecosystem Conservation and Environmental Management

The Government comence enforcement of the mandatory Environmental and Social Impact Analysis (ESIA) on all national and local level development projects.

Further, the Government, through the Department of Forestry, conducted 7 sensitisation workshops on the Forestry Act; issued 5 licenses for legal and sustainable charcoal production; and promoted the production of briquettes by different stakeholders, such as Raiply Malawi Limited.

Afforestation and re-afforestation activities

In the period of reporting, the Forestry Department:

- Produced 229,465 seedlings on customary estates in preparation for the 2023 tree planting season;
- Protected, conserved and managed 88 forest reserves by carrying out 692 patrols where 40 people were arrested and 10 cases were brought before the court for prosecution; and
- Rehabilitated, protected and managed 90,000ha of plantations – 88.6 km of fire breaks were maintained; 2,688.20 hectares of plantations were weeded; 1,244,179 seedlings were raised; and 200 hectares of industrial plantations were pruned.

Non-state actors supported the reforestation of about 5,100 hectares: World Vision supported the regeneration of 1,800 hectares of Njakwa forest; and Catholic Relief Services (CRS) reforestation of 3,300 hectares of degraded areas.



Waste materials recycling by the youth

Detailed Table of Implementation Progress on Interventions under Enabler 7

MIP-1 interventions	Period	Progress/ status	Rating	Remarks	Responsible Institutions
Legislation and Institutional Capacity					
Review Land related laws to accommodate new maps and land use change across the country	2021-2023	The Six Land Laws have been assented to: Land Acquisition and Compensation Amendment Act; Physical Planning Amendment Act; Customary Land Amendment Act; Land Survey Amendment Act; Reported Land Amendment Act; Land Amendment Act.	Started: On-track		Ministry of Lands
Review environmental guidelines and legislation to incorporate environmental sustainability principles including outlawing use of bricks burnt by wood for construction	2021-2023	The ESIA guidelines and Environmental and Social Assessments regulations have been developed awaiting review. Developed the Atomic Energy (Fees) Regulations that revised the fees schedule for improved revenue generation for the regulatory services of AERA. The regulations have since been laid before Parliament and gazetted. Reviewing the Atomic Energy Act No. 16 of 2011 to address the gaps and inconsistencies and to better provide an effective legislative framework for radiation safety and security of radioactive sources.	Started: On-track		Ministry of Natural Resources and Climate Change
Review environmental policy to set up proper governing structures and clarify the mandate of institutions including Malawi Environmental Protection Agency (MEPA) and Atomic Energy Regulatory Authority (AERA)	2021-2023	Both MEPA and AERA are operational	Started: On-track		Ministry of Natural Resources and Climate Change
Review existing laws and policies related to economic and fiscal instruments to raise revenues for sustainable conservation and management of natural resources and environment.	2021-2023	No progress reported	No Info Provided		Ministry of Finance and Ministry of Natural Resources and Climate Change
Review of Biosafety Act and Biosafety Regulations.	2021-2023	No progress reported	No Info Provided		Ministry of Natural Resources and Climate Change
Build the institutional, technical and human resource capacity in the institutions that will be coordinating sustainable environment interventions	2021-2030	Ongoing	Started: Slow Progress		OPC and Ministry of Finance

MIP-1 interventions	Period	Progress/ status	Rating	Remarks	Responsible Institutions
(with adherence to minimum requirement).					
Develop and implement strategic plans for the ministry (ies) coordinating this enabler.	2021-2030	No progress reported	No Info Provided		Ministry Natural Resources and Climate Change
Ecosystem Conservation and Environmental Management					
Enforce mandatory Environmental and Social Impact Analysis (ESIA) on all national or local level development projects.	2021-2030	Integrated environmental considerations into development programmes / projects to address environmental degradation in the country. Various development projects in the areas of infrastructure, energy, mining, waste management, agriculture and water resources have been reviewed for adherence to Environment and Social Management Plans (ESMPs) and, Environment and Social Impact Assessments (ESIAs) guidelines and environmental standards/ legislations. A total of 14 ESIAs and 28 Environmental and Social Management Plans (ESMPs) reviewed. 12 compliance monitoring activities on ESIA approved development projects conducted and best environmental practices were promoted. 5 Environmental Audit reports were reviewed. Companies that were found polluting the environment were fined and ordered.	Started: On-track		Ministry Natural Resources and Climate Change
Prepare and implement restoration plans in highly degraded areas (wildlife, forestry and fisheries).	2021-2023	Coconut tree seedlings were purchased for lakeshore planting (Likoma). 28 District Forest Office nurseries were established for constituency tree planting along riverbanks, road reserves, bare hills and lakeshore areas. District Forest Offices identified all hotspot areas for forest restoration in the 2022/23 forest season. Various non-state actors are also contributing to this including: Restoration of 1,800 hectare of Njakwa forest through natural regeneration with support from World Vision Restoration of over 3,300 ha in 10 districts under Malawi Green Corp by Catholic Relief Services	Started: Slow Progress		Ministry of Natural Resources and Climate Change
Develop master plans for environmental management at national and district level.	2021-2023	The Department is in the process of developing the National State of Environment and Outlook Report and District State of the Environment Reports for Neno, Dedza, and Mangochi.	Started: Off-track	The national and district level master plans need to be prioritized to	Ministry of Natural Resources and Climate Change

MIP-1 interventions	Period	Progress/ status	Rating	Remarks	Responsible Institutions
				provide guidance and coherence in environmental management drive	
Enforce land related legislation especially on land use.	2021-2030	The Department of Forest in collaboration with Malawi Police continue to be undertaking routine monitoring and periodic operations to enforce the laws. Land use enforcement has also been intensified following the enactment of new land laws. Within the year the emphasis has been on sensitizing the public on the new legislations	Started: Off-track		Ministry of Lands
Designate all hilly areas as protected and scale up forest regeneration.	2021-2023	2,837.59 ha protected and scaled up for forest regeneration with support from FDH Bank, National Bank, MWASIP, Blantyre Water Board	Started: Off-track	Need to declare all hilly fragile areas as protected areas	Ministry of Natural Resources and Climate Change
Establish campaigns that will inculcate positive values on the environment among children and youth.	2021-2023	The Ministry disseminated messages on illegal fishing, environmental protection, role of citizens in environmental protection, alternative sources of energy and the Charcoal Strategy	Started: Slow Progress		Ministry of Natural Resources and Civic Education
Develop curriculum for primary and secondary schools to educate and engage students in environmental awareness and sustainability activities.	2021-2024	Updated National Climate Change Learning Strategy (NCCLS) with the aim of addressing knowledge gaps that are key for formulating informed policies and climate change interventions. The NCCLS has three main pillars: -Individual learning and skills development -Institutional capacity building -Resource mobilization	Started: On-track		Ministry of Natural Resources and Climate Change and Ministry of Education
Scale up use of alternative sources of energy such as briquettes biogas and Liquified petroleum gas (LPG).	2021-2030	Many initiatives by state and non-state actors e.g., Malawi Green Corps Project supporting youth groups in 10 districts to produce briquettes RAIPLY, WICO.	Started: Potential to Meet Target		Ministry of Energy
Provide fiscal incentives for environment friendly cooking equipment.	2021-2030	Tax waivers on renewable energy system components in form of duty and VAT have been implemented	Started: On-track		Ministry of Energy and Ministry of Finance
Expand use of energy-saving cooking equipment.	2021-2030	Development Partners championing the use of energy saving cook stoves	Started: Potential to Meet Target		Ministry of Energy and Ministry of Civic Education
Waste Management and Green Economy					

MIP-1 interventions	Period	Progress/ status	Rating	Remarks	Responsible Institutions
Establish modern dump sites and associated infrastructure to support recycling in cities and towns.	2021-2023	No progress reported	No Info provided		Ministry of Local Government (Cities and Towns)
Promulgate legislation requiring companies to categorise and quantify the waste they generate and how to dispose of it.	2022-2023	Environmental Affairs Department (EAD) reviewed and submitted the Waste Management Regulations, 2008 to Ministry of Justice for vetting.	Started: Off-track		Ministry of Natural Resources and Climate Change
Provide a business framework to support the investors through tax reductions and waivers.	2021-2030	No progress reported	No Info Provided		Ministry Trade and Industry and Ministry of Finance
Conduct green products youth exhibitions and networking conferences.	2022-2030	EAD collaborated with Save the Children and National Youth Network on climate change in facilitating National Children's Climate Summit which was presided over by the State President	Started: Slow Progress		Ministry of Natural Resources and Climate Change
Scale up youth-led green practices for promoting green economy in potential areas especially in cities.	2021-2030	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 Personal protective equipment.	Started: Slow Progress		Ministry of Trade and Industry and Ministry of Natural Resources and Climate Change
Develop management plans for national and district waste management and sanitation interventions.	2021-2023	EAD in collaboration with Ministry of Local Government continues to implement the clean-up initiative as one of the ways of promoting sustainable waste management practices in the country. Second Friday of every month was designated as a National Clean-Up Day. Sensitised stakeholders on waste management best practices. Currently the general public is taking initiatives to expose those littering wastes in undesignated places, "naming and shaming".	Started: Off-track	The national and district level master plans need to be prioritised to provide guidance and coherence in waste management and sanitation	Ministry of Natural Resources and Climate Change
Appoint opinion leaders as champions for environmental sustainability and social wellbeing.	2021-2030	No progress reported	No Info Provided		Ministry of Natural Resources and Climate Change
Update the guide to executive decision making with environmental management tenets.	2022-2030	No progress reported	No Info Provided		Ministry of Natural Resources and Climate

MIP-1 interventions	Period	Progress/ status	Rating	Remarks	Responsible Institutions
					change
Implement nuclear safety and security measures to protect people and environment.	2021-2030	Ongoing, involves among others; issuing of licences to use radiation sources and compliance inspections for radiation safety and security of radioactive sources as well as providing the occupational radiation monitoring services.	Started: On-track		Ministry of Natural Resources and Climate Change
Scale-up recycling of the industrial by-products and waste management interventions country wide.	2021-2030	No progress reported	No Info Provided		Ministry of Trade and Industry
Develop standards for eco-friendly products.	2021-2030	No progress reported	No Info Provided		Ministry of Trade and Industry
Intensify production of energy from waste especially in towns and cities.	2021-2030	No progress reported	No Info Provided		Ministry of Energy
Climate Change Management					
Conduct periodic reporting in environmental management practices.	2021-2030	This is an on-going activity. The Departments prepare reports monthly, Quarterly, Bi-annually, and annually and submits them to relevant authorities for further action.	Started: On-track		Ministry of Natural Resources and Climate Change National
Institutionalise data collection and management in the ENRM Sector.	2021-2030	No progress reported	No Info Provided		Statistical Office and Ministry of Natural Resources and Climate Change
Adopt low carbon emission development strategies.	2021-2030	No progress reported	No Info Provided		Ministry of Natural Resources and Climate Change
Implement adaptation and mitigation interventions in the sectors of agriculture, forestry, and land resources conservation.	2021-2030	Ongoing, EAD is implementing the Bua River Ecosystem restoration project under National Climate Resilience Programme Project. Department of Forestry through SVTP is implementing rehabilitation and management of lower Shire catchment; through MWASIP the department is further implementing restoration and catchment management of Upper Shire; the department is also promoting farm managed natural regeneration and agroforestry technologies	Started: Slow Progress		Ministry of Natural Resources and Climate Change
Implement Nationally determined contributions (NDC) agreed modalities and National Adaptation Plans.	2021-2030	Ongoing	Started: On-track		Ministry of Natural Resources and Climate Change
Mainstream climate change in sector plans, policies and programs	2023-2030	Ongoing	Started: On-track		Ministry of Natural Resources and Climate

MIP-1 interventions	Period	Progress/ status	Rating	Remarks	Responsible Institutions
					change
Enhance climate change research and technology development and dissemination.	2021-2030	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 Forestry Research Institute of Malawi is conducting research on improved bamboos as alternative to fuelwood production, poles and timber	Started: Slow Progress		Ministry of Natural Resources and Climate Change
Strengthen cross-sectoral coordination among stakeholders for harmonisation of climate change interventions.	2021-2030	Ongoing	Started: Slow Progress		Ministry of Natural Resources and Climate Change
Environment and Climate Change Financing					
Re-establish carbon tax fund.	2022-2023	The fund is yet to be re-operationalised	Started: Slow Progress		Ministry of Finance
Build capacity for accessing local and international Climate Change Financing including the Climate Change Adaptation Fund and Green Climate Fund.	2021-2023	Trained experts from Departments of Finance, Disaster Management Affairs, Forestry, Environmental Affairs, Justice, and several representatives from the districts and civil society organizations on how to access local and international climate change financing.	Started: Slow Progress		Ministry of Natural Resources and Climate Change and Ministry of Finance
Introduce various levies, including carbon levy and payment for ecosystem services to support ENRM investments.	2022-2025	Ongoing	Started: Slow Progress		Ministry of Finance
Natural Disasters and Climate Adversities Preparedness					
Digitise the disaster response program.	2022-2023	DODMA has developed the Disaster Risk Management Information System (DRMIS) which is being piloted in 4 districts of Balaka, Chikwawa, Mangochi and Phalombe. The system focuses on the collecting, storing, analysing and disseminating of Disaster information. Currently, the system is focused on reporting post disaster needs assessment. DODMA is also developing DoMIS which is currently focusing on commodity tracking from warehouse to the disaster affected households.	Started: Slow Progress		OPC (DODMA)
Invest in real-time modernised early warning systems and climate information.	2022-2024	Early warning messages developed and disseminated. Weather and climate information system has been developed.	Started: On-track		Ministry of Natural Resources and Climate Change
Set-up and support knowledge management network and capacity for application of sound environment science and technological monitoring.	2023-2025	No progress reported	No Info provided		Ministry of Natural Resources and Climate Change

MIP-1 interventions	Period	Progress/ status	Rating	Remarks	Responsible Institutions
Institutionalise collection, management and use of relevant disaster information.	2021-2030	Disaster Risk Management Information System is being piloted in 4 districts. The system focuses on the collecting, storing, analysing and disseminating of Disaster information. Plan is to scale up to 9 Disaster Risk Management for Resilience Programme districts and Councils.	Started: Potential to Meet Target		OPC (DODMA)
Deploy enough personnel at all councils for assessment, management and reporting of disasters.	2021-2025	All councils have personnel to support the DRM Office.	Started: On-track		OPC (DODMA)
		Started: On-track	33.33%		
		Started: Slow Progress	24.44%		
		Started: Potential to Meet Target	6.67%		
		Started: Off-track	8.89%		
		Not started/No Info Provided	26.67%		

Progress on the Malawi COVID-19 Socio-Economic Recovery Plan

The Government unveiled the Malawi COVID-19 Socio-Economic Recovery Plan (SERP) on 21st December 2021. The implementation period for SERP is 2021 to 2023 and has two key objectives: to provide strategic transitional redress to the COVID-19 pandemic in facilitating the operationalisation of MW2063 through the MIP-1, and ii) to provide remedial strategic interventions that will set Malawi back on course on its efforts to actualise the SDGs by 2030.

The SERP which is part of MIP-1 defines some of the key interventions for Malawi to build back much faster from COVID-19 in the implementation of the MIP-1. These include front-loading ongoing socio-economic investments in select productive sectors. More specifically, the SERP proposes the implementation of strategic interventions across five inter-linked focus areas. The focus areas were identified based on evidence that showed accelerated recovery if these areas were targeted. The five focus areas are: (i) Building a Resilient and Sustainable Health System; (ii) Building a Resilient and Sustainable Education System; (iii) Building a Resilient and Sustainable Social Protection System; (iv) Building a Resilient Economy and Labour Market; and (v) Building an Enabling Macroeconomic Policy Environment. The total cost of implementing the SERP was estimated at Five Hundred Eighty Billion and Eight Hundred Twenty-Eight Million Kwacha (K580,828,000,000). This cost only considers the catalytic interventions for building back much faster in each of the focus areas, otherwise, the general needs for each SERP pillar are much higher.

Progress by SERP Pillars

Building a Resilient and Sustainable Health System

The focus area aims at enhancing the capacity of the healthcare system to maintain essential life-saving health services while handling COVID-19 and future pandemics. The following is the progress at the end of 2022.

As of 30th October 2022, 3.0 million individuals had been fully vaccinated against the COVID-19 in Malawi. The number of fully vaccinated individuals represents 15% of the total Malawian population.

In the current financial year, the government earmarked the construction of 55 health. Currently, 23 health posts are under construction with the remaining 32 undergoing procurement processes. Other non-state actors including Red Cross has four health posts completed and two under construction; Japan Tobacco International and Press Trust are complementing government efforts to construct health posts. Other intervention under the pillar are:

- Construction of centres for infectious diseases (the procurement process for the centres has begun).
- Establishment of emergency drug fund. The Government has established a MWK1.6 billion emergency drug fund for local councils to ease the problem of recurring drug stockouts in hospitals.

Building a Resilient and Sustainable Education System

This area focuses on building a resilient and sustainable education syste capable of withstanding any future global or national shocks to ensure that learning continues in school amidst pandemics and shocks. The following is the progress at the end of 2022:

- Under Malawi Education Reform Programme (MERP), Government is in the process of recruiting primary auxiliary teachers (3,500) and secondary school teachers (2,272).
- The government has purchased and distributed 1.3 million science subject books for secondary schools valued at MK1.5 billion.
- The government is equipping schools with functioning Information and Communication Technology (ICT) centres to facilitate the development of a science and technology and innovation-driven education system. 450 students' desktop computers have so far been procured.

Building a Resilient and Sustainable Social Protection System

This focus area aims 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. The following is the progress made:

- The government launched an online platform for understanding Gender-Based Violence in 2021.
- Some non-state actors have provided various social protection support including gender equality and social inclusion interventions.

- The Government and other development partners expanded and increased social cash transfer through digital payments to even cater for agricultural inputs. Cash transfers are also linked to village savings to build household economic self-reliance.

Mass Vaccination – A race towards herd immunity in Ntcheu District

Ntcheu district, as all district health offices, embarked on Covid-19 mass vaccination to head off covid-19 pandemic and bring life to normalcy after the socio-economic disruption caused by COVID. A total of 107,036 people has been vaccinated out of the population of 688,353 as of August 2022 representing 15 percent. This is lower than the 60 percent required to achieve herd immunity. To achieve this, Ntcheu District Hospital Office undertook the following initiatives:

- *Established 39 fixed sites and conducts 1 campaign every month.*
- *413 dedicated HSAs have institutionalised COVID- 19 vaccination.*
- *Close collaboration with partners (Population Service International (*Population Services International *and GIZ) to leverage on campaign messaging and awareness.*
- *Involvement of traditional leaders, especially the most senior including Inkosi Gomani V and Senior* Traditional Authority *Kwataine, in the campaign have been instrumental in mobilizing masses.*
- *Vaccination of the teenagers (12 to 17-year-olds) have started; however, the response has*

Building a Resilient Economy and Labour Market

The focus is to provide an enabling business environment for sustainable economic recovery and resilient jobs and 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:

- Developed a National digital economy strategy which is at an advanced stage of cabinet approval
- COVID support facility by RBM is being channelled through commercial banks and Development Finance Institutions such as Malawi Agricultural and Industrial Investment Corporation (MAIIC) for the SMEs.
- Exemption of Valued-added Tax (VAT) on cooking oil in the 2021/2022 budget statement).

The Malawi 2nd Compact Summary

After a successful implementation of the first compact, the new Malawi Compact under the Millennium Challenge Cooperation of the United States has signed a new compact worth US$350 million. There are two proposed projects in it (i) Accelerated Growth Corridors for eight selected potential growth corridors: Kasungu – Dowa, Mchinji – Kasungu, Lilongwe, Lilongwe – Dedza, Ntchewu – Mangochi, Mzimba Euthini – Chakazi bridge – Mzimba boma, Mtwalo – Sokopo Chinula – Kafukule – Mtantha – Euthini – Mbalachanda – Madede and Mzimba – Rumphi (Iii) Land Productivity with focus on estate lands, customary lands, and land-based revenue mobilization including land administration, capacity, and devolution for long-term institutional support and sustainability to enhance land productivity.

Building an Enabling Macroeconomic Policy Environment

The focus is 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 will diversify the economy; promote a knowledge-based economy; and diversify its revenue-generating capacity beyond traditional sources. The following is the progress made:

- The adherence to Public Finance Management (PFM) reforms on expenditure is key to gaining macroeconomic stability; stimulating economic activity; inducing recovery.
- Launched the JCM Solar plants in Salima 60MW and Golomoti (20MW) in 2022.
- Advanced development of 350 MW Mpatamanga hydro plant. A financing agreement has been signed.
- Front-loading of development partner financing such as the World Bank
- The signing of the new Malawi Compact under the Millennium Challenge Cooperation in September 2022 for an amount of $350,000,000 whose effectiveness will fall within the SERP period.

Provision of fiscal and monetary incentives for helping businesses to build back better from COVID- 19 effects

Ministry of Trade and Industry facilitated the removal of VAT on cooking oil in the current budget. The ministry also facilitated the introduction of a 20 percent surcharge on blankets**.** The Ministry of Finance is researching to provide holistic and systematic fiscal incentives to various strategic industries to stimulate growth while maintaining fiscal solvency.

Progress towards 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 review shows significant progress in goals 2, 3, 4, 6, and 14 with moderate progress in goals 5, 7, 8, 9, 13, and 17. There is little or no progress in goals 1, 10 and 15 while insufficient data made it difficult to assess progress in goals 11, 12, and 16 as in the table below.

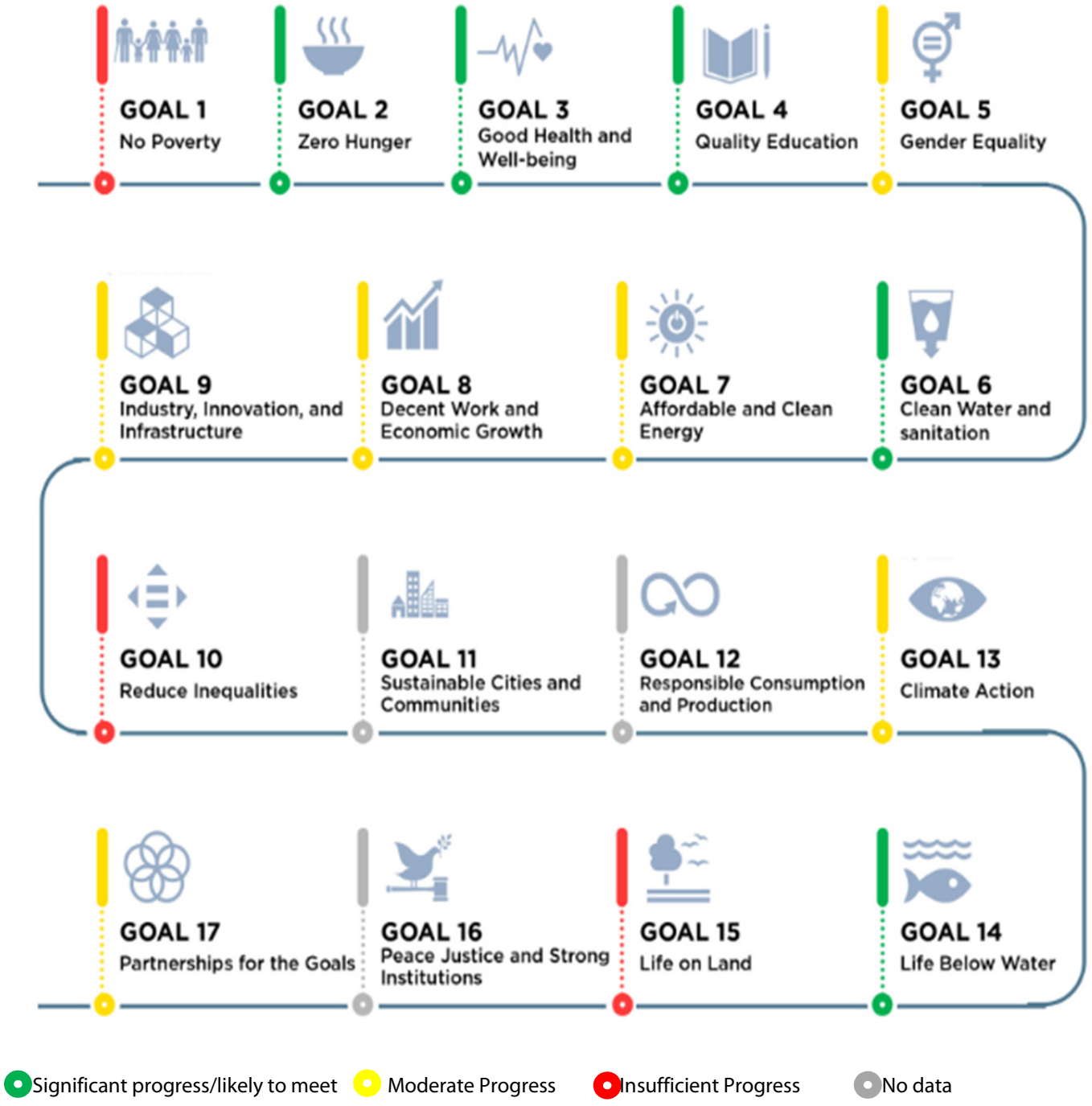


Figure 25: Snapshot of SDGs progress

The section below provides a short progress analysis of all the goals to showcase initiatives that are being implemented to fast-track them.

Goal 1- End Poverty in all its forms everywhere: At the current pace, Malawi is unlikely to halve the levels of poverty by the year 2030. COVID-19 has since exacerbated the situation. Other factors include a high population growth rate; limited access to financial services; and high level of corruption. The Government and its stakeholders have been engaged in several interventions to ensure the acceleration of the goal. These include the National Social Support Programmes aimed at reducing poverty and hunger, the Affordable Farm Inputs Programme and the promotion of community cooperatives.

Goal 2 – Ending Hunger and Achieving Food Security: Malawi is likely to achieve this goal as evidenced by the food security situation and nutrition status improvements over time. The increased food security in the country has been because of: The Affordable Input Programme which subsidises farm inputs for poor households and has led to an increase in agricultural productivity; Intensified irrigation development increasing the areas under irrigation by 22.5 percent since 2020; and Enhanced implementation of nutrition programmes through development stakeholders.

Goal 3 – Ensure Healthy lives and promote well-being: The country has made significant progress and is likely to meet most of the targets under SDG 3. Among others: under-five mortalities; neonatal mortality; and malaria-related deaths have declined. Malawi has since implemented the following interventions: Enhancing Antenatal Clinics; Intensifying training on the perceived Quality Improvement areas to improve the survival of new-borns, Continuing the recruitment, training and deployment of Health Surveillance Assistants (HSAs) and increasing the availability of infrastructure through the construction of health posts/ village clinics.

Goal 4 - Inclusive and equitable education: Malawi is likely to achieve SDG 4 by 2030. In the previous two years, Malawi has embarked on school expansion programmes that include constructing new secondary schools, renovating, and expanding existing primary schools, constructing teachers training colleges and recruiting thousands of primary and secondary school teachers. Nevertheless, closure of schools due to COVID-19 in 2022 and 2021 has posed a clear risk to derail gains made especially toward girls' education.



Mchinji TTC under construction

Goal 5 - Achieve Gender Equality and Women Empowerment: Gender inequality persists as women and girls remain marginalised in some contexts with the social, cultural, economic, and political space. Among the factors are harmful cultural practices and traditional beliefs that perpetuate gender-based violence; and uncoordinated and under-resourced response mechanisms to Sexual and Gender-Based Violence.

To promote gender equality, Malawi has enacted various gender-related laws to create a legal environment that promotes gender equality, and prevents, mitigates, and responds to violence against women and girls.

Goal 6- Ensure availability and sustainable management of water: Malawi has strengthened efforts to address water, sanitation, and hygiene challenges. These efforts have led to improvements in most of the WASH outcomes. Major interventions include installing gravity-fed piped systems, constructing multipurpose dams; drilling boreholes and installation of solar-powered pumps; and constructing sanitation facilities in public institutions.

Goal 7- Ensure Access to Affordable Sustainable and Modern Energy: Currently the country is grappling with a shortage in power generation and supply that has led to frequent power outages. Hydro remains the main source of energy for Malawi with solar and thermal (coal, geothermal and biomass) as alternative sources. To accelerate the generation of electricity, Malawi has involved Independent Power Producers (IPPs) to feed into the national grid. Other interventions underway include the JCM Solar power plant in Dedza (20 megawatts) and Salima (60 megawatts) districts; 8.7 megawatts Ruo-Ndiza hydropower plant; 19.1 megawatts Tedzani hydropower plant.

Goal 8- Promote Sustained, Inclusive and Sustainable Economic Growth, Full and Productive Employment and Decent Work for All: The goal has registered moderate progress. Malawi has, in recent years, been registering positive economic growth, albeit low because of the COVID-19 pandemic and natural disasters. The COVID-19 pandemic had a significant impact on the labour market; at its peak, approximately 9 percent of the labour force stopped working. The country is making efforts to invest in large-scale mining and youth internship programme. Fast-tracking implementation of economic flagship projects including AGCOM, and Agriculture Infrastructure and Youth which support individuals to commercialise agriculture has helped to spur local growth.

Goal 9- Build Resilient Infrastructure, Promote Inclusive and Sustainable Industrialization and Foster Innovation: The country is relatively faring well in ICT development; however, transport infrastructure remains a challenge for Malawi. The country is currently working towards constructing and rehabilitating roads where construction of several national roads and railway system is in progress; providing free Wi-Fi in key public areas such as airports, hospitals, schools, and markets; and erecting towers in the rural areas through the Last Mile Rural Connectivity project to ensure broad coverage.

Goal 10- Reduce Inequality Within and Among Countries: Malawi is lagging behind other countries in economic development and needs to accelerate economic growth for the country to catch up. Inequality is persistent in most communities with wealth being concentrated in a few individuals. The country is not likely to meet the goal. Several interventions are being implemented to curb the situation and these include Social protection programmes such as AIP, Social Cash Transfer , Public Works Programme, etc which aim to improve food security at the household and national level and reduce poverty; Jobs for Youth project under the National Youth Service, which seeks to economically empower the youth for improved employability; Credit Initiative under the National Economic Empowerment Fund (NEEF), which aims to improve access to credit and economic opportunities for SMEs; and Technical and vocational skills development programmes for the youth.

Goal 11- Sustainable Cities and Communities: Malawi is among the fast-urbanising countries in the world, with an annual urban population growth rate of 5.3 percent. In the period between 2011 and 2020, the urban population has risen from 2,344,863 to 3,333,777 people, representing a 42.2 percent increase. Managing rapid urbanisation is, therefore, necessary for the sustainable physical, social, and economic development of the cities and urban centres of the country. High rural-urban migration is mainly due to a lack of economic opportunities in rural areas. To address the challenge of unplanned urbanisation, Malawi has embarked on the development of secondary cities and upgrading the current cities with modern infrastructure to meet the world-class modern city status.



Mulch milk processing in Blantyre

Goal 12 Responsible Consumption and Production: Sustainable consumption and production contribute to the MW2063 aspiration of inclusive wealth creation and self-reliance by ensuring the recognition and protection of the intra- and inter-generational interests of Malawians. The pursuit of economic development within the context of MW2063 is, therefore, driven by the recognition and acceptance of the need to transition toward low-carbon and green economies. In Malawi, growing urbanisation has brought about the challenge of waste management which, if not checked, will only worsen with the industrialisation drive espoused by the MW2063, and negatively affect the general well-being of Malawians.

Goal 13- Action for Climate Change: Malawi is experiencing various devastating climatic shocks that have increased in frequency and intensity in the last two decades. This has caused a lot of socio-economic losses and damages. Though making progress in combating climate change, the progress realised is not satisfactory. The country has since developed and updated the Disaster Risk Management (DRM) and Multi-Hazard Contingency Plans for local councils; and improved the legislative environment through the enactment of the Disaster Risk Management (DRM) Bill and promoted early warning systems especially digitisation of the same and integrate indigenous knowledge in the early warning system among other interventions.

Goal 14 - Life Under Water: Malawi is taking strategic initiatives to conserve and promote life underwater within its inland water bodies. Promoting modern aquaculture practices has increased fish catch and aquaculture value. An analysis of the fish catches and aquaculture data shows that production has been on the increase annually from 2010 to 2021, with fish landing values ranging from 95,724 to 173,480 tonnes. The total fish production has contributed to the per capita fish consumption for Malawians.

Goal 15 - Life on land: Over a fourth-fifth of Malawians rely on forests for energy, food, timber, and non-timber forest products. Over-exploitation of forests and woodland have degraded at an alarming rate due to deforestation for wood fuel, settlement, and agricultural expansion. In the past few years, Malawi has scaled up the implementation of the Land Restoration Strategy which earmarks to conserve 4.5 million hectares of land.

Goal 16 – Peace, Justice and Strong Institutions: Over the last two and half decades, Malawi has spearheaded governance reforms to consolidate peace and the rule of law; build strong and accountable public institutions. This has enabled Malawi to enjoy a strong comparative advantage in the region as a politically stable constitutional democracy with a strong sense of the rule of law. Malawi's score on the Ibrahim Index of African Governance (IIAG) is 51.5, higher than the average score for Africa at 48.8.

Goal 17 - Partnership: Given the interlinkages of the SDGs, Malawi has instituted Pillar and Enabler Coordination Groups (PECGs) to enhance coordination among stakeholders (both state and non-state) across goals. The government has also embarked on efforts to

retire public debt and ensure sustainable development financing.

5.0 SUMMARY OF AGREED PRIORITIES FOR THE 2023/24 FISCAL YEAR

Below are the priorities for the 2023/24 to be implemented by both government and non-state actors. The interventions have a high probability of advancing the country towards meeting the two MIP-1 milestones. These were arrived at through consultations with stakeholders in the PECGs, confirmation by Government sector leads, and modelling by the National Planning Commission.

Pillar 1: Agricultural Productivity and Commercialisation

1. Support the establishment of mega-farms (with anchorage) that connect with surrounding smallholder farmers in the production of localized agricultural products (livestock, crops, including horticulture, beekeeping, and fish) across the country;
2. Legislate for the establishment of structured markets for all existing NES prioritised strategic crops, livestock and fisheries;
3. Reform ADMARC into a fully functional agriculture-produce commercial entity and aggregator with international market linkages;
4. Implement the farm machinery and equipment hire and ownership scheme especially targeting cooperatives and the youth; and
5. Build the institutional, technical and human resource capacity in the institutions that will be coordinating agriculture productivity and commercialization (with adherence to minimum requirements).

Pillar 2: Industrialisation

1. Establish a national single window for trade;
2. Support the creation of long-term development financing instruments in the existing commercial banks and other financial institutions;
3. Develop the supporting infrastructure for the Special Economic Zones and Export Processing Zones;
4. Promote rural-based agricultural value addition infrastructure development to enable women, and youth participation in industrialization;
5. Facilitate the re-commissioning and development of the Kayerekera uranium mine in Karonga, rare earth mining in Phalombe, Kanyika niobium in Mzimba, Malingunde Graphite and Kasiya Rutile in Lilongwe; and
6. Build the institutional, technical and human resource capacity in the institutions that will be coordinating industrialisation (with adherence to minimum requirements).

Pillar 3: Urbanisation

1. Implement innovative, cost-effective valuation and billing of all city properties to significantly spread the property tax burden and improve revenue; Implement the Tourism Masterplan starting with the identified quick-wins that include developing the creative industry;
2. Develop and review laws and policies for urban land use and urban development;
3. Enforce adherence to the physical master plans in all councils, including the development of 'ecological corridors';
4. Develop master plans for the 8 upcoming secondary cities; and
5. Build the institutional, technical and human resource capacity in the institutions that will be coordinating urbanization (with adherence to minimum requirements).

Enabler 1: Mindset Change

1. Revise school curricula to include ethics, integrity, and positive values;
2. Estabilsh theNational Unity Commission
3. Develop and implement an integrated national Mindset Change Programme that brings together initiatives of both state and non-state actors;
4. Establish and sustain local hubs and/or platforms (pa bwalo) as discussion forums for the communities to discuss public issues, including at ADC level; and

5. Build the institutional, technical and human resource capacity in the institution that will be coordinating the mindset change interventions.

Enabler 2: Effective Governance Systems and Institutions

1. Develop a policy and legislative framework for the adoption and use of DNA technologies and evidence in criminal investigations and proceedings;
2. Protect budgetary allocation of governance and accountability institutions to enhance operational independence;
3. Enforce a public expenditure tracking system; and build the institutional, technical and human resource capacity in the institutions that will be coordinating effective governance (with adherence to minimum requirements); and
4. Build the institutional, technical and human resource capacity in the institution that will be coordinating the mindset change interventions.

Enabler 3: Enhanced Public Sector Performance

1. Enforce adherence to the Public Service Policies and Regulations in recruiting, rewarding and sanctioning public servants;
2. Develop and publicize annual Key Performance Indicators (KPI) for Cabinet Ministers, heads of MDAs and statutory bodies;
3. Roll out the devolution and decentralization process in full to allow service delivery that is closer to the people;
4. Digitise the documentation, procurement, and operations of all relevant government services; and capacitate local councils to manage decentralization process; and
5. Build the institutional, technical and human resource capacity in the institutions that will be coordinating public sector performance (with adherence to minimum requirements).

Enabler 4: Private Sector Dynamism

1. Facilitate the enactment and gazetting of the Special Economic Zones Bill;
2. Focus on supporting completion of strategic economic infrastructure of power, transport network and ICT while ensuring sustainable macroeconomic environment that beats regional averages;
3. Develop the key import substitution sectors such as pharmaceuticals; Implement the MSME Policy and establish and sustain a Public-Private Dialogue (PPD) forum for SMEs and Cooperatives;
4. Provide tax incentives to firms (both local and foreign) investing in priority sectors of the economy as guided by MW2063; and
5. Build the institutional, technical and human resource capacity in the institutions that will be coordinating private sector dynamism (with adherence to minimum requirements).

Enabler 5: Human Capital Development

1. Build decent housing for teachers especially in primary and secondary schools;
2. Recruit and deploy more primary and secondary school teachers;
3. Fully develop and implement the National Youth Service;
4. Rehabilitate and upgrade Community Skills Training Institutions and ensure they are well equipped;
5. Provision of integrated Platforms of Care at all levels of the Health System;
6. Upscale sexual reproductive health rights services as well as women economic empowerment programmes and educating the girl child (without neglecting the boy child) as part of effective population managing strategies;
7. Construction and Rehabilitation of existing health and education infrastructure and promotion of online learning;
8. Support catchment protection measures especially main river sources; Construct/install and/or upgrade well-serviced sanitation facilities (such as toilets, washrooms, dust bins) in all public places such as markets, bus terminals);
9. Rehabilitate existing sports facilities and Supply sports equipment materials for all targeted sport disciplines to all learning institutions; and
10. Build the institutional, technical and human resource capacity in the institutions that will be coordinating the human capital development interventions (with adherence to minimum requirements).

Enabler 6: Economic Infrastructure

1. Undertake systematic maintenance and rehabilitation of road infrastructure including in rural areas;
2. Complete the upgrading works of urban roads to bitumen standards;

3. Expand railway coverage to international and local routes for cargo and passengers and intercity railway system (including Completion of the Marka-Bangula railway);
4. Develop more clean energy and Hydro-power plants (such as Mpatamanga);
5. Legislate the utilization of pension funds for development/infrastructure projects;
6. Train the relevant MDAs and parastatals in acquiring bankable projects and Public Private Partnership (PPP) negotiating skills; and
7. Build the institutional, technical and human resource capacity in the institutions that will be coordinating the economic infrastructure interventions (with adherence to minimum requirements).

Enabler 7: Environmental Sustainability

1. Review existing laws and policies related to economic and fiscal instruments to raise revenues for sustainable conservation and management of natural resources and environment;
2. Build capacity for accessing local and international Climate Change Financing including the Climate Change Adaptation Fund and Green Climate Fund;
3. Enforcement of land related legislation especially on land use;
4. Scale-up forest regeneration and land restoration plans in highly degraded areas (wildlife, forestry and fisheries); and
5. Build the institutional, technical and human resource capacity in the institutions that will be coordinating the environmental sustainability interventions (with adherence to minimum requirements).



Reforestation of Eastern Side of Dedza Mountain

6.0 CONCLUSION AND RECOMMENDATIONS

In the first year of MIP-1 implementation, Malawi has registered success in putting in place critical policies to create a conducive and enabling environment. However, key challenges have been observed which need to be addressed to fast-track implementation of the interventions and ensure Malawi is on course to achieve the 2030 MIP-1 milestones. Some of which include:

- The 2022 fiscal space had a lot of challenges for the Malawi Government to make any meaningful strides in implementation of MIP-1. Given the limited budgetary constraints, the government and stakeholders need to:
    - Ensure budgets strictly align to MIP-1 interventions, prioritising interventions that have the potential to create wealth in the shortest time, as well as spill overs to other sectors. In this regard, National Planning Commission and Treasury should continue to engage MDAs to prioritise a few impactful interventions in line with MIP-1.
    - Explore emerging innovative financing including climate financing, (green bonds, carbon financing, etc) and development bonds to ensure sustainable financing to development programmes. Ministry of Finance and Economic Affairs with the National Planning Commission should embark on building the capacity of MDAs and non-state actors in accessing innovative financing.
    - Fast-track tax reforms to improve tax yield, some of the reforms include Strengthening the own-source revenue generation capacity of Local Authorities; reviewing tax policy and legislation; improving business intelligence and analysis; and strengthening taxation of the informal sector.
    - Build strong alliances with the private sector to champion the implementation of interventions that can best be undertaken by the private sector such as mega-farms and agro-processing, mining, manufacturing, tourism sector and creative arts investment. Thus, the government needs to prioritise creating an enabling environment for the private sector which includes developing pro-private sector policies and addressing regulatory and policy issues which are stifling private sector dynamism.

- The first year of the implementation faced triple exogenous shocks of COVID-19, the Russian-Ukraine war and climate change-induced cyclones. As the external shocks are increasing with regularities and intensities, Malawi should work to build its resilience through, among others:

Climate change

    - Invest in climate-smart agriculture which includes irrigation, drought-tolerant crops, etc.
    - Support the development of weather index insurance to safeguard farmers from failures caused by climate change.
    - Undertake in large-scale sustainable environment management drives to restore and protect forests and watersheds which will mitigate the effects of climate change in the medium and long term.
    - In flood-prone areas, invest in building climate-resilient economic infrastructures and houses. Intensify the construction of flood controls including dams and dikes in strategic areas to minimize the likelihood of floods.

COVID-19

    - Intensify vaccination drive to achieve herd immunity to mitigate the resurgence of COVID-19.

- Development partners to frontload investments to ensure the economy is brought back to the pre-COVID trajectory.

Macroeconomic instabilities

- Fast-tracking investment that will promote exports. This includes targeted megafarms targeting exportable crops having ready off-takers; accelerating large-scale mining, creating structured markets for other valuable minerals and providing targeted incentives to export-oriented manufacturing.
- Enforce the frameworks that regulate the forex market to eliminate leakages from the formal markets and externalisation of the forex.
- Reduce expenditure on unnecessary imports.

Corruption and economic crimes:

Corruption and economic crimes including illicit financing, externalisation and mis-procurements remain serious challenges. Key effects of these have been draining government resources, forex scarcity, poor service delivery and delayed or non-implementation of the development programme. The authorities have made significant efforts in supporting the anti-corruption bureau with more technical and financial resources within the limited fiscal space as well as amending laws that would offer more independence to the bureau in prosecuting cases. Additionally, a special financial crimes division within the judicial system has been set-up to fast-track conclusion of corruption and financial-related crimes. In support of these efforts, the following will still need attention:

- Strengthening public procurement with strengthen the oversight role of governance institutions;
- Regulating operations of related companies which often front each other for anti-competitive purposes in public procurement processes;
- Operationalizing the access to information for the public and media to player provide checks and balances to enhance accountability;
- Developing a multi-stakeholder strategy to fast-track prosecution and dispose of corruption cases.

Weak monitoring and data systems remain key challenges in the implementation of MIP-1. The unavailability of timely data poses a key challenge in tracking implementation progress and ensuring key bottlenecks are identified and addressed timely. Due to the disintegrated nature of the operations of non-state actors, the tracking of interventions from these actors has been a challenge. The following is therefore recommended:

- Intensifying efforts at digitalising the economy.
- Streamline reporting templates, timeliness and requirement.
- Develop harmonised Management Information Systems (MIS) to generate and preserve the necessary data.
- Strengthen PECGs to ensure the reporting of the progress capture implementation progress beyond operations of government.

Slow progress on executing catalytic interventions:

While the exogenous factors have largely been beyond the control of the nation, the following deliberate efforts need to be made by the responsible state and non-state actors:

- Fast-tracking implementation of catalytic interventions like construction of economic infrastructure, mining and tourism developments, setting up of mega-farms and structured markets that could have helped to cushion the country from the external shocks. These catalytic interventions have the potential to improve export earnings, boost fiscal space and help retire debt;
- Prioritisation of a few catalytic interventions within each focus area with high multiplier effect. MDAs need to be capacitated and given targets to zero in on the isolated impactful interventions;
- Engaging with the private sector more effectively and incentivise the private sector to take leadership in spearheading catalytic intervention which can be implemented better by the private sector;
- Given the importance of the alignment of the fiscal budget framework to MIP-1, Treasury in collaboration with EPD and NPC needs to ensure MDAs are budgeting for, and efficiently and effectively implementing MIP-1 prioritised interventions;

- Although there is broader acceptance and buy-in of MIP-1, some stakeholders lack the capacity to translate prioritized interventions into an actionable set of activities. The National Planning Commission in collaboration with the Department of Economic Planning and Development should support MDAs to projectise interventions for streamlined implementation;
- Support PECG leaders to collaborate with all stakeholders especially non-state actors within the pillars and enablers so that they align their programming better to MIP-1Fast-track the skills audit to determine the necessary institutional and human capacity requirements for stakeholders to achieve the MIP-1 objectives;
- Within each pillar and enabler, develop and implement holistic capacity development plans based on the identified capacity needs; and
- Setting time-bound performance target and holding the responsible executing and coordination agencies accountable.



ANNUAL PROGRESS REPORT

2021-2022

(Kalondolondo wa chitukuko)

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