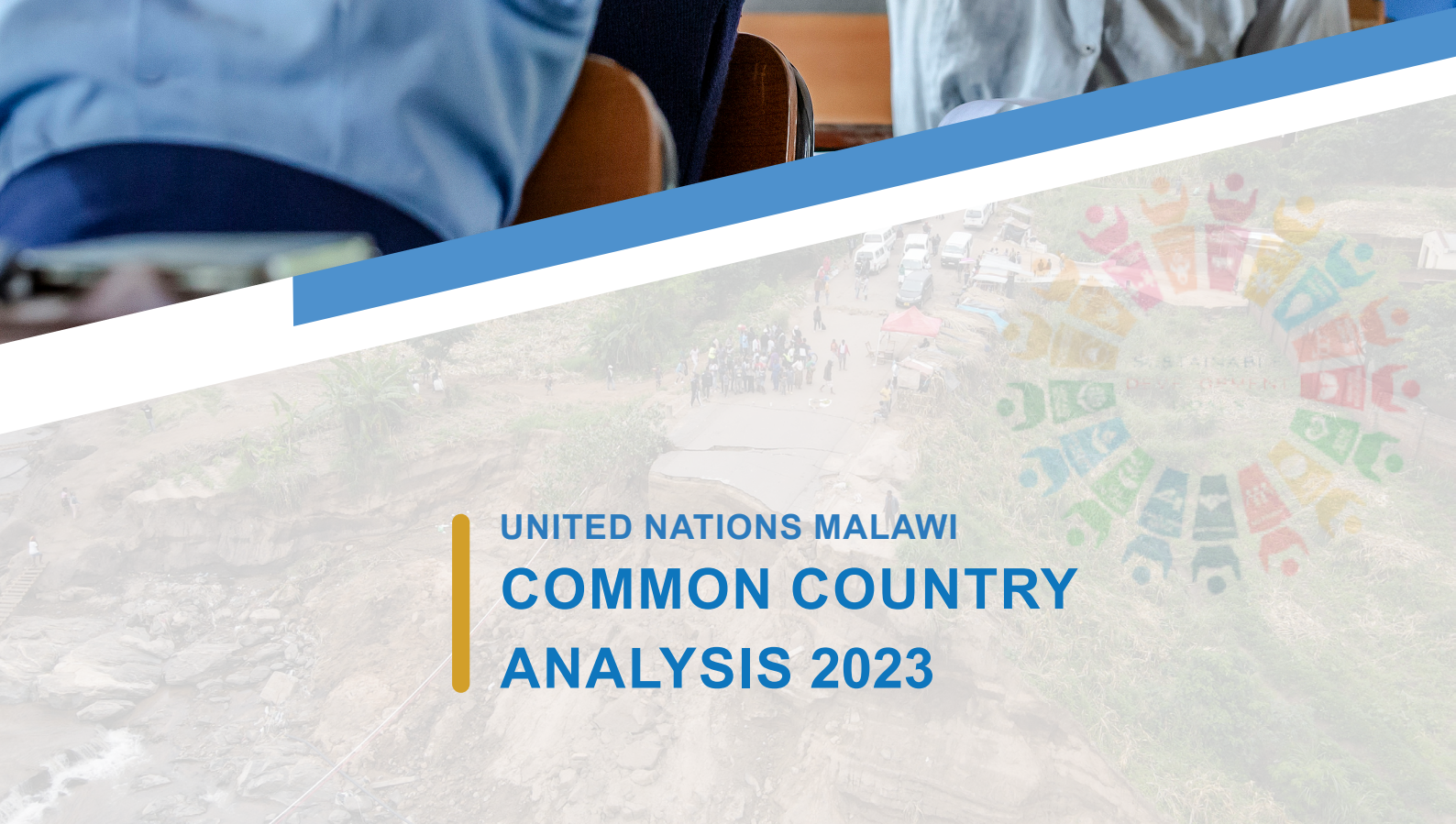




UNITED NATIONS
MALAWI



UNITED NATIONS MALAWI
**COMMON COUNTRY
ANALYSIS 2023**



United Nations Malawi Common Country Analysis 2023
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UNITED NATIONS MALAWI
COMMON COUNTRY
ANALYSIS 2023

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List of abbreviations



AfCFTA	African Continental Free Trade Agreement
ART	Antiretroviral prophylaxis and treatment
APEI	Accelerated Programme on Economic Integration
AU	African Union
BoP	Balance of Payment
BLAs	Bilateral labour agreements
CCA	United Nations Common Country Analysis
CERF	Central Emergency Response Fund
CRRF	Comprehensive Refugee Response Framework
CBCCs	Community Based Child Care Centres
CHREAA	Centre for Human Rights Education, Advice, and Assistance
COMESA	Common Market for Eastern and Southern Africa
DoDMA	Department of Disaster Management Affairs
DRM	Disaster Risk Management
ECF	Extended Credit Facility
EDB	Ease of Doing Business
GCM	Global Compact for Safe, Orderly and Regular Migration
GoM	Government of Malawi
GDI	Gender Development Index
GDP	Gross Domestic Product
GBV	Gender-Based Violence
HDI	Human Development Index
HCI	Human Capital Index
HIPC	Highly-Indebted Poor Countries
IDP	Internally Displaced Person
IFMIS	Integrated Financial Management Information System
IMF	International Monetary Fund
IPRT	Integrated Planning and Reporting Toolkit
IMF	International Monetary Fund
INFF	Integrated National Financing Framework
IOM	International Organization for Migration

IoT	Internet of Things
IHDI	Inequality Adjusted Human Development Indexes
LFPR	Labor Force Participation Rate
LGA	Local Government Authority
LGBTI	Lesbian, Gay, Bisexual, Transgender, and Intersex
LNOB	Leave No One Behind
LDCs	Least Developed Countries
MoHS	Ministry of Homeland Security
MPHC	Malawi Population and Housing Census
MICS	Multiple Indicator Cluster Survey
MPRS	Malawi Poverty Reduction Strategy
MEC	Malawi Electoral Commission
MHRC	Malawi Human Rights Commission
MGDS	Malawi Growth and Development Strategy
MiGoF	Migration Governance Framework
MW2063	Vision Malawi 2063
MIP-1	10-year Implementation Plan
MDAs	Ministries, Departments, and Agencies
MSSP	Malawi Social Support Policy
MNSSP	Malawi National Social Support Programme
MPI	Multidimensional Poverty Index
NSO	National Statistical Office
NCCATIP	National Coordination Committee against Trafficking in Persons
NDC	Nationally Determined Contribution
OPC	Office of the President and Cabinet
PFM	Public Finance Management
PMTCT	Prevention of mother to child transmission of HIV
PLWHIV	People Living With HIV
PEPFAR	President's Emergency Plan for AIDS Relief
PECGs	Pillar and Enabler Coordination Groups
PPP	Public Private Partnerships

PWDs	Persons with disabilities
PWA	Persons with albinism
PoC	Persons of concern
RCF	Rapid Credit Facility
RBM	Reserve Bank of Malawi
RDS	Refugee Status Determination
RUSLE	Revised Universal Soil Loss
RCO	UN Resident Coordinators Office
SGBV	Sexual and Gender-Based Violence
SERP	Social Economic Response Plan
SDGs	Sustainable Development Goals
SSA	Sub-Saharan Africa
SCTP	Social Cash Transfer Programme
SADC	Southern African Development Community
TT	Travel and Tourism
TGE	Total Government Expenditure
UN	United Nations
UNCT	United Nations Country Team
UPR	Universal Periodic Review
UNSDCF	United Nations Sustainable Development Cooperation Framework
VNR	Voluntary Nation Reviews
WASH	Water, Sanitation and Hygiene
WHO	World Health Organisation

Foreword



Malawi's Vision 2063 (MW2063) aims to transform Malawi into a wealthy and self-reliant industrialised 'upper middle-income country' by the year 2063. The country's long-term vision and its first 10-year implementation plan, which aim to create a better and sustainable future for all, are aligned to Sustainable Development Goals (SDGs). As the United Nations in Malawi and the Government of Malawi embark on the development of the Sustainable Development Cooperation Framework 2024-2028, the Common Country Analysis (CCA) provides an analytical overview of the dynamics of development in the country to inform programmatic priorities for the UN in Malawi in support of delivery of the 2030 Agenda and national priorities.

The multidimensional and integrated nature of contemporary development needs poses unique challenges to policymakers and development partners alike. The interconnectedness of rising poverty, deprivation and inequalities in income and access to basic social services; and environmental challenges such as climate change, human-made and natural disasters such as cyclones and prolonged droughts with higher frequency, for instance, implies that these challenges can no longer be dealt with in isolation. A siloed approach will not deliver the desired results. Solutions to these and many other present-day challenges, therefore, ought to be coherent and multidimensional in scope; maximising synergies, robustly analysing impact, carefully managing tradeoffs, and addressing structural and institutional bottlenecks.

The CCA reflects the UN system's independent, impartial, and collective assessment and analysis of the country's development context. It examines progress, gaps, opportunities, and bottlenecks vis-à-vis a country's commitment to achieving the 2030 Agenda and national priorities as well as UN norms and standards. The analysis builds on a review of the latest available evidence, national statistics, and independent surveys, the 2018-2023 United Nations Development Assistance Framework (UNDAF) Evaluation and the UN COVID-19 Socio-Economic Response Framework (SERF). It also draws on capacities and resources from within and outside the UN system along with consultations with stakeholders. Overall, the analysis complements national assessments and strategies to guide the development of the 2024 – 2028 United Nations Sustainable Development Cooperation Framework, as the next partnership strategy between the Government of Malawi and the United Nations Country Team (UNCT) towards the achievement of the SDGs and national priorities.



Rebecca Adda-Dontoh

UN Resident Coordinator

Executive summary



The UN Common Country Analysis (CCA) is a core analytical function carried out by the UN development system at the country, regional and global levels requiring collective assessment and analysis of a country's situation for its internal use in developing the Cooperation Framework, as well as inform its policy dialogues with the government and stakeholders in the country. In 2022, the United Nations Country Team (UNCT) in Malawi carried out an update of the 2021 CCA. The CCA is an independent, impartial, collective, integrated, forward-looking, and evidence-based analysis of the country's context and situational developments. The CCA examines the progress, gaps, opportunities, and bottlenecks vis-a-vis Malawi's commitment to achieving the 2030 Agenda, human rights and UN norms and standards and the principles of the UN Charter. This CCA also identifies multidimensional risks that could impact the development trajectory of the country.

The UN inter-agency task force developed an integrated strategic analysis, based on a systematic secondary review and synthesis of over 70 latest reports from Government entities, UN agencies, UN Human Rights Mechanisms, research institutions, civil society organisations, and bi- and multilateral donors. Besides, the CCA provided an opportunity for UN agencies to come together with key national and international stakeholders to discuss national development challenges, opportunities, and common approaches at the beginning of the new United Nations Sustainable Development Cooperation Framework (UNSDCF). The 2022 CCA serves as a basis for the prioritisation exercise, the definition of strategic priorities and outcomes, and the subsequent development of the overall UNSDCF theory of change.

The analysis has yielded four interlinked and mutually reinforcing development challenges, which hinder the capacity of Malawi to progress along the path to the socio-economic transformation that meets the current and future environmental needs. Several opportunities for addressing the rights of those left behind by the development process have been identified. The top development challenges are as follows:

1. Unsustainable, undiversified, and non-inclusive growth - Malawi's heavy reliance on subsistence and rainfed agriculture limits its growth potential and susceptibility to exogenous and endogenous shocks such as natural disasters and weather shocks, public health outbreaks, market shocks, sudden reductions of capital inflows, including aid, and geopolitical

events. The tourism, extractive, and manufacturing industries remain underdeveloped, with limited access to innovative financing for investments. The country is characterised by persistent and high levels of food insecurity, malnutrition, stagnating poverty levels, persisting income inequality, and gender-based violence and gender inequality, including high child marriages and spatial inequalities. Nevertheless, the country has several opportunities in the areas such as economic diversification, promoting exports through the existing global and regional trading blocs, the global and national momentum on the transformation food system, and the integrated national financing framework to support sustainable financing.

2. Weak governance institutions and processes

- The country is rich in policies and strategies; however, the implementation of various policies and strategies remains weak, primarily due to politicisation, ineffective oversight and accountability mechanisms, and weak coordination, among others. Weak governance is linked to mismanagement, corruption, inefficient use of financial resources, continuity of harmful cultural practices and negative social norms. Decentralisation reforms have been rolled out at the sub-national level in a fragmented, gender-blind, uneven, and incomplete fashion, given that central ministries, departments, and agencies (MDAs) continue to retain control over expenditure responsibility for a high percentage of development and capital investments. The participation of women and youths in governance institutions and processes remains weak. Huge disparities exist in access to justice for women, as well as for other marginalised groups such as people with disabilities, LGBTQI+ persons, migrants, refugees and asylum seekers. There are opportunities to be harnessed around the democratic process, peace and social cohesion, decentralisation and empowerment of local councils, national and sectoral planning, transparency, and accountability, strengthening constitutional bodies and oversight institutions, promoting access to justice, the rule of law and human rights, and the national momentum on gender equality and women's empowerment.

3. Inadequate and uneven distribution of investments in human rights and human capital development

- Despite the Government's great strides towards ensuring that the education and health sectors consistently receive a lion's share of the national budget, the budgets for the education and health sectors have been below international commitments (20% Dakar Commitment on Education for All). Other sectors such as nutrition, gender, youth, social welfare/ protection, WASH, science, technology, and innovation continue to receive sub-optimal

investments. The rapid population growth will significantly increase the social sector investments and worsen the country's ability to meet basic social service needs and basic economic and social rights. Malawi's population density is one of the top ten in Africa, adolescent fertility remains high at 136 per 1,000 births, contributing to the population growth and death of adolescents due to unsafe abortion. The health system remains fragile in addressing mortality and morbidity. For instance, the 2022 cholera crisis and disease outbreaks indicate limited investment in safe water infrastructure and delivery and poor community-based sanitation practices. The education system is likewise under-resourced, with inadequate outcomes in terms of quality. The key opportunities under this area include international development cooperation, the youth dividend, the global and national momentum on furthering gender equality, including the 50:50 and He-for-She campaigns, the opportunity to accelerate Private and Public Sector partnerships (PPP), promote safe, orderly, and regular migration for everyone, and low-cost diaspora remittance flows for development.

- 4. Climatic change, environmental degradation, and inadequate energy** - Malawi is highly vulnerable to the impacts of extreme weather events, the worsening environmental degradation, the unsustainable use of wood and charcoal fuels supply, overfishing, widespread soil erosion and degradation and the overexploitation and illegal trafficking of wildlife. This—combined with the effects of population growth and (internal/cross-border) migration patterns—brings increased food insecurity, environmental degradation, and poverty levels. Women and girls are disproportionately affected by increased exposure to food insecurity and violence following natural disasters.¹ The key opportunities include the existence of the National Climate Change Fund that has mobilised funds, scaling up innovations such as parametric and weather index microinsurance, and proven and successful climate SMART technologies, exploring new opportunities on green debt financing, increasing engagement with the private sector to promote alternative renewable and clean energy sources, and meaningful participation of marginalised groups in situations of vulnerability, including women, girls, youth, children, people with disabilities, and older persons.

Multi-dimensional risks - There are five broad categories of multi-dimensional risks affecting Malawi, as follows: Political and governance risks, security risks, public health outbreaks, climate change and the environment and geopolitical events (i.e., the war in Ukraine). Of these, the most severe ones are risks posed by the political and governance situation, public health outbreaks, climate change and the environment, and the effects of the war in Ukraine. Security risk is rated moderate.

1. Introduction



1. Introduction



The UN Common Country Analysis (CCA) is a core analytical function carried out by the UN development system at the country, regional and global levels requiring collective assessment and analysis of a country's situation for its internal use in developing the Cooperation Framework, as well as inform its policy dialogues with the government and stakeholders in the country. It is the UN system's independent, impartial, collective, integrated, forward-looking, and evidence-based analysis of a country's context and situational developments. It accordingly involves examining various aspects of a country's sustainable development situation, particularly progress, gaps, opportunities, and bottlenecks vis-à-vis its commitment to achieving the 2030 Agenda, UN norms and standards, and the principles of the UN Charter, including as reflected in the Cooperation Framework Guiding Principles, and its agenda for sustainable development. The CCA, thus, underpins the Cooperation Framework.

The UNCT Malawi launched the process to develop the 2024-2028 United Nations Sustainable Development Cooperation Framework (UNSDCF), also known as the Cooperation Framework. The development processes under the Cooperation Framework cycle require that the CCA is undertaken to inform the design of the 2024-2028 Cooperation Framework. The challenges and opportunities identified in the CCA will be narrowed down into a few transformative development solutions to be prioritised in the next five years. As per the internal guidance for the Cooperation Framework, agency strategic plans are supposed to derive from the UNSDCF, hence getting the CCA right is one of the important steps to ensure that the strategic plan for agencies addresses the key development challenges and root causes. This CCA is an update of the 2020/2021 CCA taking into consideration the following emerging issues:

- Major developments that reset the past context, e.g., effects of the war in Ukraine, disasters, and shifts in the financial landscape, among others.
- New data and information that have become available (e.g., 2022 Voluntary National Review Report, Multiple Indicator Cluster Survey, IPC Chronic Analysis Report, Malawi Economic Monitor, Malawi's Migration Governance Indicators Profile 2022, Mid-term Review of the Sendai Framework, and Malawi Gender Equality Profile, among others).
- Renewed commitments and shifts in international cooperation such as the Nationally Determined Contributions (NDCs) under the Paris Agreement.
- Analyses progress, challenges, and opportunities towards the 2030 Agenda/SDGs in view of the new data, and major developments and changes in legal, policy and regulatory frameworks.
- Major legal, policy and regulatory changes since the 2020/2021 CCA. The 2020/2021 CCA focused on the major shifts in its political and social context since the

2017 root cause analysis and the severe human and socio-economic impacts of COVID-19.

- Review of multidimensional risks in view of the major developments.
- Feedback from the stakeholders during the multi-stakeholder workshop in October, 2022 with government, private sector/academic and research institutions, civil society organisations, trade unions, media, and development partners.
- Strengthened the Leave No One Behind (LNOB) Principle: what are the changes in terms of marginalised groups in situations of vulnerability in terms of who is at greatest risk of being left furthest behind.

1.1 Purpose and specific objectives

The purpose of the exercise is to develop a high-quality and evidence-based CCA for the UNCT in Malawi which examines the progress, gaps, opportunities, and bottlenecks vis-a-vis Malawi's commitment to the achievement of the 2030 Agenda, human rights and UN norms and standards and the principles of the UN Charter. The specific objectives of the CCA update include:

- To update the CCA utilising new data sources in identifying the immediate, underlying, and root causes and structural development challenges and causes at the national level in relation to achieving national priorities, Agenda 2030, international human rights obligations and agreed international norms and standards and regional commitments.
- To identify and describe population groups left behind or at risk of being left behind in the country, assessing the evidence of who is left behind and to what degree and the underlying intersection of drivers of risks and vulnerabilities, sources of deprivation, discrimination, needs, and analysis of inequalities, including gender inequality, taking into account political, social, cultural, geography, governance, conflict, disasters, climate change, the environment or the economy-related issues.
- To update the multidimensional risks that could impact the development trajectory of the country, covering a full spectrum of development, humanitarian, peacebuilding, and human rights issues.
- To strengthen the CCA analysis ensuring the integration of UN Guiding/Programming Principles such as leaving no one behind, human rights-based approach to development, gender equality and women's empowerment, resilience, sustainability, and accountability.

The report is divided into three parts. The first part provides details on the methodology and approach to developing the 2022 CCA. The second part is an assessment of progress towards implementation of the 2030 Agenda and SDGs, including commitments towards international norms and standards. The third part outlines the key development challenges and opportunities that will have the most catalytic impact to achieve the SDGs.

2. Methodology and approach



2. Methodology and approach

The CCA update depended on a systematic secondary review and synthesis of the latest available evidence, statistics, analyses, reviews, research, capacities, and resources from Government entities, UN Human Rights Mechanisms, UN agencies, research institutions, civil society organisations, and bi- and multilateral donors. The UN Resident Coordinator's Office (RCO) created a repository that was used to consolidate the reports.² The CCA was guided by the UN Cooperation Framework Guidelines (June, 2019) and the companion pieces of the UN Cooperation Framework Guidelines, including the framework guidance on UN Common Country Analysis (July, 2019).

The CCA was developed by an inter-agency task team

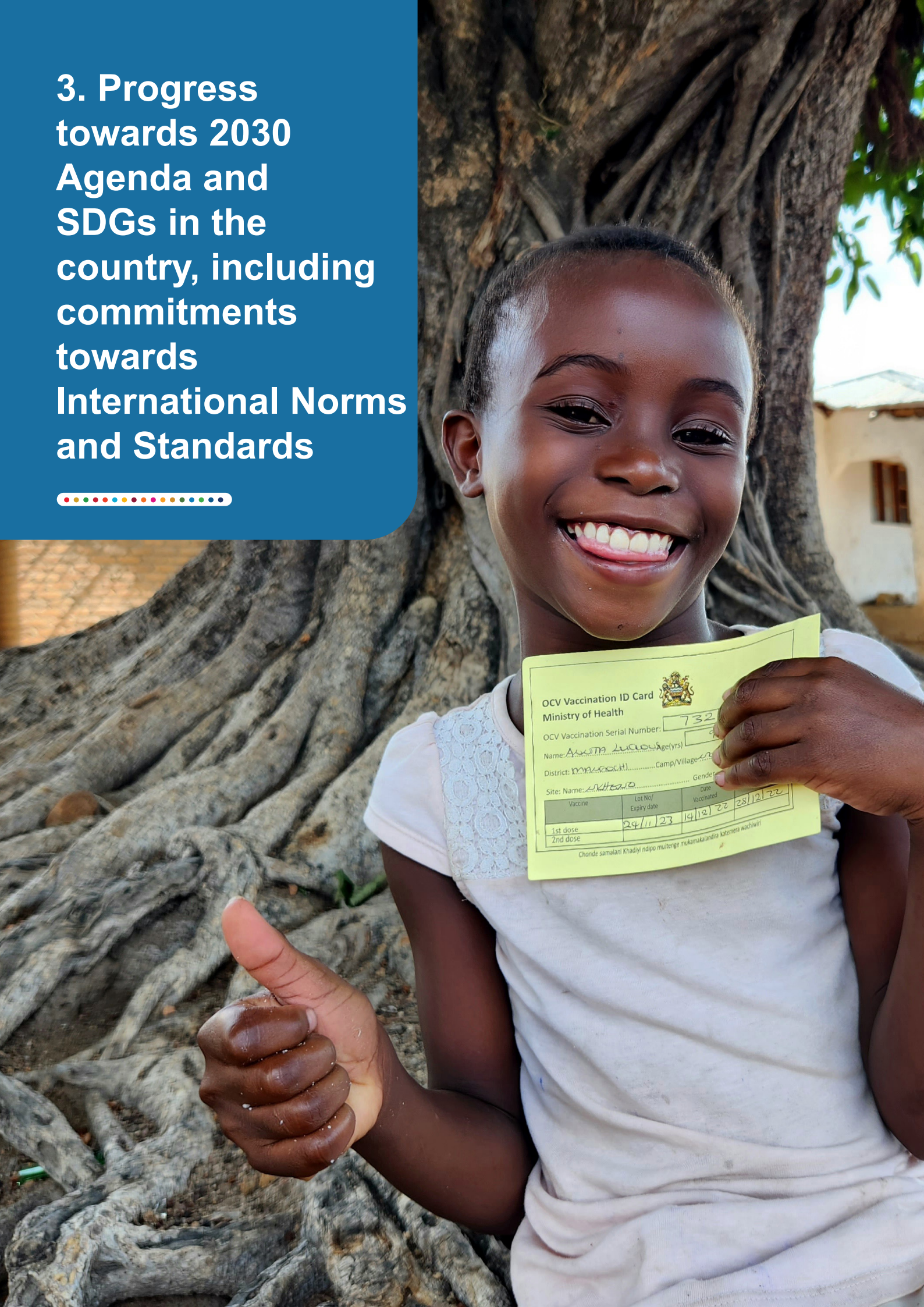
constituted by the UNCT to draft chapters for the thematic areas in Table 1. The CCA development process tapped into the expertise and capacities that are available across the entire UN system, from the Pillar and Outcome Groups, the Gender and Human Rights Technical Working Group, the Monitoring and Evaluation Advisory Group, and the RCO. The CCA was developed between September and November, 2022.

A series of multi-stakeholder consultations were held in October, 2022 with the Government of Malawi, private sector, academia, research institutions, civil society organisations, trade unions, media, and development partners (*see annex 1*). The external feedback was used to strengthen the CCA.

Table 1: CCA thematic areas

Theme	Lead and participating agencies
Overview of population groups (at risk of being) left behind and main drivers of exclusion	UNFPA (Lead) and UN Women (co-lead), ILO, IOM, FAO, UNICEF, UNDP, UNFPA, UN Habitat, UNESCO, UNAIDS, WFP, UNHCR, WHO and non-resident agencies (UNEP, OHCHR)
Social development and exclusion analysis	UNICEF (Lead) and UNDP (co-lead), ILO, IOM, FAO, UNFPA, UN Habitat, UN Women, UNESCO, UNAIDS, WFP, UNHCR WHO and non-resident agencies (UNEP, OHCHR)
Economic transformation Analysis (socioeconomic situation analysis):	UNDP (Lead), UNICEF (Co-lead), ILO, IOM, UNIDO, UNCTAD, UNCDF, UNAIDS, ITC, IFAD [World Bank, AfDB, IMF], OHCHR and non-resident agencies (UNEP, OHCHR)
Climate and environment	UNDP (Lead), FAO (co-lead), IFAD, IOM, UNICEF, UN Women, UNHCR, UNEP, UNFPA, UN Habitat, and WFP and non-resident agencies (UNEP, OHCHR)
Governance and institutional Capacity (State institutions and political situation)	UNDP (Lead), UNFPA (Co-lead), UNICEF, UNODC, UNFPA, UN Women, OHCHR, UNHCR, IOM, UNESCO and non-resident agencies (UNEP, OHCHR)
Multidimensional SDG Risk Analysis	FAO (Lead) and UNDP (co-lead), ILO, IOM, FAO, UNICEF, UNDP, UNFPA, UN Habitat, UN Women, UNESCO, UNAIDS, WFP, UNHCR WHO and non-resident agencies (UNEP, OHCHR)
Prevention and Humanitarian-Development-Peace Collaboration (peace-humanitarian-development nexus)	WFP (Lead), UNHCR, UNDP (co-lead), FAO, UN Women, UNFPA, IFAD, IOM, UNAIDS, UN Habitat, UNDRR, OCHA and non-resident agencies (UNEP, OHCHR)
National vision and development plan <i>vis-à-vis</i> the 2030 Agenda with links to regional and global frameworks/goals, when relevant	UN Women (Lead) and UNICEF (Co-lead) all UN Agencies in the Monitoring and Evaluation Advisory Group and non-resident agencies (UNEP, OHCHR)
Financial landscape analysis	UNRCO (Lead) and all UN Agencies [World Bank, AfDB, IMF] and non-resident agencies (UNEP, OHCHR)
Stakeholder/ partnership analysis	UNRCO (Lead), ILO, IOM, FAO, UNICEF, UNDP, UNFPA, UN Habitat, UNESCO, UNHCR, UN Women, UNAIDS, WFP, WHO and non-resident agencies (UNEP, OHCHR).

3. Progress towards 2030 Agenda and SDGs in the country, including commitments towards International Norms and Standards



OCV Vaccination ID Card
Ministry of Health

OCV Vaccination Serial Number: 732

Name: Ayem Lucious Age(yrs) 8

District: Masaka H. Camp/Village: ...

Site: Name: ... Gender: ...

Vaccine	Lot No/ Expiry date	Date Vaccinated
1st dose	24/11/23	14/12/22
2nd dose		28/12/22

Chonde samalani Khadiji ndipo muiltenge mukamakalindira katemera wachiwiri

3. Progress towards 2030 Agenda and SDGs in the country, including commitments towards International Norms and Standards

Malawi adopted the 2030 Sustainable Development Agenda, which contains 17 Sustainable Development Goals (SDGs), 169 targets and 230 indicators. The country began domesticating the SDGs through the Malawi Growth and Development Strategy, 2017-2022 (MGDS III) and later in the Vision Malawi 2063 (MW2063). The MW2063 triggers a change in people’s mindset to develop and provides an opportunity for the country to define its developmental roadmap. The First 10-year Implementation Plan (MIP-1) operationalises the MW2063 from 2021 to 2030 through which Malawi has put in place clear strategies to fast-track the implementation of the Sustainable Development Goals (SDGs) to ensure it meets most of the goals by 2030.

The Government of Malawi has adopted the Integrated Planning and Reporting Toolkit (IPRT) in its effort to align its national development plans, the first 10-year implementation plan (2022-2031) with SDGs and Agenda 2063. The results of the IPRT show that the alignment of MIP-1 to SDGs is at 81.62%. At the goal level, the alignment of MIP-1 to SDGs is at 98.53%, signifying that MIP-1 aligns with almost all 17 SDGs. At the target and indicator levels, 72.19% and 53.48% of the 169 targets and 244 indicators, respectively align with MIP-1. Furthermore,

the results of the national scoping exercise of Management Information Systems in 14 ministries, departments, and agencies (MDAs) and two district councils showed that the MDAs and district councils have strategic documents which are not aligned with the newly launched MIP I of the Malawi 2063.

The second 2022 Voluntary Nation Reviews (VNR) Report assessed the progress made on all the Sustainable Development Goals (SDGs) and identified the key actions required to accelerate the implementation and achievement of the SDGs on which Malawi is lagging. According to the VNR Report (2022), significant progress has been achieved in SDGs 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 SDGs 1, 10 and 15 while insufficient data made it difficult to assess progress in SDGs 11, 12, and 16. In a nutshell, the availability of administrative data, including disaggregated data, remains a challenge in various sectors. Data gaps were noted for most indicators relying on administrative sources under SDG 3, SDG 5, SDG 6, SDG 10, SDG 14, SDG 16, and SDG 17. Also, the timelines of data remain a concern, as some SDG indicators have outdated data from 2012/13. The VNR consultations revealed that the youth and other marginalised groups are unaware of the SDGs.

Figure 1: SDG progress (based on data from the 2022 VNR report)



Challenges to achieving the National Development Plan include the recurring impacts of climate change, limited fiscal space, COVID-19, the war in Ukraine, other emerging epidemics, and corruption. It remains important to continue to focus on cross-cutting areas such as gender equality, migration, inclusion of vulnerable groups, and human rights, among others, to holistically address these global challenges and root causes of stalled socio-economic development.

Malawi was reviewed by Universal Periodic Review Working Group 36, in November, 2020. It received 232 recommendations, and it supported 192 recommendations at the adoption of its UPR outcome at Human Rights Council 46, in March, 2021 (an increase of 24.67% when compared with the 2nd cycle). The Government of Malawi supported recommendations related to legal and general framework of implementation, universal and cross-cutting issues, civil and political rights, economic, social, and cultural rights, women’s rights, and rights

of other vulnerable groups and persons. The recommendations mostly focus on SDGs 3, 5, 8, 10, and 16 (see Figure 2). The Human Rights Council in its 3rd cycle, 36th Session of the UPR, recommends that the Government of Malawi withdraws its reservations to the Convention relating to the Status of Refugees. The Government was also encouraged to ratify the International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families (which was subsequently ratified in 2022); the Optional Protocol to the International Covenant on Economic, Social and Cultural Rights; the Second Optional Protocol to the International Covenant on Civil and Political Rights, aiming at the abolition of the death penalty; the Optional Protocol to the Convention on the Elimination of All Forms of Discrimination against Women; the Optional Protocol to the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment; the Optional Protocol to the Convention on the Rights of Persons with Disabilities; and the Optional Protocol to the Convention on the Rights of the Child on a communications procedure.

Figure 2: UPR recommendations as they relate to SDGs (source – Universal Human Rights Index)



3.1 Overview of population groups at risk of being left behind and main drivers of exclusion

The CCA identified 13 key groups facing intersecting deprivations and forms of discrimination and exclusion. These include women, children, adolescent girls, youth, persons with disabilities, persons with albinism, persons living with HIV/AIDS, LGBTQIA individuals, refugees, asylum seekers and migrants, internally displaced persons, older persons, especially older women, and persons deprived of their liberty including prisoners. The ultra-poor and food-insecure households are at risk of being left furthest behind. The drivers of inequalities include climate shocks, emergencies, health outbreaks (i.e. COVID-19), inadequate investment in human capital, capabilities and economic and social rights, weak governance and institutions, harmful practices, and negative social norms. The key factors associated with discrimination include gender, sexual orientation, age, disability status, HIV status, geography, socio-economic status, migratory status, religion, tribe, and political affiliation.

3.1.1 Adolescent girls

In Malawi, out of every 10,000 children aged 10-17 years, 50 of them were heads of households. Female household heads were

more (63 per 10,000 children) than male (36 per 10,000 children).

The 2020 National Statistical Office (NSO) thematic report on children and youth revealed that there were 226 married children for every 10,000 children aged 12-17 years. Furthermore, for every 1,000 rural residing adolescent girls, there were 127 births, compared to 78 births among adolescent girls in urban areas. A Rapid Assessment on Child Marriages and Teenage Pregnancies report indicates that Malawi registered a total of 13,067 cases of child marriages and 40,667 teenage pregnancy cases in 2020. Nearly half of the girls in Malawi are married and drop out of school by their 18th birthday. The Committee Against Torture (CAT) has noted an increase in child marriages in Malawi since the start of the Covid-19 pandemic.

Child marriage and inadequate education violate girls and children’s fundamental human rights, including the right to education.

Low levels of educational attainment and high levels of child marriage in Malawi are also associated with decreased levels of human capital accumulation, which affects women’s school-to-work transition, and hampers their capacity to participate in the workforce. This heightens the risk of trafficking and/or exploitation by unregulated private recruitment agencies to other countries. Adolescent girls belonging to the poorest wealth quintiles have the highest share of entering a marriage between 15 to 18 years



of age. Low or no education of mothers is positively associated with poor access to basic social services and economic, social and cultural rights (i.e., Early Childhood Development, antenatal care, nutrition, health-seeking behaviours, early marriages, school dropouts, etc.).

The Committee on the Elimination of Discrimination Against Women (CEDAW) highlights some of the challenges facing adolescent girls in the education sector, including the persistence of structural and other barriers to girls' access to quality education, in particular at the secondary level, due to the lack of school infrastructure, including inadequate sanitary facilities; the low percentage of the national budget allocated to education, with no explicit plan for an increase in order to improve capacity, especially for girls and particularly in rural areas; the significantly high dropout and low transition and completion rates among schoolgirls at the primary and secondary levels as a result of child and/or forced marriage, early pregnancy and traditional attitudes, notwithstanding the adoption of a readmission policy; and the persistence of sexual abuse and harassment of girls by peers and teachers at and on their way to and from school with impunity. Adolescent girls in a marriage or in union face limited access to family planning services due to negative attitudes from service providers and stigmatisation. The high number of teenage pregnancies can also be ascribed to the criminalisation of abortion coupled with a lack of comprehensive age-appropriate education on sexual and reproductive health and rights and family planning services, and limited access to modern contraceptives.

3.1.2 Women

Malawi is ranked 145 out of 188 countries on the United Nations Gender Inequality Index and 116 out of 153 countries on the Global Gender Gap Index . Women in Malawi fare worse than their male counterparts on socio-economic indicators related to literacy (*the literacy rate for males aged 5 years and above is 68.5%, while that of females is 62.6%; for the population aged 15 years and above, the literacy rate is 83.0% for males and 68.8% for females*), school attendance (*15.7% of females aged 5 and above have never been to school compared to 11.1% of males and for population aged 15 years and above, 18% of females had never attended school compared to 8.3% of males*), gender-based violence, highest level of education, attained economic opportunities (*i.e., access to credit, ownership of registered enterprises, access to justice services and access to social safety nets*), and ownership of assets (*i.e., land for farming, dwelling units, durable goods, farm implements*) . Laws guaranteeing inheritance and land ownership rights to women are often overridden by social norms and customs. The 2021 Multidimensional Poverty Index (MPI) Report shows that the incidence of multidimensional poverty is higher in female-headed households at 72.3 % compared to male-headed households at 58.1 %. The major indicators that account for this difference are electricity, literacy and schooling, food security, asset ownership, access to credit, access to social protection, and access to economic opportunities. Furthermore, for every 100,000 live births, 439 women die from pregnancy-related causes; and female participation in

the labour market is 72.6 % compared to 81.1 % for men . Women continue to face persistent discrimination in the labour market, including the continuing horizontal and vertical occupational segregation of the labour market; the overrepresentation of women in low-paid jobs; a failure to implement the principle of equal pay for work of equal value; the persistent gender wage gap; and insufficient maternity protection.

Women migrating into and out of Malawi for economic reasons often face higher levels of discrimination than men when it comes to documentation and accessing services and are at higher risks of exploitation informally due to informal employment status, as well as being trafficked due to their vulnerability. Women continue to face intersecting forms of discrimination based on HIV status, disability, sexual orientation in addition to gender-based discrimination.

However, Malawi has made progress in empowering women to take up decision making positions, although representation by women remains low.

At the level of cabinet, female representation stood at 40% in 2022. Meanwhile, the average percentage of female representation in the National Assembly stood at 23% in 2019 compared with 16.7% during the 2014 election . For Local government, female representation in assemblies stood at 14% in 2019 up from 11% in 2014. Similarly, in public senior management, female representation has improved over the years, with the proportion of women in the judiciary and foreign services standing at 32% and 45%, respectively.

The country has also made significant strides towards the adoption of laws on domestic violence, deceased estates, disability, education, trafficking in persons, and marriage to outlaw, punish, and protect women from discrimination, negative customs, and sexual harassment, among others. However, implementation, resource constraints, weak institutional capacity and a lack of public awareness of human rights remain problematic.

Under the leadership of the Ministry of Gender, the National Male Engagement Strategy was developed to promote a gender transformative approach that ensures that males take a leading role in eliminating violence against women. In addition, Malawi is the second country in Africa to launch the National Action Plan on Women, Peace, and Security. Nevertheless, the trend on domestic violence shows that incidences of gender-based violence are still on the rise despite initiatives by the Malawi Government and its partners. In Malawi, one in every three women experience violence, including sexual gender-based violence. According to NSO report of 2017, 42% of women experience intimate partner violence against the global average of 30% . Older women are subjected to violence for being suspected of practising witchcraft and teaching it to children.

The COVID-19 pandemic, and extreme weather events (*i.e., droughts, Tropical Storm Ana and Cyclone Gombe, etc.*) have created social and economic problems and driven inequalities and exacerbated sexual and gender-based violence and other vulnerabilities among women and adolescent girls.

GBV imposes immense economic and social costs, which include the negative multiplier effects due to decreased female labour participation and reduced productivity at work; the health effects such as injuries and depression which could result in increased mortality and the resultant costs of treating and or preventing GBV.

Further, with COVID-19, child marriage in Malawi increased by 81%, according to a rapid assessment study in 2020 by Ministry of Gender . A study by UN Women on the socio-economic impact of COVID-19 on girls and women in Malawi found that the reported cases of sexual violence had increased to 1,890 in 2020 from 1,548 in 2019.

Similarly, the cases on economic abuse increased to 832 in 2020 from 652 in 2019.

Climate change and other environmental hazards lead to an increase in diseases such as preeclampsia in pregnant women, a leading cause of maternal and child death in Malawi . Overall, the major constraints impeding the advancement of women and gender equality in Malawi include weak capacity of the national gender institutions, limited economic opportunities, weak participation of women in politics and decision making, poor private sector engagement, inadequate education including a lack of infrastructure such as sanitation facilities; inadequate awareness of sexual and reproductive health rights, harmful practices, gender stereotypes and prejudicial social attitudes leading to discrimination, as well as weak monitoring and evaluation systems for generating evidence-based data in gender and GBV programming, including humanitarian interventions.

3.1.3 Children

Children (persons less than 18 years) constitute 51% of the population in Malawi. Birth notification and birth certificate are fundamental documents both from a human rights perspective and as an instrument for social and economic planning. However, only 25.9% of the children had birth certificates by 2018 , with a lack of awareness about the National Registration Act contributing to this challenge. Out of the 20,000 new HIV infections in 2021, 15% were children (0-14 years; as a result of mother-to-child transmission).

Further, an estimated 50,000 Malawian children less than 15 years are still living with HIV. Meanwhile, 11% of Malawi's children aged less than 18 years were orphans. In 2020, the government of Malawi identified 140 trafficking victims, of whom 65 were children and 75 adults. Traffickers usually exploited children by forcing them to labour in agriculture, goat and cattle herding, begging, fishing, brickmaking, and crime. Traffickers also typically lured children in rural areas by offering employment opportunities, clothing, or accommodation, for which they were sometimes charged exorbitant fees, resulting in labour and sex trafficking coerced through debts.

In 2022, the Committee Against Torture (CAT) noted that the legal framework does not properly address the crime of trafficking for sexual exploitation, including through online or digital technologies; and that cases of trafficking are allegedly underreported vis-à-vis the prevalence of the phenomenon, including child trafficking.

Trafficking in body parts of persons with albinism continues, with a high number of abductions, killings and exhumation of remains of children with albinism persisting.

In Malawi, children face the challenges of defilement, sexual abuse, forced marriage and other harmful practices such as initiation rights and (more recently) Female Genital Mutilation, trafficking, sexual exploitation, and multi-dimensional poverty. The main drivers of child marriage are school dropouts and poverty, as much as they are also consequences, including gender discrimination, cultural and religious traditions, peer pressure, and limited resource allocation towards enforcement of existing marriage laws.



While multi-dimensional child poverty declined from 63% in 2012 to 60.5% in 2017, most children in Malawi still suffer from multiple and overlapping deprivations. Deprivations were found to be very high in housing, sanitation, and education thereby violating the rights enshrined in the International Covenant on Economic, Social and Cultural Rights as well as the Convention on the Rights of the Child. There are also significant overlaps among the dimensions. Deprivations among children vary with age and are influenced by the socio-economic circumstances. For instance, deprivations are more pronounced in cases where a household head is not working, is elderly, woman or where a household head has low or no education. Failure to attend pre-primary education has serious consequences for school readiness and ultimately educational outcomes in later years.

Education is a fundamental right and a vital prerequisite for combating poverty, empowering women, protecting children from hazardous and exploitative labour and sexual exploitation, promoting human rights, sexual and reproductive rights, and democracy. Education is also vital in protecting the environment, economic growth, and influencing sustainable population growth. However, Malawi's education sector is characterised by poor learning outcomes across all levels of education; lack of early childhood education provision and low enrollment at pre-primary level due to lack of funding and volunteers to run the community-based childcare centres; high repetition and dropout rates due to low quality of teaching; and low transition rate to secondary schools due to limited facilities and teaching resources. The education sector also faces severe infrastructure shortages, such as the availability of 32,455 desks for over 5 million pupils, and a lack of sanitation facilities which disproportionately affects girls. Furthermore, linked with prolonged school closures due to the pandemic, young people, especially out-of-school girls, face increased risk of migration, and child labour. Even before the pandemic, the 2015 National Child Labour Survey Report showed that 15.8% of children aged 5 to 9 years and 29.2% of the children aged 10 to 13 years were engaged in non-hazardous work, while 38.7% of children age 10 to 13 years were engaged in hazardous work. This contributes to the high number of out-of-school children in Malawi. Among primary school age children who are out-of-school, 17% of them are in child labour and 22% have functional difficulties. This over-representation for out-of-school children with functional difficulties indicates that they are disproportionately excluded from primary education.

Malnutrition among women and children is still a major public health and development issue in Malawi, contributing to preventable child deaths. Despite making advancements, malnutrition remains a persistent problem in the country's rural areas. Stunting (low height for age) is more prevalent in rural areas, with about 35.5% of children in rural Malawi stunted compared to only 29.3% of children in urban areas.

The Committee on the Rights of the Child has raised concerns about the lack of child-sensitive budgeting in Malawi. In the light of its General Comment No. 19 (2016) on public budgeting for the realisation of children's rights, the committee accordingly



recommended that Malawi allocates adequate budgetary resources, in accordance with article 4 of the Convention on the Rights of the Child, for the implementation of children's rights and increase the budget allocated to the Ministry of Gender, Children, Disability and Social Welfare and the Ministry of Health.

3.1.4 Youth

Young people are the largest and fastest growing proportion of the population in Malawi (51% of the population is below 18 years and 80% is below the age of 35). There are significant gender disparities within the group. High rates of child marriage among girls, and limited control over their sexual and reproductive health contribute to high maternal mortality ratio (439 per 100,000 live births), teenage pregnancy, and widespread gender-based violence, affecting possibilities to reach their full potential.

Girls aged 15 to 19 are ten times more likely to be married than boys. Meanwhile, teenage pregnancy increased from 26% in 2010 to 29% in 2015/16. Early pregnancy multiplies the risks to girls' health, increasing the likelihood of complications such as obstetric fistula, or death from pregnancy-related causes. Pregnancy (along with child marriage) is one of the leading causes of school drop-out among girls. Almost half (54.1%) of young women in Malawi with no education have started childbearing and only 10% of young mothers return to school, despite the adoption of a readmission policy.

With between 300 and 500 thousand youth entering the active labor force every year, young people face limited chances to secure decent formal employment. The youth face challenges associated with inadequate competitive technical

and technological skills for the labour market; limited access to productive assets; limited access to basic social and protection services as well as economic, social and cultural rights; lack of technologies and financial resources; and stigmatisation and discrimination of youth with disabilities and youth-at-risk, who may be associated with cliques and gangs. According to a UN women report, the youth Not in Employment, Education or Training (NEET) rate stood at 31% (i.e., one in every three young Malawians between the ages of 15 and 24 are not in employment, education or training). Of which, 38% of young women and 23% of young men are NEET. Young adults whose place in the labour market is often informal, temporary, and tenuous at best have seen greater job and income losses due to the pandemic-related effects. Young women are more vulnerable to the effects of the COVID-19 pandemic through interrupted education, economic and food insecurity, disruptions in services and unplanned pregnancies, which combined reduce access to labour market opportunities. The youth are also excluded from many national and local level governance structures and do not have a strong voice to influence the course of decisions on crucial policy and development issues. Limited access to youth friendly services, rampant cases of alcohol and substance abuse, limited access to mental health services, high rates of early and unintended pregnancies, high child marriage rates and rising cases of unsafe abortions and GBV are some of the key challenges that youths are facing.

3.1.5 Persons with disabilities

The Malawi Population and Housing Census (MPHC) collected data on persons with disabilities (PWDs) for the first time in 2018. It found that 10.4% of the population aged five years and older in Malawi were living with at least one type of disability and about 0.8% were persons living with albinism. Several indicators related to the living standards of a household suggest that households headed by persons with a disability tend to be slightly worse off. According to the 2018 MPHC thematic report on disability, a higher percentage of persons without a disability are employed (58.7%) compared to those with a disability (54%). The proportion of unpaid family workers is slightly higher among the persons with a disability than among persons without a disability (20.4% as compared to 18.6%). In terms of WASH, 83.6% of households headed by a person with a disability have access to an improved water source, compared to 85.9% among households with a head without a disability. With regard to education, 44% of persons with disabilities have never attended school compared to 18.9 % of people without disabilities.

Results from the 2018 MPHC indicate that the level of school attendance for children with a disability was lower than for children with no disabilities.

In Malawi, persons with disabilities suffer disproportionate challenges in accessing employment, education, justice, credit, inclusive and friendly WASH facilities, protection and health services and dignified sources of income. Women and girls with disabilities face compounded challenges in accessing justice, particularly for sexual violence. The lack of financial resources increasingly leaves persons with disabilities vulnerable to situations of violence, particularly women, girls and persons living with albinism. There are allegations that persons with intellectual or psychosocial disabilities are routinely held in custody for prolonged periods or in prisons among the general prison population, at times subjected to solitary confinement and restraints, with no access to any appropriate assistance, despite the State party's assertion to the contrary.

The 2018 MPHC thematic report on disability shows that most of the persons with disabilities are aware of the services available to them, but there is lack of assistive devices for them, including children, to receive available services, and failure by health workers to effectively communicate health messages. Persons with disabilities, especially those with hearing, visual impairments, intellectual, mental / psychosocial face barriers to the delivery of inclusive education e.g., transport for itinerant teachers, inadequate specialist teachers, inaccessible infrastructure for learners with special needs, inadequate teaching and learning materials and lack of assistive devices. Discrimination in public services, lack of rehabilitation, lack of special attention and unpaid family work are challenges faced by the persons with disabilities. The Government is commended for allocating MK5 billion to disability programmes in the 2022/23 national budget, in line with cost estimates in the National Disability Mainstreaming Strategy for 2022. However, there are opportunities to improve, including allocating sufficient resources for infrastructure rehabilitation to ensure that social services such as skills development and tertiary education services are inclusive.

The Government of Malawi is also commended for responding to the CRC (2017) concerns in the light of its general comment

No. 9 (2006) on the rights of children with disabilities. In this regard, the Government is implementing several strategies, which include strengthening coordination structures between line ministries and other organisations; empowering OPDs to effectively carry out their mandates in response to CRC; engaging communities to embrace policies on inclusive education; introduction of CBE to support out-of-school children/youths including those with disabilities; and technical skills to support people with special needs.

The impacts of COVID-19 revealed that persons with disabilities in Malawi were significantly impacted and remain to be a Left Behind group in national responses and development initiatives. A [Rapid Impact Assessment on COVID-19 on Persons with Disabilities in Malawi](#)¹¹ revealed that persons with disabilities were marginalised and received limited information in accessible or easy-to-read formats on key national issues. Post the COVID-19 pandemic, persons with disabilities and the organisations that represent them need to be capacitated to meaningfully engage with duty-bearers across the Government line ministries.

3.1.6 Persons with albinism

Human rights violations of persons with albinism have been a significant challenge in Malawi. The 2018 MPHC revealed that there are 134,646 persons with albinism (PWA) living in Malawi. Grave concerns remain for their protection and wellbeing with ongoing reports of abduction, ritual killing and exhumation of remains, including of children living with albinism. Since 2014, the country has registered 145 perpetrated crimes against persons with albinism across 21 districts. The cases involve, among others, murder (20), attempted murder (2), cases where the accused were found in possession of human bones or tissue (15), abduction cases (16), cases involving tampering with graves (45), cases of assault causing bodily harm (4), cases involving other negative conduct (16), a case of suicide (1) and a case involving conspiracy to commit murder (1). Harmful cultural beliefs associating "magic" with body parts of a person with albinism continue to place persons living with albinism at risk of abduction, violence, and death. There is also a practice of prescribing sex with girls or women with albinism as a cure for HIV. In addition, the Committee on the Rights of the Child expressed serious concern about the inadequate enforcement of the laws and policies aimed at protecting the rights of children with albinism, the lack of resources for their implementation, and consequently the poor protection, rehabilitation and legal services available to child victims with albinism and the reportedly lenient sentences handed down to perpetrators; including the significant number of cases of abduction, ritual killings and exhumation of remains of children with albinism; and the high rate of school dropouts among children with albinism.

The government committed to 21 UPR recommendations calling for greater commitment to ensuring the full range of human rights of persons with albinism. People with albinism live in fear and face discrimination including difficulty in finding employment because they are believed to have a short lifespan which also hinders their individual growth and contribution to the development of the country. Additionally, there is a high school dropout rate among persons with albinism because of sight problems which affects their reading abilities. The high rate of school dropout among children with albinism can also be attributed to fear of attacks, poor vision, prohibition from wearing appropriate sun protection clothing, unavailability of specific sun protection tools and insufficient skilled staff trained to meet their needs and ensure their inclusive education.

3.1.7 Persons living with HIV/AIDS

The HIV epidemic is declining in Malawi, with HIV prevalence among 15-49-year-olds declining from 9.2% in 2018 to 8.2% in 2021. The reduction in HIV prevalence is due to a successful multisectoral effort in recent years to control the epidemic through a rapid scale-up of ART, the universal test-and-treat approach that started in 2016, continued scale up of Option B+ for prevention of mother-to-child transmission of HIV, introduction of HIV self-testing in 2018, the transition to Dolutegravir-based regimens in 2019, and an increase in voluntary male medical circumcision. There have also been rigorous primary prevention and structural interventions for adolescent girls and young women, as well as key populations, which have proved successful in several districts. New infections among children have declined significantly, owing to the combination of a successful antiretroviral prophylaxis and treatment and high ART uptake. The current rate of decline in new infections, however, is too slow if Malawi is to end AIDS as a public health threat by 2030. New infections are still high at 17,400 in 2022 (SPECTRUM) with 4,600 new infections among young women (15-24) and an estimated 1,700 new infections in infants (<1 yr). Young women aged 15-24 account for approximately 4,200 (24%) of the total new HIV cases annually with almost half (47%) of the new cases occurring in the cities of Lilongwe and Blantyre, and in the districts of Mulanje, Mangochi, Lilongwe, Zomba and Thyolo.

More than 982,000 (557,000 women, 355,000 men, 50,000 children < 15 years) Malawians are still living with HIV. Moreover, HIV disproportionately affects women, with HIV prevalence among adults (15-49 age group) higher among women (9.7 %) than men (6.6 %). This disparity is especially prominent among the youth (25-29-year-olds), where the HIV prevalence is three times higher in women (13.6 %) than men (4.7 %). Deeply embedded gender inequalities and harmful gender norms put women and girls more at risk of HIV infection. HIV/AIDS prevalence is higher in border communities among female sex workers (49.9-55.5%) compared to male sex workers (12.8-17.5%) and clients of female sex workers (12.8%). The female sex workers are engaging with migrant workers, often men from migration affected communities, male truck drivers, and male traders who cross the border regularly. The women are often migrating between communities on both sides of the borders, hence they are left out of continuous health treatment and response. Male engagement in both testing and behavioural change interventions, by contrast, is weak. Stigma and discrimination continue to affect access to services, especially among vulnerable populations, many of whom are females. The 2016 Malawi Stigma Index Study revealed that employers, fellow employees, health workers, schoolteachers, and church leaders are some of the perpetrators of stigma and discrimination towards people living with HIV (PLHIV) at the workplace.

However, Malawi has also made significant progress in reaching 95-95-95 HIV and AIDS global Agenda 2030 where the country has already surpassed the last two targets and it is yet to reach the first 95 according to the 2021 Malawi Population-based HIV Impact Assessment. Funding for the HIV response is largely dependent on external sources, and this remains worrisome. The Global Fund to Fight AIDS, Tuberculosis and Malaria and

PEPFAR are the biggest funders. Domestic funding is estimated at only 14%. This continues to raise concern about the sustainability of Malawi's HIV response should the international donors reduce or divest the funding. Worries about corruption and other governance concerns within the government are weighing heavily on donor aid provision in the sector. The promulgation of the 2018 HIV (Prevention and Management) Act is a positive step that should lead to increased domestic funding to the sector. However, the National HIV/AIDS Policy, which should provide a framework to operationalise the Act, is still under review.

3.1.8 LGBTQIA+ persons

Malawi criminalises consensual same-sex relations and, as a result, lesbian, gay, bisexual, transgender, queer, intersex, asexual and other subsects (LGBTQIA+) people routinely experience violence and discrimination. According to Human Rights Watch, there have been incidences where the Malawi Police physically assault, arbitrarily arrest and detain LGBTQIA+ people, sometimes without due process or a legal basis, at other times as punishment for simply exercising basic rights, including seeking treatment in health institutions. The Committee Against Torture (CAT) has similarly noted that LGBTQIA+ persons are particularly vulnerable to violence by both public officials and private persons and such violence is generally underreported to the national authorities due to fear of reprisals, prosecution and further discrimination. Furthermore, despite the moratorium in place since 2012 on the prosecution for consensual same-sex acts, a transgender woman was reportedly charged under Article 153 (c) of the Penal Code in 2021.

The Committee also expressed concern about reports that perceived LGBTQIA+ asylum-seekers are often refused registration and processing of their applications.

The combination of criminalisation of adult consensual same-sex conduct and social stigma has had an insidious effect on their individual self-expression, forcing them to adopt self-censoring behaviour because any suspicion of non-conformity may lead to violence or arrest. Among others, the 2020 UPR recommends that the Government of Malawi should repeal sections 137A, 153, 154 and 156 of the Penal Code and develop comprehensive legislation that prohibits any discrimination based on sexual orientation or gender identity.

3.1.9 Refugees and asylum seekers

Malawi is a party to the 1951 Convention Relating to the Status of Refugees and its 1967 Protocol. Malawi made reservations to articles of the 1951 Convention relating to exemption from reciprocity, movable and immovable property, right of association, liberal professions, public education, and labour legislation and social security. In 2022, Malawi ratified the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families. In 2018, the Government accepted to roll out the Comprehensive Refugee Response Framework (CRRF) under the New York Declaration of 2016. Under CRRF, the country intends to include refugees into the National Development agenda through the inclusion of refugees in the national system. Malawi has an encampment policy, and all refugees and asylum seekers are hosted in the only existing camp, the Dzaleka Refugee Camp. In view of this, there is need for legal and policy reform by revisiting the reservations made to the 1951 Convention, settlement approach, self-reliance, registration, and documentation.

As of July, 2022, Malawi hosted a population of 48,000 refugees and asylum seekers at Dzaleka camp from different countries. The camp was initially established to host between 10,000 and 12,000 Persons of Concern (PoCs). The deteriorating situations in countries such as Somalia and Ethiopia will likely exacerbate the situation at Dzaleka Refugee Camp. The camp receives a monthly average of 300 new arrivals from the DRC, Burundi and Rwanda, of which 48% are children. The recent conflict originating in the region of Cabo Delgado, Mozambique, has resulted in asylum seekers travelling toward Malawi's southern district of Mangochi and being hosted by local border communities in the area. About 45% of the PoCs in Dzaleka camp are women, while children constitute 48% of the population. Some of the human rights challenges that refugees face in the Dzaleka Refugee Camp are lack of freedom of movement, poor sanitation, limited economic and livelihood opportunities, severe overcrowding, lack of access to basic services, as well as allegations of gender-based violence. Criminal networks are active in the camp, where vulnerable men, women, and children are being exploited for profits within the camp itself or trafficked into other countries in Southern Africa for forced labour and/or prostitution. Access to services due to documentation challenges is difficult, building upon already increased socio-economic tensions.

However, the Government has taken various measures to reduce the Refugee Status Determination (RSD) backlog. Government resumed RSD in 2015 and, on 12 April, 2019, published a gazette notice facilitating prima-facie determinations for asylum-seekers from the Eastern Democratic Republic of the Congo, in the North and South Kivu Provinces and Katanga region, which significantly reduced the existing backlog.

3.1.10 Immigrants and migrants

Malawi is known as a country of origin, transit, and destination for migrants. Besides refugees, immigrants from neighbouring countries such as Mozambique and Zimbabwe, and immigrants from Nigeria, Asia (mainly Pakistan and India), choose Malawi as their destination of choice. Many undocumented migrants are from Ethiopia intending to reach South Africa in the quest of employment or education, or other countries within the Southern African Development Community (SADC). When caught by police or immigration officers, they, as well as other undocumented migrants, are often detained in prison. This includes children being separated from their parents, and results in high risks of human rights violations.

However, efforts are ongoing through facilitation with government to combat the issue of detaining and repatriating irregular immigrants.

During the onset of the COVID-19 pandemic, border closure and decline in livelihoods have left many Malawian nationals stranded and or without work in foreign countries, who have been unable to return or send remittances back home. As of August 2022, 201 irregular Malawian migrants caught in transit are currently being detained in Zimbabwe and it is difficult to assist in voluntary return for these persons of concern due to unavailability of funds. Further, in October, 2022 a delegation consisting of Malawi government officials travelled to Oman with the intention to identify and return 400+ exploited and abused Malawian women and girls who had signed employment contracts, issued employment permits and travelled to Oman expecting to do domestic work.

The conflation of the crimes of smuggling of migrants and trafficking in persons remains an issue perpetuated by constrained, under-resourced, and understaffed judiciary and police. However, Malawi will benefit soon from the amendment of the 1964 Immigration Act and its hopeful inclusion of the definition and criminalisation clauses of smuggling guided by the Protocol against Smuggling of Migrants by Land, Sea and Air. This will accompany existing legislation and frameworks such as the Trafficking in Persons Act (2015), the 2017-2022 National Plan of Action Against Trafficking in Persons 2017-2022 and establishment of the National Coordination Committee against Trafficking in Persons under the Ministry of Homeland Security (MoHS). In addition to difficulties in law enforcement measures, information management concerning emigration, immigration, and diaspora communities remains a challenge as data on migration and trafficking in persons is not regularly published and is difficult to collect due to the clandestine nature of organised crime.

Malawi has measures in place to combat labour exploitation through the Constitution which prohibits "slavery, servitude and forced labour" and the Employment Act which prohibits forced labour. Malawi Government developed the Diaspora Engagement Policy 2017 which seeks to tap both human, and financial capital from Malawi Diaspora Community to enrich various sectors of the economy. However, these are not specifically targeted at migrants. Malawi ratified the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families in 2022. Furthermore, Malawi is yet to fully utilise the regional agreements promoting labour mobility. The SADC has various protocols and agreements covering migration and labour mobility; however, most are not operational in Malawi as of February 2022, with the exception of the SADC Labour Migration Policy Framework and its Labour Migration Action Plan (2020-2025).

In addition, the Common Market for Eastern and Southern Africa's (COMESA) Protocol on the Gradual Relaxation and Eventual Elimination of Visa Requirements (1984) and the Protocol on Free Movement of Persons, Labour, Services, the Right of Establishment and Residence (2001) aim to promote labour mobility, but they are also not yet operational. Meanwhile, Malawi also has a Memorandum of Understanding (MoU) on the Accelerated Program on Economic Integration (APEI) with Mauritius, Mozambique, Seychelles, and Zambia which aims to facilitate labour mobility within the countries; however, there is no evidence of its implementation. The country also does not have any formal bilateral labour agreements (BLAs) in place.

Under the framework of the Global Compact for Safe, Orderly and Regular Migration (2018), the MoHS led the development of Malawi's first-ever National Migration Policy and submitted the draft National Migration Policy to the Office of the President and Cabinet (OPC) in November 2019 which is yet to be adopted. As referred to above, due to joint efforts from the UN in Malawi and Government, a Bill to amend Malawi's outdated 1964 Immigration Act and incorporate elements of the Protocol against the Smuggling of Migrants by Land, Sea and Air is expected to be presented to Parliament in 2023. This, along with the drafting of a National Labour Migration Policy and draft National Migration Policy, illustrates Malawi's commitments to the objectives outlined in the Global Compact for Migration and Migration Governance Framework.



3.1.11. Internally displaced people

Tropical Storm Ana and Cyclone Gombe caused widespread floods in Southern Malawi in January and February, 2022, affecting more than 660,000 people and forcibly displaced more than 113,000 people to 122 Internally Displaced People (IDP) sites. The subsequent decommissioning of the 122 (IDP) sites by the GoM resulted in the return of people to their areas of origin, despite still inadequate and unrepaired infrastructure and high exposure and risks to future flooding incidents. However, by the end of May, 2022, more than 53,800 people remained displaced in the Nsanje and Chikwawa districts of southern Malawi. There are concerns with predictions that indicate that floods are expected in 2023 due to a high likelihood of an El Niño event. Most areas of origin for the returned IDPs are within high flood-prone areas, very susceptible to being affected by future floods.

3.1.12. Older persons

Disabilities related to old age, such as mobility, vision and memory loss coupled with a lack of social support services make older persons vulnerable to climatic shocks and during disasters. According to the 2018 MPHIC, there is a total of 891,805 persons aged 60 years and above in Malawi, representing 5.1% of the total population. Most of the elderly (91.6%) are in rural areas. Given the lack of adequate social protection, close to 90% of persons aged 65 and above are still engaged in labour force, and the main activity is subsistence agriculture. A total of 115 older women were attacked with 19 killings, 43 property destruction, 5 raped and 45 affected through torture, evictions, land, and property grabbing. Older women are subjected to violence for being suspected of practising witchcraft and teaching

it to children. This requires amendment of the Witchcraft Act, awareness raising especially in rural areas about the criminality of such attacks, and prosecution of perpetrators.

3.1.13 Persons deprived of their liberty

Conditions of detention in Malawi are severely inadequate. The media reported that about 43 prisoners died at the hands of police between January and August, 2018. According to a report published in 2019 by the Centre for Human Rights Education, Advice, and Assistance (CHREAA), there is evidence that 28 detainees were killed without a warrant by police. Prison conditions in Malawi continue to be severe and potentially lethal due to being heavily congested, poor sanitation, an inadequate diet, a lack of drinkable water, and insufficient access to healthcare, as recognised by the Committee Against Torture in 2022.

According to the 2019 Annual Report for the Inspectorate of Prisons, congestion in Malawi is 260% higher than the official capacity. The human rights of those who are in custody continue to be a source of concern for the Malawi Human Rights Commission (MHRC) and other non-governmental organisations. Prisoners' lack of or sparse submission of grievances is related to their concern about prison officials' retaliation. A recent matter of concern is the increasing numbers of migrants who fail to present the right documentation at police checkpoints as they have entered Malawi through uncharted routes and are put in prison without access to trial. Children are often separated from their parents, posing human rights concerns. The Government adopted the 2020 UPR's recommendation to put the Malawi Prison Bill into law with a view to increase prison capacity and use of non-custodial penalties to lessen prison congestion.

3.2 Social development and exclusion analysis

3.2.1 Poverty and inequality in Malawi

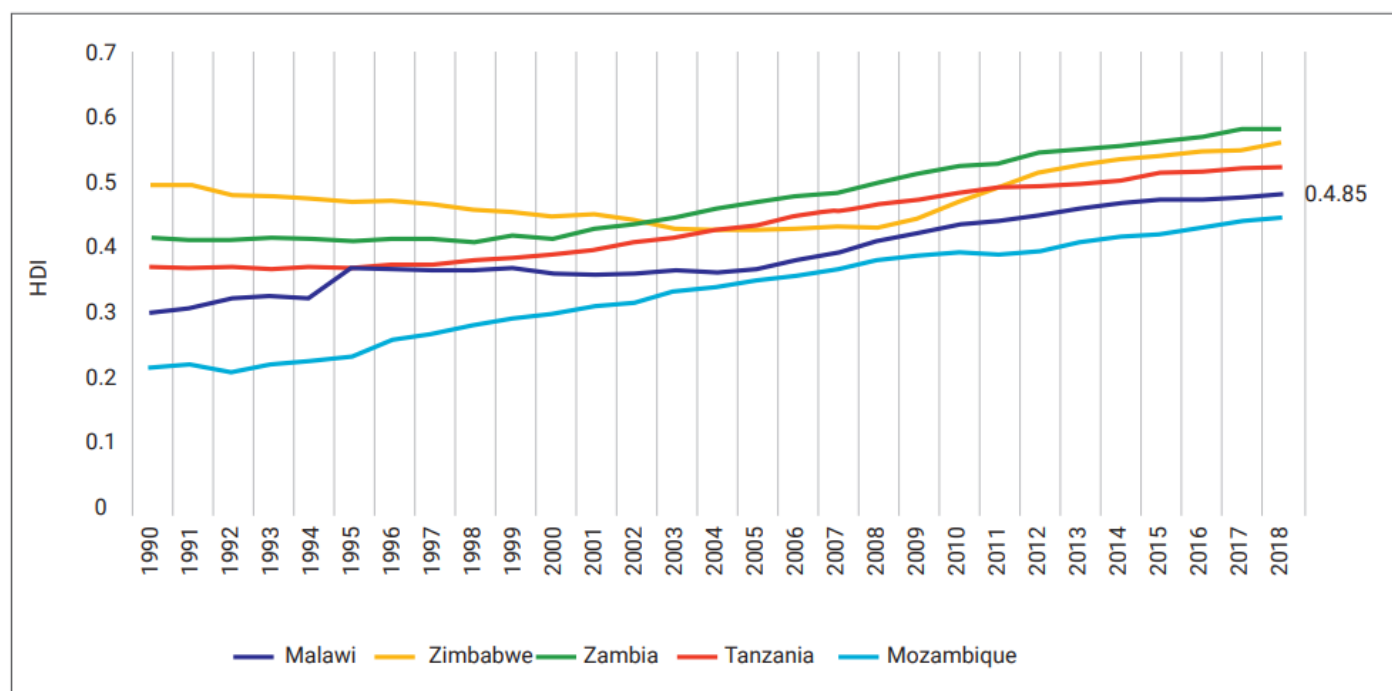
With a Gross Domestic Product (GDP) per capita of US\$ 642.7 (World Bank, 2021), Malawi is one of the poorest countries in the world and is part of the least developed countries (LDCs) category defined by the United Nations. In 2019/20, 50.7% of the population was below the poverty line, slightly lower than the 51.5% registered in 2016/17 (NSO, 2021). The incidence of poverty in urban areas increased, with 19.2% of the population found to be poor in 2019/20 as compared to 17.7% in 2016/17. The situation in the rural areas showed a decrease from 59.5% to 56.6% over the same period (NSO, 2021). The female population is more often poor, with 56.8% of the women living below the poverty line in 2019/20 as compared to 48.5% of men (NSO, 2021). Ultra-poverty increased over the period 2016/17-2019/20 from 20.1% to 20.5% and remained mostly a rural phenomenon, with an incidence of 23.6% as compared to 3.3% in urban areas. Also, in the case of ultra-poverty, women (25.3%) are worse off than men (18.6%) (NSO, 2021). The proportion of Malawians living on less than \$2.15 a day is projected to increase to 71.2% in 2022. Two in every three people in Malawi cannot meet their basic needs. Multidimensional poverty, based on IHS4, is at 61.7% for the total population and of 60.5% for children (NSO MPI, 2021 and NSO MODA, 2018).

Poverty in Malawi is driven by low productivity in the agriculture sector, limited opportunities in non-farm activities, volatile economic growth, rapid population growth, and limited coverage of safety net programmes and targeting challenges

due to lack of a systematic approach to collecting, analysing, and utilising Sex, Age and Disability disaggregated data to inform decision making. The COVID-19 pandemic has decreased many Malawians' livelihoods even further, leaving many households without a source of income, and declining savings. The combination of high un- and underemployment, high levels of inflation as well as floods and forced displacement, is pushing communities into more poverty. Meanwhile, the biggest programme by budget and coverage, the Social Cash Transfer Programme (SCTP), only covers 10% of the poorest beneficiaries in each district, excluding a significant amount of vulnerable households.

Against a backdrop of mixed trends in monetary (and multidimensional) poverty, development indexes such as the Human Development Index (HDI) show a very slow progression over the past years, as shown in Figure 3. Malawi's HDI value (0.512 in 2021) ranks lowly placing the country at 169th in the table of 191 countries. The World Bank's Human Capital Index (HCI) reveals a similar trend, with the low HCI values, growing marginally from 0.36 to 0.41 between 2010 and 2020 (World Bank, 2021). The gender aspects behind the HDI results can be better understood through the Gender Development Index (GDI) that measures gender gaps in achievements in three basic dimensions of human development between men and women. Malawi's GDI shows that the gender gaps are marginally differentiated, with a men HDI value of 500 versus a women value of 493, or ~0.98% of the men's value, albeit the incidence of poverty and ultra-poverty show disproportionate burden on women.

Figure 4 Trend in HDI for Malawi and neighbouring countries, 1990-2018



Source: UNDP- 2019 Human Development Report; briefing note for countries



Gender-based inequalities in access to and control of productive and financial resources inhibit agricultural productivity and reduce food security. A study by UNEP (2015) measuring the economic costs of the gender gap in agricultural productivity in three African countries—Malawi, the United Republic of Tanzania, and Uganda— provides further evidence that reducing the gender gap plays a significant role in poverty reduction and improved nutritional outcomes.

The report provides a unique quantification of the costs in terms of lost growth opportunities and an estimate of what societies, economies, and communities would gain if the gender gap in agriculture is addressed. The findings of the report are striking and send a strong signal to policymakers in Africa as well as development partners that closing the gender gap is smart economics. The report asserts that closing the gender gap in agricultural productivity could potentially lift as many as 238,000 people out of poverty in Malawi, 80,000 people in Tanzania, and 119,000 people in Uganda. It has been estimated that the annual gender gap amounts to \$100 million in Malawi, \$105 million in Tanzania, and \$67 million in Uganda.

A simple income inequality measure such as the Gini Index suggests that income inequalities within Malawi have been reducing overtime, with the Index passing from 45.5 in 2010 to 38.5 in 2019 (World Bank, 2021). However, income share held by highest 10% in Malawi was reported at 31% in 2019, falling from 38.1% in 2016, according to the World Bank collection of development indicators. Additional investigation on inequality beyond income, for instance through inequality-adjusted human development indexes (IHDI and GII), shows the impact of different inequalities on Malawi's development levels.

Discounted by inequality, the HDI falls to 0.345 (a loss of 28.6% from the 0.483).

The GII's (the inequality adjusted GDI) level of 0.565 suggests that females fare worse than men in over half of the dimensions considered (due to inequalities in terms of reproductive health, economic empowerment, and labour market opportunities). This reflects the fact that women are more likely to be employed in informal employment than males (NSO, 2013). Women constitute 30% of total wage employment in non-agriculture in Malawi (NSO, 2017). Unemployment rate is higher among females (26% than among males 14%). In urban areas, the unemployment rate is 28% and the corresponding rate is 19% in rural areas (NSO, 2013). The female labour force participation rate (LFPR) is lower (73%) compared to male LFPR (82%), which means that there are fewer women than men aged 15 – 64 years who are economically active to the total population. The Malawi Demographic Health Survey of 2017 reported that 61% of men who were employed were paid in cash only compared with 30% of women. According to a World Bank study (2021), addressing macro and gender imbalance, notes that in Malawi, female wage workers earn 64 cents (512 Malawi Kwacha) for every dollar (800 Malawi kwacha) earned by men which essentially implies that the mean gender pay gap or monthly earnings between men and women is 36.2 percent. More disturbingly, women are far more likely to not be paid for their work compared to men. Specifically, 59% of women reported that they are not paid for their labour compared to 26% of men (NSO, 2017). This is also linked to the fact that women are more likely to be employed in the informal sector (or to be informally employed) and thus suffer from lack of occupational safety and lower health standards and representation in unions.



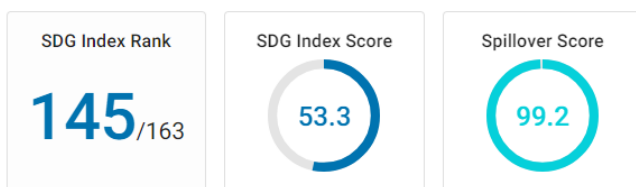
3.2.2 Population dynamics and its implications

Malawi's population has significantly grown in the past couple of decades, from 3.6 million people in 1960 to 17.6 million in 2018. The projections by the National Statistical Office estimate that Malawi's population is expected to reach 33.6 million by 2050, as annual growth rates decline from 2.9% in 2018 to 1.7% in 2050. The country's population size relative to the geographic size of the country makes it one of the ten most densely populated countries in Africa. This rapid population growth poses both opportunities (in the form of the demographic dividend from the expanding working population) and challenges (in the form of increasing numbers of dependents that must be fed and cared for). With limited fiscal space, the high rates of population growth will hinder investment in basic social services and infrastructure and exert pressure on the environment.

3.2.3 Sectoral investments across the 5 Ps of the SDGs

In line with its development framework detailed in Malawi Vision 2063, Malawi has made investments with a varying level of success in policies aimed at countering poverty and ultra-poverty, improving outcomes in key human capital dimensions such as health, education, WASH, and nutrition and fighting inequalities connected to gender.

Figure 5 Malawi SDG Dashboard



SDG Dashboards and Trends

Click on a goal to view more information.



Dashboards: ● SDG achieved ● Challenges remain ● Significant challenges remain ● Major challenges remain ● Information unavailable
Trends: ↑ On track or maintaining SDG achievement ↗ Moderately improving → Stagnating ↓ Decreasing ●● Trend information unavailable

Malawi has not been able to invest adequately to meet the growing demand for social services, due to limited fiscal leeway. Funding for the social sectors is unevenly distributed and reliant on development partner support. Whereas education and health continue to receive significant funding from national resources (16.3% and 10% in 2022/23, respectively), Social Protection, Nutrition and WASH remain extremely dependent on on-budget donor support (over 90%). Public debt interest payments are now the largest item in the national budget, worth 18% in 2022/23, reducing the available resources to fund social sectors. Social spending is key to attainment of agenda 2030 and the fulfillment of economic and social rights and reducing inequalities and poverty. The obligation to ensure the realisation of ESC rights through adequate public spending is enshrined within key human rights treaties. It is also articulated in Agenda 2030—key indicator 1.a.2, *the proportion of total government budgets allocated to social spending* (defined as education, health, and social protection spending). The ambitious objective of transitioning into a more competitive nation as set out in the medium and long-term development strategies of Malawi, if to be achieved, requires a more dynamic, innovative, and greener private sector able to invest and grow. Catalysing private investments and unlocking opportunities for private sector companies adversely affected by the green transition remains key to creating jobs. The manufacturing sector still accounts only for 12% contribution to Malawi’s GDP and domestic credit to private sector also remains as low as 10.46% of GDP.



Social Protection

Despite the high levels of poverty and ultra-poverty incidence, Malawi’s social protection system does not cover all the population in need. The Malawi Social Support Policy (MSSP) and Malawi National Social Support Programme (MNSSP) set the building blocks of the country’s strategy on social protection. Social assistance programmes mostly characterise the social protection sector in Malawi. The biggest programme by budget and coverage, the Social Cash Transfer Programme (SCTP), only covers 10% of the poorest beneficiaries in each district, excluding a significant number of vulnerable households. Moreover, social protection measures are not adapted to the specific needs of women and the availability of financial assistance and credit for women is limited.

Other programmes, such as public works and school meals, reach lower shares of the poor. Social protection assessment for PLHIV showed that people living with HIV, at risk and affected by HIV and others eligible, did not have specific social protection targeting or were not accessing social protection schemes.

Contributory social protection schemes in Malawi are limited in coverage and restricted to the formal sector. The 2013 Labour Force Survey indicated that 78% of the labour force was in the informal economy which is currently not covered by social protection programmes due to the current design of social protection programmes. The contributory social security programmes include the civil servants’ contributory and non-contributory pension schemes, and the Public Service Pension Trust Fund administered by the Ministry of Finance that covers the old age social protection function. The country has a compulsory private pension scheme and, in addition, there is one private health insurance programme called the Civil Servants Medical Scheme, a voluntary-based scheme covering the public sector employees. The country also has an employer liability workers compensation scheme, whose coverage extends to all workers in accordance

with the Workers Compensation Act. Refugees, asylum seekers and general foreign migrants are often left out of the national schemes due to their immigration status despite Malawi signing the Social Security Agreement with Zambia in 2003 as well as Zimbabwe and South Africa regarding the portability of pensions. It is crucial to recognise the potential of their contribution to the economy. Social security is also a human right, while investment in social protection is an investment in building resilience.

A total of MK33.2 billion (representing 1.2% of the total national budget) was allocated to on-budget social protection programmes in 2022/23, lower than investment made in 2019/20. Support for social protection is heavily influenced by on-budget donor funding patterns for the Social Cash Transfer Programme (SCTP). As a result, allocations have hit their lowest as a share of the total budget since 2016/17 due to a slump in donor support and are comparably the same as the 2016/18 levels as a percentage of GDP. As a State Party to the International Covenant on Economic, Social, and Cultural Rights (ICESCR), the decrease in social protection allocations undermines Malawi’s international human rights obligations. The Committee on Economic, Social and Cultural Rights (CESCR) has noted that “[t] here is a strong presumption that retrogressive measures taken in relation to the right to social security are prohibited under the Covenant. If any deliberately retrogressive measures are taken, the State party has the burden of proving that they have been introduced after the most careful consideration of all alternatives and that they are duly justified by reference to the totality of the rights provided for in the Covenant, in the context of the full use of the maximum available resources of the State party.”

The financing of the social protection sector remains overwhelmingly donor-dependent, with donors funding over 90% of the flagship SCTP, raising sustainability concerns over the medium-to-long term.



3.2.2.2 Education (including second chance education and skills development education)

While Malawi has been successful in its ability to expand early childhood education to 47% of the 3–5-year-olds through Community-Based Childcare Centres (CBCCs), over half of young children remain unenrolled in pre-school. Meanwhile, the quality of the roughly 12,400 CBCCs varies considerably with many centres lacking key infrastructure and materials. Furthermore, only 50% of caregivers have received training in providing pre-primary education. In the long run, the benefit of attending pre-school is that children will progress 1.25 more years through the education system, leading to a 13.9% increase in wages as adults. For every MWK1 invested in this programme, Malawi will reap MWK 4.5 in benefits.

Recent statistics are showing a decline in some key education indicators in Malawi. For instance, net enrolment at primary level has reduced from 90% in 2020 to 88% in 2021 while completion rate has dropped from 53% to 50% (Education Management Information System (EMIS), 2021). At secondary level, secondary school net enrolment remains very low, although marginally increased from 15.5% in 2020 to 16.6% (16.8% girls, 16.4% boys) in 2022, (EMIS 2022). Transition rate to secondary level is still low at 42.5% (42.3% girls, 42.7% boys) (EMIS, 2022).

The allocation to the education sector, MK462 billion in 2022/23, remained relatively stable as a share of the total budget, but steadily below the Dakar target (20%). The education sector was allocated 16.3% of the 2022/23 total budget, as compared to 17% of 2020/21. At 16.3% of the total budget, the education allocation is lower than spending on public debt charges (18.4%), although remains the largest sector budget. As a share of GDP, the education budget is roughly consistent with the 2020/21 levels, at 4%. The GDP share is

in line with the Incheon Declaration on Inclusive Education which recommends Governments to allocate between 4-6% of their GDPs to education if they are to achieve SDG 4 (UNESCO, 2017). However, Governments would need to spend more on education to effectively maximise learning outcomes in the COVID recovery context.

The education report of the 2018 Malawi Population and Housing Census found that 29.7% of Malawian children aged 3-5 years old attended pre-school. There was a big gap between urban and rural children, with 47.4% of children attending pre-school coming from urban areas and 26.9% from rural areas. The official age for primary school entry in Malawi is six years, and children spend eight years in primary school, from Standard 1 to Standard 8. As of 2018, there were 5.2 million children in the country's 6,194 primary schools. Of these, 5,611 were public schools, while 583 were private. With an annual population growth rate of 2.9 percent and just over 700,000 new entrants into Standard 1 each year, the current primary school enrolment as of early 2021 is estimated at over 6 million.

The secondary school cycle runs for four years, comprising Form 1 up to Form 4. According to the *2020 Education Performance Sector Review Report*, there were 1,494 secondary schools in the country, taking in 415,000 secondary school students. The most recent *Education Management Information System (EMIS) Bulletin* is from 2018, and it shows that as of that year, there were 830 government secondary schools, 353 private secondary schools, and 304 open day secondary schools. Open day secondary schools are internal arrangements made by a secondary school that allows students who were not officially selected to the school to enrol in the school, but attend classes in the afternoon.

The Higher Education Qualification Framework (2019), developed by the National Council for Higher Education, establishes formalised criteria for the recognition of foreign-acquired qualifications, hence Malawi accounts for migrant workers' skills and capabilities when deciding whether to admit them. When applying for a Temporary Employment Permit, migrants must send a curriculum vitae providing details of their education and professional qualifications. International students can access university education in Malawi if they obtain a Student Permit. While fees are determined by individual institutions, Malawian students - and in some cases students from the SADC region - pay lower fees than international students. International students on student permits are not allowed to work and need to follow the standard process of obtaining a temporary employment permit after their graduation. The Employment Act prohibits discrimination in recruitment on various grounds, including sex, race, nationality, and ethnic or social origin.

As with ECED, Technical and Vocational Education and Training (TVET) do not fall under the Ministry of Education; TVET falls under the ministry responsible for labour issues. The NESIP 2020-2030 states that Malawi has seven national technical colleges, 17 community technical colleges, 28 community skills development centres and 53 private technical colleges. The NESIP 2020-2030 does not provide numbers of students and instructors in TVET colleges, but other documents show that enrolment in this sub-sector is very low. In 2011, students in TVET colleges numbered less than 7,000 (World Bank, 2016).

In Malawi the education sector has been severely affected by extreme weather events: in 2022, tropical storm Ana affected some 476 schools, disrupting the learning of some 398,908 students. In many cases, even if schools are not destroyed, children cannot attend school because they are used as temporary shelters. The impact of climate-related disasters in Malawi has disproportionately impacted women's and girls' access to education. In recent years, Malawi has established different strategies/frameworks to address climate change through education. In particular, in 2013 the country developed its [National Climate Change Learning Strategy \(NCCLS\)](#), which was updated in 2021. This strategy aims to address three key pillars: 1) human capacity building; 2) institutional capacity building; and 3) climate change financing, which are closely related to the three proposed areas of technical support. UNESCO is also currently supporting Malawi with the development of its national framework on education for sustainable development, which sets direction for ESD and Climate Change Education (CCE) in the national education system.

Malawi has opportunities to build on the Transforming Education commitments. These include aspirational goals indicating desired transformations in the long term, with support from the international community, followed by what the Government of Malawi has already committed to, through current policy goals and national vision statements. Under the Transforming Education commitments, Malawi aspires to promote among others, inclusive, equitable, safe, and health-promoting schools; learning and skills for life, work and sustainable development; transforming the teaching profession to make it autonomous, trusted and accountable; digital learning and transformation to expand access to quality and relevant education and strengthening digital literacy in primary

and secondary education; and increasing domestic financing for education to at least 15-20% of national expenditure, and at least 4-6% of GDP.

Health

Malawi has made significant progress in key health outcomes over the years. For instance, annual HIV incidence among adults (15-49 years) has declined by one third from 0.28% to 0.19% between 2018 and 2020. Meanwhile, under-5 mortality significantly declined from 232 per 1,000 live births in 1990 to 63 per 1,000 live births in 2016. Total AIDS-related deaths reduced from 23,000 annually to 15,000. However, about 40,000 children still die every year from preventable or easily treatable diseases, linked to neonatal causes (43%), pneumonia (14%), diarrhoea (8%) and malaria (7%). About 40% of the under-five deaths occur during the first 28 days of life, which is largely linked to premature births, infection, and asphyxia, all of which have low-cost solutions. Although maternal mortality registered a significant decline from 1,100 deaths per 100,000 live births in 2000 to 439 in 2016, it ranks among the highest in the world.

HIV incidence has declined faster in men while it remains considerably higher in women, at 0.14% and 0.24%, respectively.

The criminalisation of abortion, except where the life of the pregnant woman or girl is at risk, compels women - particularly those under 25 years - to resort to unsafe abortion, thereby partially contributing to the high maternal mortality rate. There is a persistently high rate of teenage pregnancies in Malawi. Teenage pregnancy increased from 26% in 2010 to 29% in 2015/16. Moreover, there is a lack of comprehensive age-appropriate education on sexual and reproductive health and rights and family planning services, and limited access to modern contraceptives.

The 2022/23 health sector budget (MK284 billion) reached its highest level (10%) as a share of the Total Government Expenditure (TGE) since 2017/18 and as a share of GDP at 2.5%. Despite this increase, the allocation falls short of need and Malawi is still below the Abuja Declaration target for African States to allocate 15% of their total budget to the health sector. Meanwhile, about 95% of the HIV response financing is externally funded.

Nutrition

Malawi has made significant progress in reducing acute and chronic undernutrition, but stunting (low height for age) remains high among children under-5.

According to the 2019/20 Multiple Indicator Cluster Survey (MICS), the prevalence of wasting (weight for height) reduced from 3.8% in 2013/14 to 2.6% in 2019/20, while underweight (weight for age) reduced from 16.7% to 12.8% over the same period. However, stunting is still high, affecting 35.5% of children under-5. This is particularly concerning due to its negative impact on children's growth and wellbeing. Furthermore, the 2019/20 MICS results revealed worsening of indicators related to child diet, with a decrease of breastfed children from 70% in 2013/14 to 64% in 2019/20. Notably also, although Vitamin A deficiency is extremely low among children under five in Malawi

(4%) where it is currently no longer a public health concern in the country, there are micronutrients of concern including iron, zinc, and folate deficiency – e.g., 60% of primary school children are zinc deficient, and 35% of adolescent girls (15-19 years of age) are anemic. However, the proportion of households consuming iodized salt increased from 75% in 2015/16 to 80% in 2019/20. As a share of total government expenditure (TGE), the allocation to nutrition interventions at MK5.2 billion has declined by almost half from 0.35% in 2021/22 to 0.18% in 2022/23, and below the 2017/18 levels. As a share of GDP, the nutrition-specific budget has declined marginally, dropping to 0.05% in 2022/23. The decline in nutrition budget allocation undermines Government’s obligations under the International Covenant on Economic, Social and Cultural Rights.

Child protection

Malawi’s children continue to experience multiple forms of violence at significant levels. Gender-based violence among adolescents is unacceptably high as one in five girls and one in seven boys experience at least one incident of sexual abuse before the age of 18. There are also disparities along geographical, wealth and educational lines. For example, 46% of women aged 20-24 got married before age 18 in rural areas compared to 32% in urban areas. Furthermore, children are at an increased risk of exploitation and trafficking in the search of employment, especially in the context dire economic situation and the COVID-19 pandemic that has depleted many households’ savings. Access to and availability of the one-stop centres that provide comprehensive service to child survivors of sexual and physical violence, remain inadequate.

As a share of the Total Government Expenditure (TGE), the direct child protection budget has remained constant at 0.02% since 2020/21 although slightly increased as a share of GDP. As a share of GDP, the direct child protection budget has increased from 0.004% in 2021/22 to 0.006% in 2022/23, though still below 2020/21 levels of 0.01%. The current funding translates

to MK75 (~US0.08) per child per year, which is approximately the same as the 2020/21 level in real terms.

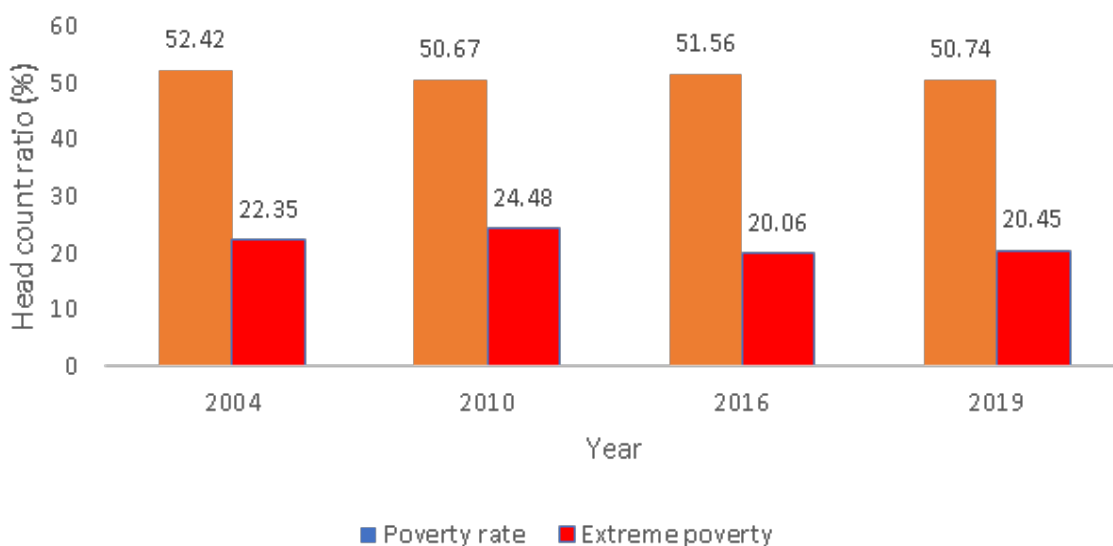
3.3 Economic transformation analysis

3.3.1 Malawi’s Economic Transformation

Malawi has gone through several development policy cycles over the past three decades which include Statement of Development Policies (DEVPOL-1987-1996), National Development Strategy (1997-2020), Malawi Poverty Reduction Strategy (MPRS 2002 -2005) and the Malawi Growth and Development Strategies (2006-2022). Despite these cycles, Malawi remains one of the poorest countries in the world, with an economy that is heavily dependent on rain-fed and subsistence agriculture . The agricultural sector is vulnerable to weather shocks, climate change and global economic shocks. As of 2021, Malawi’s GDP was estimated at US\$ 6.2 billion. The agriculture, manufacturing, and services sectors account for 23.2%, 12.9% and 60.7% of the GDP, respectively . Malawi’s economic growth is expected to decline in 2022 on the back of contraction of the agriculture sector, caused by weather-related shocks. Likewise, industry and services are expected to suffer from damaged infrastructure caused by recent cyclones, particularly for electricity generation.

More than half of Malawi’s population lives in poverty and the national extreme poverty rate increased from 20.1 % in 2016 to 20.5 % in 2019/20 . In terms of multidimensionality of poverty, 61.7 % of the population (that is, six out of every ten Malawians) live in multidimensional poverty (Malawi Multidimensional Poverty Index Report, 2021). The persistence of high poverty has been driven by slow and uneven economic growth, high inequality, rapid population growth, and substantial barriers to economic transformation, such as low access to formal sources of finance, distance to markets, high dependence on primary commodity exports, and the undiversified economy. The lack of significant structural transformation has led to low-productivity agriculture and casual labour.

Figure 6: National Poverty Rate – Malawi (Source: World Bank (November 2022). Poverty Persistence in Malawi: climate shocks, low agricultural productivity, and slow structural transformation.



In addition, recurrent shocks from both exogenous factors (disruptions in global supply chains and imported inflation due to pandemics and geopolitical events) and endogenous factors (recurrent droughts and floods due to variability in climatic conditions) have increased the vulnerability of the population, especially on the poor households and the most marginalised groups (women, youth, children, people with disabilities, migrants, and elderly), owing to the socio-economic impacts on the agriculture sector, their livelihoods, and limited savings they can call on to offset the negative impacts. Droughts are found to increase poverty by 14 percentage points.

Based on the food systems national dialogues and the diagnostics, there is a consensus that the current food systems are not sustainable and not meeting the food and nutrition security, environmental sustainability, social economic and territorial balance requirements in Malawi. The national pathway report identified priority actions to address the food systems challenges in the short term (3 years) and medium term (10 years). These priority actions, among others, seek to enhance productivity and production of diversified and nutritious foods; dietary diversification and consumption of nutrient dense and safe foods; capacity in agro-processing, value addition and utilisation; mitigate food wastage and losses; industrial and domestic waste management; farming practices and sustainable food production systems; distribution of resources and productive assets, as well as address systemic market failures, poor infrastructure, and limited resilience to systemic, multiple hazards, risks, and disasters.

The Government of Malawi is committed to a multi-sectoral approach in the transformation of the food systems through enhancing coherence and coordination between different policy-making communities at national and local levels. To promote coherence and synergies, mechanisms will need to be put in place to unify investments by various stakeholders, Government, development actors, academics, civil society, and the private sector. In order to increase agricultural productivity, output, and commercialisation, the Government will need to prioritise investment irrigation development through leveraging and enhancing private sector investment. Innovative financing mechanisms to mobilise resources to effectively and efficiently finance food systems transformation based on strengths and opportunities will be vital while also developing mechanisms to address the weakness and threats of food systems.

The Malawi 2063 Agenda cites tourism as a key sector, which can transform Malawi into an economically prosperous nation, while the MIP-1 emphasises harnessing the potential of the tourism sector and developing the industry to a level of contribution of at least 11% to GDP. The tourism industry is vital to the overall economy of the country and supports huge numbers of local Malawians through employment and community projects, as well as helping conserve the country's natural resources. Malawi offers an array of tourism resources which include national parks and wildlife reserves; mountains; lakes and islands; wetlands, mountains, agricultural plantations, patches of natural and grown forests across the country, a rich cultural heritage and community life, among others. These provide different types of attractions for a tourist to enjoy wildlife and nature from different perspectives. The COVID-19 pandemic affected the sector and in 2020, Malawi generated around USD35 million in the tourism

sector, representing 0.28% of its gross domestic product. If properly developed and promoted, the tourism industry will greatly contribute to the increase in foreign exchange earnings, creation of employment, and retention of earnings from tourism as well as increased income at household level.

The mining sector accounts for 1.0% of the GDP and the Government has committed to making the sector the mainstay of the economy and raise its contribution to GDP between 10-15% of GDP by 2030. The country is endowed with many rare and valuable minerals and natural resources that if exploited can turn around the fortunes of the economy. Yet low investment continues to cripple the take-off of the sector. The Government recognises the enormous potential of the mining sector to generate foreign exchange, create jobs for many Malawians, generate wealth for the country and diversify the country's exports. However, additional measures including enabling environment aimed at promoting the mining sector investment will be required for the sector to realise its potential.

The cultural and creative industries (CCI) sector in Malawi, just as in other African countries, is not well resourced but possesses huge potential to Malawi's development, helping to raise the country's regional and global profile and attracting tourists and even investment. The sector was among the hardest hit by the COVID-19 pandemic, with over 10 million jobs lost globally in 2020 alone. Public investment in this sector remains low and creative industries remain largely informal. Industry competitiveness is undermined by piracy and poor protection of intellectual property rights and indigenous knowledge, lack of coordination by agencies supporting creative industries, low quality products since most artists do not have formal arts or crafts training and thus rely on natural talent, limited business and marketing skills, inadequate infrastructure support, limited sources of funding, and marginalisation of creative arts in policies and plans.

Diaspora remittances also remain a key and strategic source of foreign exchange in Malawi and have the potential to contribute to macroeconomic stability, economic growth and resilience and poverty alleviation. In Malawi, remittances play a crucial role, especially in high migrant sending districts such as Karonga or Mangochi. While acknowledging the potential and positive impact of remittances to the economy, the Reserve Bank of Malawi (RBM) lists several investment opportunities for the diaspora in the financial sector such as Malawi stock exchange, foreign exchange bureau business and money transfer business operations, among others. The government has the potential to tap into this underutilised resource and link its diaspora closer to the investment and economic growth of Malawi.

3.3.2 The status of economic inequalities including distribution of income and wealth and access to public services

3.3.1.1 Status of the economy

Malawi's real per-capita GDP barely grew over the last two decades and now lags behind regional peers. Total investment is among the lowest in Sub-Saharan Africa (SSA), averaging 14.9% of GDP since 2000 compared to neighbouring Tanzania at 24.5% and Zambia at 34.7%

. Before the COVID-19 pandemic, the contribution of the tourism sector was on the rise since 2013. Travel and Tourism (TT) contribution to GDP increased from MK305.8 billion in 2013 to MK389.4 billion in 2019. In 2019 alone, the tourism sector contributed a total of 525,900 jobs, representing 6.25% of total employment. Although tourism contribution to the economy is slightly higher than other countries in Sub-Saharan Africa, tourism multiplier effects on the economy are still very low due to weak linkages with other sectors and poor infrastructure. In 2020, Malawi ranked 26 out of 54 African countries on the African Infrastructure Development Index (AIDI), with a score of 21.8 out of 100. The AIDI is developed by the African Development Bank and is based on four major components: Transport; Electricity, ICT, and Water and Sanitation.

Malawi is also ranked 109 out of 190 countries in the World Bank's Ease of Doing Business (EDB) rankings for 2020, with a composite score of 60.9. Although the Index was discontinued due to methodological issues, it raised important findings. The ranking was due to the uncertainty and increasing electricity blackouts because of a limited investment in energy generation, lack of long-term and specialised financial instruments, a high tax burden and compliance costs, and a time-consuming and costly process of contract enforcement. Furthermore, lack of finance and poor access to markets are the main challenges faced by entrepreneurs starting and growing a business.

Growth and investment have historically been undermined by macroeconomic instability, often linked to exogenous and endogenous shocks. Such shocks as (i) floods and dry spells; (ii) terms of trade shocks; (iii) sudden reductions of capital inflows, including aid; and (iv) geopolitical events linked to the war in Ukraine and the (v) COVID-19 pandemic as well as the cholera outbreak in 2022. The shocks coupled with poor economic governance linked to mismanagement, corruption, illicit financial flows, and inefficient use of financial resources have played a significant role to exacerbate macroeconomic instability and reduce the fiscal space necessary for social spending. More so, poor policy responses have tended to amplify macroeconomic instability, delaying adjustment, and leading to over-reliance on Official Development Assistance through donor-funded interventions. Malawi's foreign reserves remain very low, with little room to absorb shocks. Gross reserves decreased to 1.5 months of import coverage in March, 2022 and net reserves have been negative for most of the past year.

Malawi's economic recovery from the impacts of the COVID-19 pandemic remains tepid, with GDP growth at 2.8% in 2021 on the back of a bumper agriculture harvest and a moderate rebound in industry and services. Malawi's economic growth declined further in 2022 due to chronic fiscal and external imbalances, compounded by severe weather events. Tropical Storm Ana and Cyclone Gombe, which struck the southern parts of Malawi in January and February 2022, significantly impacted the country's economy, and displaced more than 680,000 people in need of humanitarian assistance.

Further, the storm crippled power production by taking out 130 megawatts from the national grid, thus directly affecting the lifeline of the economy.

Most recently, the Russia and Ukraine conflict has added a new crisis to what was already a challenging global economic climate. Rising global fertilizer and fuel prices, which have been exacerbated by the war, are exerting additional pressure on external balances. These have resulted in deterioration of Malawi's terms of trade and are exerting upward pressure on inflation which rose to 25.5% in August, 2022 compared to the average annual inflation of 9.3% in 2021. The World Bank Economic Monitor of June, 2022 estimated that a price increase of 15% would result in the poverty rate rising by close to 3 percentage points. The impact on food prices will be disproportionate on the poor with Ukraine annually exporting 40% of its wheat and corn to Africa and is a source market for the World Food Programme that feeds 138 million people in 80 countries, including Malawi. With Ukrainian supplies affected by the crisis, food prices are on the rise across Africa.

Significant increase in inflation is having dire consequences for poor and vulnerable households. As poor and vulnerable households experience reduced real incomes, they will be forced to make painful trade-offs, such as reducing food purchases, reducing nutritious items, skipping meals, or eating smaller portions, which could potentially affect health and education outcomes as well as exacerbate existing inequalities, including gender inequality. From a human rights perspective, there are concerns that inflation and increased food and fuel prices will set back the realisation of economic and social rights and advancement of the SDGs and entrench inequalities for those most left behind.

Women play a central and critical role in African agriculture. Around 62% of them are involved in farming and undertake the bulk of the work to produce, process and market food. The contribution of women to labour in African agriculture is regularly quoted in the range of 60–80%. Like many parts of Africa, Malawian women are primarily responsible for food security and nutrition within their households. They take on a disproportionate share of unpaid care and domestic work, resulting in a "double" or "triple burden". Married women in Malawi spend an average of 54.6 hours per week on domestic chores, compared to 14.5 hours for married men. Increasing food insecurity and water and energy scarcity, because of the crisis, may place women and girls at higher risk of domestic violence due to heightened tensions in the household and communities.

The ensuing economic challenges will also diminish rural people's access to economic opportunities and nutritious food. When food is scarce, families increasingly resort to negative coping mechanisms to survive. Entrenched inequalities imply that women and girls often eat less and last, and their nutritional needs may be sidelined. Meanwhile, the disruption of infrastructure by extreme weather events such as cyclones and lack of mobility pose a significant risk to women and girls, who constitute more than 72% of social protection recipients, reducing their access to healthcare, social services, and social assistance such as cash and asset transfers.



3.3.3 Malawi's fiscal position is worsening

Large macroeconomic imbalances (including fiscal and current account deficits) and unsustainable debt hamper Malawi's efforts and prospects. Budget deficits have remained high, reflecting limited adjustment in spending and low domestic revenue mobilisation. Frequent expenditure overruns, combined with repeated revenue shortfalls, have also contributed to huge fiscal deficits and rapidly increasing high-cost domestic and external debts. The fiscal deficit increased by 1.6 percentage points of GDP to 8.7% of GDP over the fiscal year (FY) of 2021/22, the highest in over a decade. World Bank further estimates that without significant reforms, fiscal deficit is expected to widen to 10% of GDP in the FY2023. Weak performance in tax collection contributes to revenues missing the revised targets. Meanwhile, spending overruns in compensation for government employees, social benefits, and interest payments, as well as higher-than-targeted spending on fertiliser payments under the Affordable Input Programme (AIP), exert additional pressure on expenditure, which totaled 19.4% of GDP in 2022. Malawi's budget deficit has been financed mainly by costly domestic borrowing, as external budget support and grants that averaged 5.8% of GDP during 2005-2013 has been much reduced to 1.8% of GDP since 2013. In the short to medium term, a combination of significant development and social spending demands, a heavy debt burden from the past, and significantly reduced on-budget assistance and other grants since 2013 have contributed to ongoing fiscal and current account deficits. Fiscal deficits have led to unsustainable

debt while current account deficits have contributed to diminishing gross international reserves. The COVID-19 shock has aggravated these macroeconomic imbalances.

Following external and fiscal deficits over many years, financed by increased commercial borrowing, Malawi's debt has become unsustainable. The November, 2021 IMF – World Bank debt sustainability analysis indicates that Malawi's external and public debt are both at high risk of debt distress and that debt is unsustainable. The stock of public and publicly guaranteed debt increased to 59% of GDP in 2021, up from 55% in 2020. This was driven by increased uptake of both domestic and external debt financing using high-cost domestic borrowing. This has also been driving domestic debt service upward, increasing the fiscal burden from payments on both interest and principal. The change in definition of external debt from a currency to a residency basis and the conversion of RBM short-term reserve liabilities to medium-term external debt have seen total external debt increase to 32.9% of GDP in 2020 — the highest level since debt relief under the Highly- Indebted Poor Countries Initiative (HIPC) in 2006. RBM uptake of medium-term debt on non-concessional terms has also increased the debt-servicing burden on external debt. Public debt, already at high and unsustainable levels is projected to increase further due to high fiscal deficits. This implies reduced fiscal space for essential spending in social sectors which is critical for the attainment of agenda 2030 and the realisation on economic and social rights.



Digital/ICT transformation, adequacy and quality of employment for an inclusive, resilient, and green economy

Digital transformation

Adoption and use of digital technologies remain challenging. For instance, internet tele-density is at 14% and mobile phone tele-density is at 42%. Although network coverage is high at 92% for 3G coverage, internet usage remains low at 14%. The low rates of internet usage are largely the result of high service costs for consumers. The lack of market competition and an unfavourable taxation regime for the ICT sector have resulted in some of Africa's highest prices for telecom services. Furthermore, there are limited ICT skills and experts to support ICT development and implementation of policies. This means that part of the population remains excluded from benefiting from digital services and public service delivery relies on manual systems. There is a gender gap in ICT with more men (18%) using the internet compared to women (7%) and men are three times more likely to possess computer skills than women, 7% and 2%, respectively. The lack of ICT skills creates an overreliance on foreign experts and limited investment in local capacity, especially in the public sector. The GSMA Connectivity Index (2020) reports that 36.5% of Malawians own a handset with a 54% gender gap in mobile ownership between men and women. The index also reports the affordability of handsets is low, scoring Malawi 15.7 out of 100.

Malawi launched the National ICT Master Plan in 2014 to operationalise the 2013 National ICT Policy. In 2019, it adopted a national broadband strategy and a cyber-security strategy. However, despite adopting ICT-related national policies, plans, and strategies, Malawi has not yet built a robust digital economy ecosystem. Ministries, departments and agencies are behind in the utilisation of information technology as a tool to improve service delivery both internally and externally.

Furthermore, digitisation has not gained traction given limited connectivity in rural areas and high initial cost. Other key challenges include: low electricity coverage contributing to low access and use of ICT devices in Malawi; high internet prices and high cost of smart devices; lack of digital skills; persistent gender gap in ICT access and usage with men having higher access and usage than women; lack of competition in the mobile retail market and mobile money services; low mobile subscription penetration and usage (at 39 per 100 inhabitants, far below Africa's regional average of 82%); and sector-specific taxes that pose an obstacle to wider broadband adoption and accelerated economic growth.

3.3.4.2 Economic resilience and green recovery

The effects of compounding disasters and climate-related shocks (i.e., floods and droughts) have significantly undercut economic growth and strained sources of resilience for Malawi. The investments in recovery are often short term – limited to humanitarian response – with limited investment in resilience. There has been limited investment in greener energy options (renewable energy), green construction, and other green

jobs, including eco-tourism. Meanwhile, due to compounding economic challenges, Malawi's economic recovery from shocks such as the COVID-19 pandemic and extreme weather events remains unsustainable.

3.4 Environment, climate change analysis and progress on global commitments

3.4.1. Current trends and scenarios

Climate change and environmental degradation are a root cause of a series of challenges affecting Malawi. They continue to present huge risks to Malawi's actions on poverty, food insecurity and economic growth. As a consequence of climate change and environmental degradation, Malawi suffers adverse implications to its terrestrial and aquatic ecosystems, which are pivotal to its water as well as its agriculture and food security, tourism, and manufacturing sectors. This is in addition to far-reaching effects on other parts of the country's economy, including the public health sectors, through rising heating and flooding conditions that are not only hostile to human physiology, but also conducive for more vector-borne diseases. At the global level, threats to multilateralism also undermine international efforts for action on climate change and environment, with local level implications that include declining aid and investments in Malawi.

Climate change exacerbates sexual and gender-based violence in numerous ways, pushing people further into poverty, enflaming conflict over depleting natural resources, forcing migration, and compounding pre-existing gender discrimination.

All these factors also conspire to put vulnerable women and girls in greater danger of sexual abuse and exploitation. Climate change is not just an environmental problem – it acts as a “threat multiplier” interacting with social systems to exacerbate systemic inequalities. Although everyone is affected by the ravages of the climate crisis, the vulnerability of individuals varies depending on their gender, geography, class, ethnicity, and age.

The effects of these situations are mainly felt through the country's agricultural sector. Over 80% of the Malawian population rely on agriculture for food security and livelihoods, with many of them being smallholder farmers that depend on rainfall for crops and livestock water needs. World Bank's November, 2022 assessment report shows over half of the country's population (50.7%) are poor with many of them being in the conditions that they were more than 10 years ago. The same report highlights that, 82% of Malawi's population live in rural areas, and women account for 65% of smallholder farmers, making them particularly exposed to food insecurity. Women are often dependent on natural resources, and many earn a living in the informal sector, leaving them less able to withstand economic and environmental shocks.

Most of the country's 28 districts are disaster prone. Within the past five decades, the country has experienced over 21 major flooding events and seven droughts. In 2015, the country was affected by the worst floods in 50 years; the floods affected over 1 million people, displaced 230,000 people and killed 106 people, with another 172 people reported missing. The Tropical Cyclone Chedza (2015) disaster caused damage worth US\$494 million

followed by Cyclone Idai (2019) and Tropical Storm Ana (2022) which inflicted economic damage between US\$500-700 million. More than 60% of the people displaced due to tropical Storm Ana were women. The 2022 World Bank Country Climate and Development Report indicates that climate change could reduce GDP by 3-9% in 2030, 6-20% in 2040, and 8-16% by 2050) if Malawi stays on its current low-growth development trajectory. The analysis also clearly demonstrates that development, as set out in Malawi's Vision 2063, provides a strong basis for strengthening resilience to climate impacts.

Future climate change scenarios suggest that Malawi will see increasing climatic variability. Average temperatures may increase by 0.5^o to 1.5^o Celsius by 2040, and rainfall is predicted to become more unpredictable, with a lower mean number of rainfall days and higher amounts of rainfall per day. As many Malawians already reside within high flood-prone areas, they are very susceptible to being affected by future floods and at high risks of experiencing human loss, loss and damage of infrastructures, and loss of livelihood assets. Despite having global and regional frameworks that aim to mainstream gender in disaster risk management (DRM), the country's DRM policies and legislation are not yet aligned with global commitments.

3.4.2. Socioeconomic impacts

The agriculture sector suffers the greatest losses because of climate change-induced effects. For every three Malawians that moved out of poverty between 2010 and 2019, four fell back in due to the impact of weather shocks. Most smallholder farmers in Malawi are resource-poor with very limited capacity to contain shocks arising from climate change. In the future, the country is expected to experience increasing climatic variability that will negatively affect agriculture, the environment, water availability, energy provision, health and livelihoods, especially the most vulnerable. Malawi's narrow economic base and high dependence on rain-fed subsistence agriculture makes it highly vulnerable to the impacts of climate change. Agriculture contributes to 40% of the country's GDP, with 70% of total production accounted by smallholder farmers. Smallholder farmers in Malawi are often poor and unable to withstand losses from disasters, which disrupt their livelihoods and lead to food and nutrition insecurity. The country's staple crop, maize, also remains sensitive to temperature and precipitation change, with climate scenarios predicting decreasing yields and heat stress that will also impair livestock productivity. The country identified eleven socio-economic sectors as particularly vulnerable to climate change and variability, including Agriculture; Water Resources, Human Health; Energy; Infrastructure; Land Resources, Fisheries, Forestry, Wildlife, Industry, and Tourism.

The risk of harm is especially high for those sectors of the population that are already marginalised or in vulnerable situations or that, owing to discrimination and pre-existing inequalities, have limited access to decision-making or resources, for example women, children, persons with disabilities, and persons living in rural areas. Situations of crisis exacerbate pre-existing gender inequalities and compound the intersecting forms of discrimination that disproportionately affect disadvantaged groups of women and girls, particularly those with disabilities. Moreover, climate

change and disasters, including pandemics, influence the prevalence, distribution, and severity of new and re-emerging diseases. The susceptibility of women and girls to disease is heightened because of inequalities in access to food, nutrition and health care and the social expectations that women will act as primary caregivers for children, the elderly, and the sick.

Climate change within and across borders will heighten climate-induced migration which will see increased internal and cross-border human mobility, worsening the competition for a scarce land resource that may culminate in tensions among migrants and host communities. In some of Malawi's districts, more and more households continue to move to new areas, seeking better arable land. Fishermen also continue to migrate from place to place in search of better fishing grounds along the shores of Lake Malawi. Often new migrants add to already high inter-communal tensions within communities and challenges related to exploitation, discrimination when accessing services, violence and other human rights concerns are on the rise.

According to the Government of Malawi and UN COVID-19 Socio-Economic Recovery Framework, the pandemic and consequent microeconomic environment further pushed many vulnerable communities to unsustainably rely on natural resources for their livelihood and savings, destroying sources of resilience. Malawi's GDP growth declined to 0.9% in 2020 and marginally grew to 2.5% in 2021 against projections of 5% and 6%, respectively. COVID-19 impacted livelihoods, particularly in the agriculture sector, small-scale businesses, and job opportunities available, especially among the youth.

3.4.3 Energy / Electricity

Malawi is relatively well endowed with a wide range of energy sources such as hydro, fossil fuels, biomass, solar, and wind, among others. However, energy shortage is one of the country's major problems that limit its socio-economic and industrial development. Only 11.4% of the population is connected to the national electricity grid, with biomass forming 97% of the total primary domestic energy supply (59% is used as firewood, and 41% is converted into charcoal). The inequality among the urban and rural areas is also stark, with the urban households reporting 45.5% and the rural households reporting an electrification rate of 5.5%.

Malawi's power generation is heavily dependent on weather conditions as about 98% of electricity is generated by hydroelectric power stations. Consequently, low water levels during drought periods and silting during the rainy season disrupt electricity generation.

This overreliance on hydropower for energy provision further increases the country's vulnerability to climate change. For instance, the Tropical Storm Ana in February, 2022 damaged Kapichira Power Station, resulting in a loss of 30% of the total hydropower generation. In 2020, Malawi was ranked 171 out of 190 countries in the Ease of Doing Business rankings in terms of the procedures, time, and cost to get connected to the electrical grid, and the reliability of the electricity supply and the transparency of tariffs. The Government is currently implementing a National Charcoal

Strategy (2017-2027) under its wider forest landscape restoration initiatives. The strategy seeks to curb Malawi's problems of increased deforestation and increased demand of household cooking fuel, while setting it on a path toward a diversified, sustainable, and regulated household energy sector. It builds on aspects that are drawn from various Government policies that include the *National Energy Policy* of 2003 that sought to strengthen its energy sector contribution to the national goals of poverty reduction, industrialisation, and economic growth. The Charcoal Strategy also seeks to reduce deforestation and the associated impacts on rural livelihoods and the national economy. These ongoing government-led initiatives encompass restoration of degraded and deforested land as well as multiple interventions that integrate nature-based solutions, especially by the country's development partners such as the UN system in Malawi jointly with the Government.

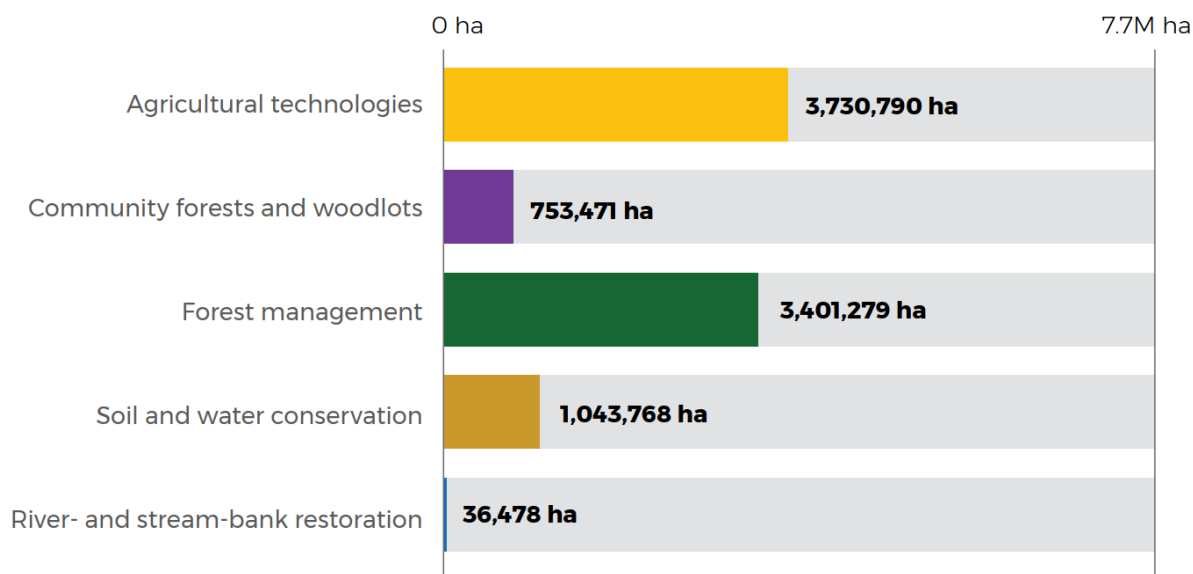
3.4.4 Biodiversity, forest, and land degradation

Malawi is endowed with rich and diverse forms of biodiversity, forests, and lands that are closely linked to its national economy. For instance, the country's agro-biodiversity in 2010 (the available official data) was estimated to contribute about 40% to the GDP and more than 90% of employment and merchandise export earnings. In the same year, its fisheries, forestry, and wildlife sectors contributed 12.8% towards the GDP. For each year between 2001 and 2009, land degradation cost to the country has been estimated in the region of US\$244 million (6.8% of GDP), while poor farming practices that degrade croplands for maize, rice, and wheat resulted in a loss of US\$5.7 million per year by 2015, according to Malawi Government's National Forest Landscape Restoration Strategy.

A major diversity of plants and animals exists in the country's 97 protected areas, 90% of which are forest reserves. Approximately, 6% of its plant species are either endemic or threatened with extinction, with close to 4% of its mammalian species being listed as threatened under IUCN Red List in line with SDG indicator 15.5.1 on Red List Index:

Malawi faces a cycle of environmental decline and degradation due to high population growth and high dependency on natural systems with more land being converted to agriculture and more forests being unsustainably harvested for the wood and charcoal fuel supply. Additionally, internal migration is also affecting the environment. The desire for better arable land and better income has led to forest degradation in many districts in the country. Climate change magnifies these impacts by putting greater strain on land and forests. In particular, both the country's terrestrial and aquatic ecosystems are being modified, degraded and species composition altered due to the unsustainable utilisation and management of natural resources. Impacts are shown by the country's tree cover in most forest reserves that has been markedly reduced due to continuous degradation in surrounding areas. For example, Liwonde Forest Reserve in southern parts of Malawi, near the Mozambique border, covers a designated area of 284 hectares but had been reduced to just 70 hectares of the reserve as of 2013.

Figure 7 Estimated area of opportunity as compared to total restoration opportunity area in Malawi (Source: National Forest Landscape Restoration Strategy of Malawi).



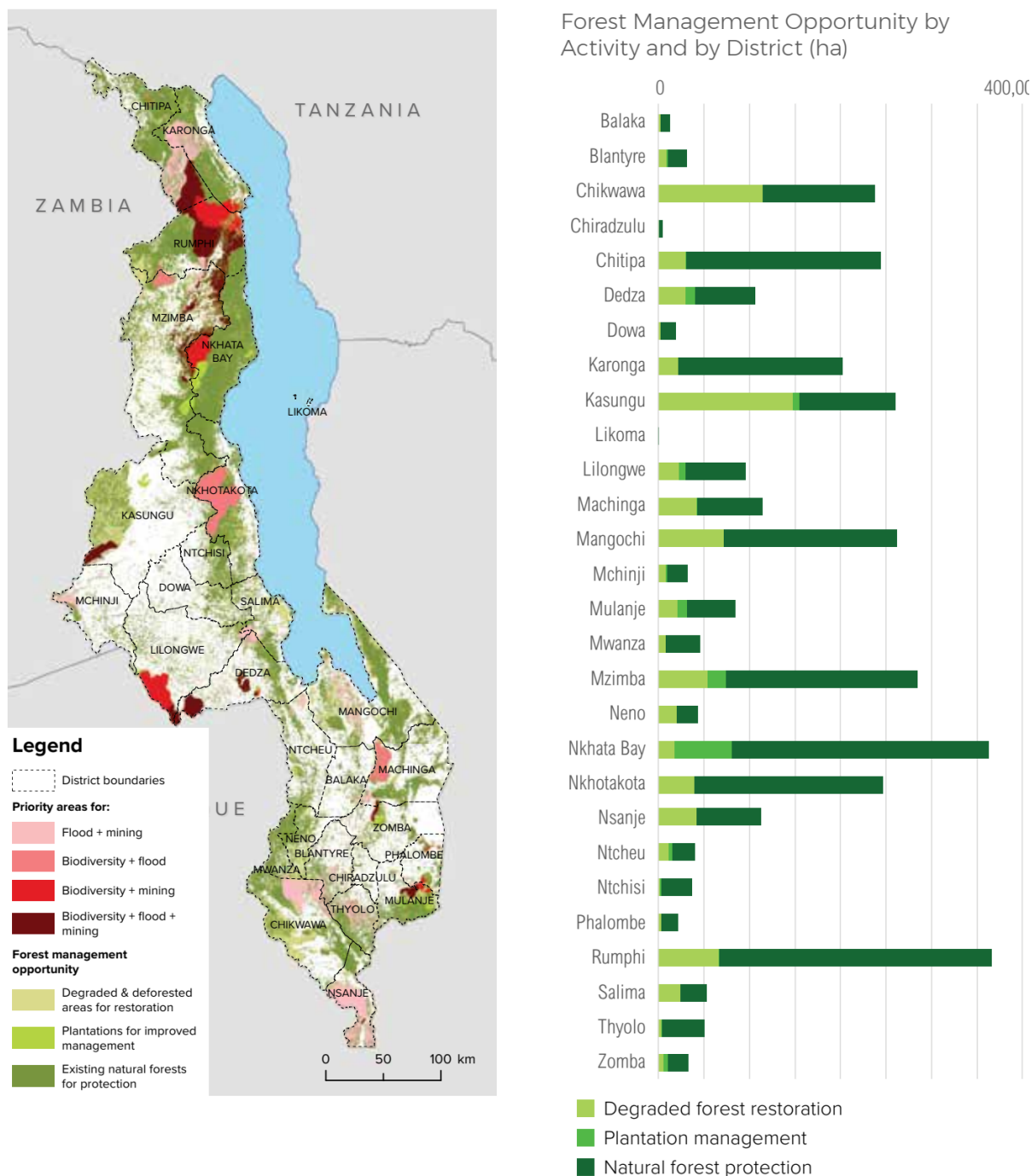
Over the last 40 years, Malawi has lost half of its forests and woodlands and those that remain are being depleted through over-extraction and frequent uncontrolled forest fires. This puts a huge strain on the forests and woodlands. Land degradation is widespread and severe. Up to 60% of Malawi’s land is currently affected by soil erosion and nutrient loss, and the country loses around 29 tons of soil per hectare per year. Loss of forest results in the loss of biological diversity and income from nature, and watersheds degradation. Government estimates show about 2.8% annual average loss of forests, representing 250,000 ha of forest cover. The direct causes of deforestation include agricultural expansion; human settlement; uncontrolled fires; unsustainable harvesting for energy (charcoal and firewood) and timber requirements. More specifically, the country is rapidly losing two important elements of watersheds: 13% of tree cover was lost between 2000 and 2021 and soil loss occurred at the rate of 0.90-19.8 ton per hectare per year in 2014.

According to the historical Average Revised Universal Soil Loss (RUSLE), the loss has been most prominent in Chitipa, Karonga, east Rumphu, Nkhata Bay, Ntchisi, east Dowa, Dedza, Ntcheu, Thyolo, Mulanje and west Zomba districts. Heavy rains have contributed to soil loss and are expected to contribute more under climate change, according to a study based on Soil Loss Estimation for South Africa (SLEMSA) (Department of Land Resources, 2021). Catchment degradation coupled with increases in temperatures, erratic rainfall, and drought has exacerbated loss of biodiversity, increased siltation of water bodies, decrease of water and fluctuation in the lake systems in Malawi which threatens the livelihood of millions of dependent people on fishing and freshwater.

Malawi has made considerable efforts in building capacity on biodiversity management. The country is presently implementing its second National Biodiversity Strategy and Action Plan (NBSAP II) for the period 2015-2025, being a policy framework that guides the country’s actions to sustainably manage its biodiversity. Its NBSAP II outlines the status of the biological resources in the country while also providing strategies, targets, and actions to be taken to ensure their sustainable management. Its previous NBSAP experienced headwinds, including slow implementation coupled with uncoordinated and poorly monitored targets and priorities, though it managed to register several milestones and successes, including on promotion of species and habitat restoration programmes.

Since the formulation of the NBSAP in 2006, the country’s biodiversity issues have been mainstreamed into its policies, strategies, and plans. For example, at the national level, biodiversity has been integrated in its national development strategies. At the local level, biodiversity has been integrated into its District Development Plans, including the Lilongwe City Council. Malawi’s Forestry Policy has been reviewed and now integrates issues of biodiversity management, such as Reducing Emissions from Deforestation and Forest Degradation (REDD+) and Payment for Ecosystem Services (PES). Also, the Climate Change Policy has been developed, promoting activities on REDD+, PES, Biodiversity offset and Clean Development Mechanisms (CDM). Malawi also has a full-fledged regulatory entity on forestry matters, dubbed the Department of Forestry. Housed under the country’s Ministry of Forestry and Natural Resources, the entity was established in 1942, as the lead agency in the administration of the National Forest Policy and the Forestry Act in the country.

Figure 8: Map of opportunity for forest management (Source: National Forest Landscape Restoration Strategy of Malawi).



3.4.5 Efforts to address climate change and the environment

The government recognises the challenges climate change and environmental degradation pose and has formulated various policy and legal instruments: the National Climate Change Management Policy, the National Environmental Policy, the Environmental Management Act, 2017, the National Resilience Strategy, the National Disaster Risk Management Policy, National Forest Landscape Restoration Strategy, National Adaptation Planning framework and other policy and legal instruments actions. ‘Environmental Sustainability’ is one of the seven enablers in Malawi 2063 and strengthening climate and disaster resilience is central to the attainment of all three pillars. Under

the updated Nationally Determined Contribution (NDC, 2021), Malawi has revised the sectoral mitigation and adaptation targets for the next 15 to 20 years. The NDC demonstrates the commitment of the Malawi Government to meet its obligations towards addressing the challenges of climate change, through both mitigation and adaptation measures. The efforts to address environmental degradation include the National Forestry and Landscape Restoration strategy and plans to reverse degradation and deforestation. Malawi has also made renewed commitment under the AFRI 100 initiative to restore 4.5 million hectares of land. In line with this thrust, a key priority in Malawi is addressing the energy crisis which is a major driver in the depletion of forestry resources.

3.4.6 Climate change and environment financing

Information regarding climate change and environment financing in Malawi is scarce. Development partners provide the bulk of the finance for disaster response, climate change and environment of which about 50% is through off-budget support. To enhance harmonisation of aid with the national budget system in line with the Paris Declaration on Aid Effectiveness (2005) and Accra Agenda for Action (2008), the Government has intensified efforts to mobilise climate change and environment financing through the National Climate Change Investment Plan (CCIP). From 2013, CCIP has sought a total Climate Change Investment of US\$954.5 million over a six-year period under the four key priority areas namely, Adaptation Investments; Mitigation Investments; Research, Technology Development and Transfer; and Capacity Development Investments. Five sources were targeted for investments: Government, development partners, civil society, private sector, carbon trading.

A National Climate Change Fund (NCCF) has been established to mobilise and progressively upscale climate finance to manage the climate risks in Malawi. A study on domestic sources of climate finance was conducted to identify potential sources of climate finance leading to institutionalisation of the carbon levy (MK500 per litre of fuel) since 2020. However, the programming of the mobilised funds for climate change initiatives and allocation to the NCCF remains unclear. There are also ongoing efforts to develop a climate information management system to track climate finance. A Climate Public Expenditure and Investment Review (CPEIR) undertaken in 2018 shows that the climate spending jumped dramatically from 2-5% before 2013/14 and has remained at between 9% and 12% of total public expenditure. However, this is largely attributed to large projects in agriculture and irrigation such a spending on the Agriculture Sector Wide Approach.

3.4.7. Pollution and waste management

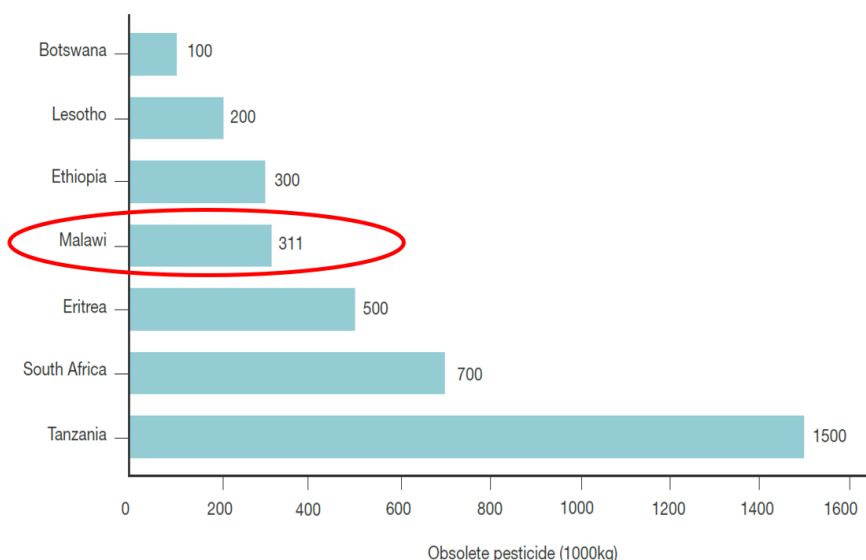
Air pollution is a key environmental and human health challenge in Malawi. Pollution continues to take a huge toll on the

country's public expenditure and labour productivity owing to its associated impacts on human health and the environment. In terms of ambient air quality, the country's transport sectors are the main contributors of pollution. This is mainly through motorised transport which continues to constitute a major source of air pollution in its urban areas that include Lilongwe. These challenges, however, are mainly geographic, as their incidence and impacts depend on the spatial distribution of economic activities, households, and transport links.

For instance, in 2021 the country's rural areas where traditional woodfuel and other forms of biomass energy are the dominant forms of fuels, mean concentration of PM_{2.5} exceed 30 µg/m³ which obviously surpasses the WHO recommended maximum of 10 µg/m³. These, inevitably, contribute to a continued prevalence of indoor air pollution which continues to take a heavy toll on human health and wellbeing, with disproportionately huge impacts on women and children owing to their social positioning at household levels. The 2020 International Energy Agency's report indicates Malawi has an estimated national average access of 13.4% which is far below the list of countries whose electricity access stands below Africa's continental average of close to 42%.

Malawi has agriculture as its main economic activity. The country has been attempting to intensify food production by increasing agricultural inputs such as fertilisers and pesticides. This has created unintended challenges of having to address rising volumes of pesticides and other agricultural chemicals that are continuing to become obsolete with time, in addition finding ways into water resources and other ecologically sensitive ecosystems. Most of the growing obsolescence in the country's hazardous agro-chemicals that in turn become hazardous waste are due to its business sector as well as governmental purchase of unsuitable products, poor stock management, inadequate coordination of supply chains and vested commercial interests, among others. Such hazardous waste poses a considerable risk to human health and the environment, in addition to slowing down the country's progress towards SDGs 3, 8, 14 and 15, among others.

Figure 9: Obsolete pesticide stocks in Malawi compared to situations in other African countries (Source: UNEP, 2018)



The health of Malawi's environment is a critical foundation for its national development as it is tied to the health and well-being of its people, animals, and plants. It would thus be imperative for the country, jointly with its development partners and stakeholders to continually curb the country's susceptibility to impacts of hazardous waste that could not only have immediate impacts on people and environment, but also run the risk of proliferating anti-microbial resistance. Anti-microbial resistance is identified as a major cause of death around the globe, with the highest burdens in poor countries. It also threatens the health of animals and plants grown for food, with effects on food security, food safety and the environment.

Opportunities for multi-stakeholder actions could be in the areas that seek to build on ongoing interventions by the Malawian Government such as its endorsement of the *Global Action Plan on antimicrobial resistance*. The country is also a signatory to the *2016 Political declaration of the high-level meeting of the UN General Assembly on antimicrobial resistance*. It has also published a national action plan (NAP) on antimicrobial that incorporates a "One Health" approach for addressing the ensuing challenges, but this is ending by 2022 and may need to be considered as one of the areas of collaborative advantages between the Government and the UN system in Malawi. This could include strengthening the country's local mechanisms to accede to and implement the Bamako Convention at the local levels. The Convention is a treaty of African nations prohibiting the import into Africa of any hazardous (including radioactive) waste.

Other areas could also be on enhancing the local capacity of the country's interventions on the rising tide of plastic waste. The country's growing levels of urbanisation call for increased momentum for a robust circular economy intervention. This includes expanding and modernising the existing waste management infrastructural facilities such as those for the collection, transportation, and recycling systems to cope with increasing amounts of waste being generated going into 2030. It would thus be imperative to consider evidence-based policy interventions to stimulate public-private partnerships towards not only managing waste at the country's urban and industrial levels, but also curbing pollution, including in the energy and transportation sectors. This is in addition to creating a fair playing field for the involvement of informal waste pickers, especially for recyclable material as this would also be one way of creating job opportunities at micro-levels.

3.4.8. Integrated water resources management

Malawi's water resources are intricately linked to its national development agenda. The country's combined water and their associated aquatic resources occupy an estimated 20% of land mass and play a vital role in the health and wellbeing of its populations, in addition to being a key component of its food security, energy, and economic development. These resources are, however, under continuing pressure from local and external drivers of change that include shifting demographics, urbanisation, and climate change. Most of these factors are surfacing through increased forms of deforestation and uncontrolled bush fires as well as poor land management practices that are often accompanied by soil erosion within and across its boundaries. This is in addition to unsustainable agricultural practices, including conversion of wetlands to farmlands in addition to farming techniques, inputs, and irrigation that continue to

proliferate pollution of its water resources and aquatic life. Data of 2015 shows the country's irrigated total area stands at 104,000 hectares, representing a fourfold increase in size since 1994. Overexploitation of the resources, including through unsustainable extraction of underground water resources coupled with the adverse impacts of climate change also affect the country's resources' sustainability, including wetlands.

These forms of ecological pressure are evident in the country's aquatic ecosystems that include a periodic drying up of Lake Chilwa – the country's second largest lake located in its southern parts. Key challenges around it include degradation of catchment areas and climate change threatens the survival of multiple species of birds and fish that play considerable socio-economic and ecological roles. Shifting and increasingly unpredictable climatic conditions around the saline wetland lake are continuing to threaten the livelihoods of more than 1.5 million people across the three districts namely, Machinga, Phalombe and Zomba, that depend on it. UNESCO country reports show population pressure around the lake is high, with at least 164 people per square kilometers and over 77,000 people living in the wetland itself. During the 2018 dry seasons, Lake Chilwa shrank by close to 60%, forcing most of the dependent fisherfolks to relocate to Lake Malawi to sustain themselves, suggesting the intricate linkages that the country's water resources have on livelihoods and local economy.

At the same time, Malawi's policy frameworks for water resources have not evolved at the pace that the water needs, and constraints have been evolving over the time, including in the context of extreme weather events. For instance, most of the country's policy frameworks are presently biased towards drought preparedness as compared to flooding preparedness, thus predisposing communities and populations to recurrent and destructive flooding events. These situations halt back the country's progress for multiple aspects of SDG 6 on water, especially the integrated water resources management targets, which mandates countries to actualise it by 2030, including through transboundary cooperation as appropriate. This in turn affects the country's progress on water security and fulfillment of human rights to water.

UNICEF (2020) country reports show more than 4 million people in Malawi lack access to clean and safe water for their domestic needs. They must walk further to fetch water, increasing their risk of experiencing violence and harassment. In terms of the enabling environment, institutions and participation, management instruments, and financing for integrated water resources management, Malawi had an overall performance rate of 55% compared to sub-Saharan region's average of 46%. Water quality and pollution challenges in Malawi represent low hanging opportunities for transformation. Relevant interventions include putting in place mechanisms to foster efficient use of water resources by households, industry, and agriculture. This is in addition to promoting water-saving and reuse, water-efficient technologies in all sectors, while also supporting ecosystem-based measures. At the same time, there are opportunities for Malawi to boost measures for confronting water quantity issues, such as supporting hazards prevention and climate-change adaptation measures based on an ecosystem restoration approach, while also considering any related climate-resilience and cross-border issues. Among

them are eco-friendly water storage infrastructure, and smart technologies to increase resource efficiency in the water sector.

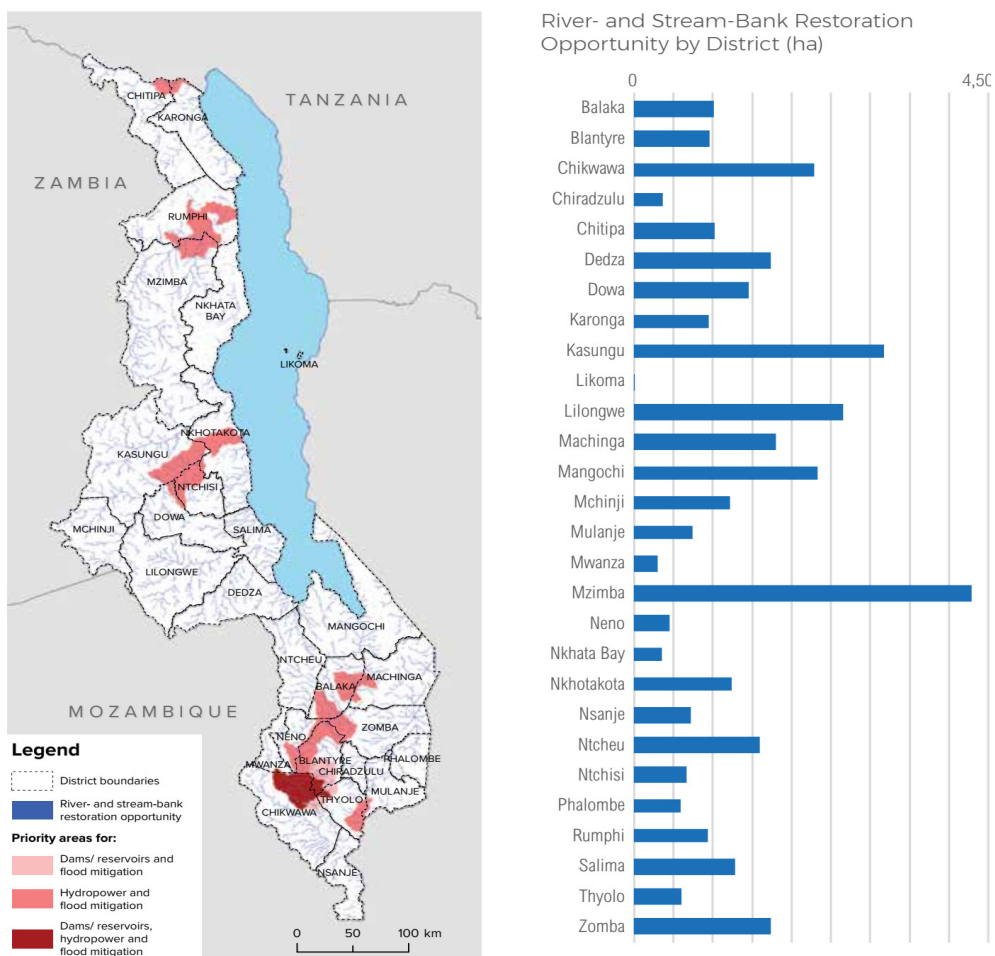
With the water sector being affected by a continuing decline in the wider state of environment, Malawi has an opportunity to ramp up targeted investments in integrated water management approaches. Such interventions should consider the ecosystems on which the sustainability of water availability and supply are anchored on. This includes wide-ranging policy and regulatory interventions for both the surface and underground freshwater resources, as well as smart and affordable water harvesting systems in its urban and rural areas, all of which should be compatible to current and anticipated climatic scenario and other environmental perturbations.

Moreover, there is an essential need to support multi-stakeholder actions towards improving cooperation and mutual understanding among the Lake Malawi basin countries (Malawi, Mozambique, and Tanzania) through strengthening their capacities for developing regulation for the sustainable management of the transboundary water resources while addressing issues of pollution and integrated water management. Cooperation among the Lake basin countries is imperative to advance vulnerability assessments and adaptation actions related to climate change and water-related

projects around the catchments of the lake. This is in addition to strengthening local-level actions for enhancing the resilience of water supply infrastructure to extreme weather events both in the urban and rural parts of the country.

Such interventions could build on existing national policies on Malawi’s water resources management. The country’s National Water Policy (2007) and legislation (2013), for example, acknowledge increasing frequency of extreme weather events, specifically floods and droughts as well as associated water access challenges. This is in addition to recognising temporal and spatial variations in the country’s availability of potable water. In response, the policy documents include provisions aimed to address these challenges, including associated water access challenges. Key strategies include: catchment management, infrastructure water development e.g., community and multipurpose dams to regulate variable water flows and flood control and capacity building in the water sector. Malawi also participates in the African Ministers’ Council on Water (AMCOW) through its Ministry of Water and Sanitation. This regional ministerial forum was established in 2002 to promote cooperation, security, social and economic development and poverty eradication among member states through the effective management of Africa’s water resources and provision of water supply services.

Figure 10: Map of opportunity for river- and stream-bank restoration (Source: National Forest Landscape Restoration Strategy of Malawi).



3.5 Governance and political analysis

3.5.1 Political governance

3.5.1.1 Developments in election institutions and electoral reforms

Many national and international stakeholders have acknowledged the efforts made by the Malawi Electoral Commission (MEC) over the years for increased transparency, inclusivity, and integrity in the electoral process, and noted the key improvements made in the 2019-2020 elections which included a more efficient voter registration exercise, improved external communication by MEC, more coordinated and efficient election logistics/operations, and strengthened civic and voter education activities. However, Malawian citizens living abroad are still not able to vote in national elections in Malawi. In order to vote, they must return to Malawi, register in a constituency and vote in person.

Many national actors believe that overall, the previous electoral process was transparent, well managed and largely inclusive. However, the results management processes experienced significant challenges, leading to court proceedings and, subsequently, annulment of the presidential election results and conducting of fresh elections. This negatively impacted public trust and the MEC's overall reputation. Nevertheless, the successful conduct of the June, 2020 fresh presidential election by MEC, in a very tight timeframe and in a politically charged environment, demonstrated the capacity of the institution. Several attempts have been made in recent years to reform the electoral and legal frameworks. However, few of these efforts have ever succeeded. The current electoral reform package was signed off by Cabinet in July, 2022. The Bills are expected to be tabled for discussion and passage in Parliament before 2025 and glaringly missing are gender-related proposed reforms, despite a recommendation from CEDAW in 2015 to expedite the amendment of electoral laws to provide for minimum quotas for female candidates on political parties' electoral lists and for the executive structures of political parties.

However, although much still remains to be done to ensure female representation at all levels, there is some progress. For example, women representation in Cabinet is at 40% which complies with the 60:40 quota espoused in Section 11 of 2013 Gender Equality Act. Additionally, for public appointments, there have been various appointments wherein women have taken leadership positions. These include the Speaker of Parliament, the Ombudsman, Anti-Corruption Bureau Director General, the Secretary to the Office of the President and Cabinet, and the Inspector General of Police, among others.

Conflict prevention and peacebuilding

The enactment of the Peace and Unity Commission law, which paves way for the establishment of the Malawi Peace and Unity Commission, promises a fundamental structure that will foster collaborative partnerships for peacebuilding and conflict transformation across the government, civil society, and different actors to sustain peace in Malawi. The risk, however, lies in the commission's take-off in terms of acceptability from the political divide and depends on the recruitment of persons with the gravitas to man its secretariat and those that will serve as commissioners. Additionally, in domesticating United Nations

Security Council Resolution (UNSCR) 1325, the Government of Malawi adopted the first generation of the UNSCR 1325 National Action Plan to advance the implementation of the four pillars of participation, prevention, protection, relief and recovery in the promotion of the Women, Peace and Security Agenda. This aims at ensuring meaningful involvement of women and youth in conflict prevention and peace processes and structures in Malawi

Civil society and civil unrest

The spike in global prices of commodities resulting from the war in Ukraine and the subsequent devaluation of the national currency (Malawi Kwacha) in May 2022 has placed additional economic pressure on already vulnerable households affected by the COVID-19 pandemic and climate change, which is pushing more people into poverty in Malawi. Dissatisfaction among citizens has already caused several incidences of violence across the country, and it seemingly intensified in 2022 due to the above challenges caused by unexpected global and national crises. There have been 55 economically motivated protests recorded in 2022 (from January to July) on the UN Conflict Prevention Platform. As the country's economy continues to struggle to grow, this will leave the cash-strapped government less able to address social discontent, with unrest more likely to spark business disruption and trigger repressive State responses.

Additionally, in 2021, the UNCT Malawi conducted a joint conflict assessment in the Malawi-Mozambique border districts of Mangochi, Machinga, Mulanje, and Phalombe to assess the risks of conflict spill-over from the neighbouring conflict setting in Cabo Delgado in Mozambique. The assessment report "Conflict Assessment in Malawi's Border Districts" indicated that existing conflict drivers and community vulnerabilities pose a significant risk to Malawi's stability. The report identified several "ethnopolitical and religious conflicts" in the four districts, "most of which were/are violent" in nature. Potential drivers of conflict in these districts include: i) porous border security; ii) chronic poverty; iii) land ownership and access; iv) intra and inter-religious disputes; and v) human rights abuses, including human/child trafficking and gender-based violence. These ethnopolitical and religious forms of conflict at the community level demonstrate that Malawi is vulnerable to the existing and latent conflict to a high degree, including exploitation by religious extremist groups.

3.5.2 Key leverage points in the governance space

Status of governance structures – Legislature, Executive and Judiciary

The separate status of the three branches of government – the Executive, the National Assembly (Legislature), and the Judiciary – is constitutionally entrenched in sections 7, 8 and 9 of the Constitution. The specification and allocation of responsibilities throughout the Constitution confirm the separation of powers and horizontal accountability between these three branches. However, the governance system in Malawi is singularly presidential and confers wide discretionary powers upon the President.

The level of trust in democratic institutions varies. For example, among the three branches of government,



the Judiciary scores highest in terms of public trust (68%) while the Executive scores lowest (43%). The National Assembly scores somewhere in between. The Judiciary in Malawi is guaranteed independence through several provisions in the Constitution, including Section 103. Generally, the Judiciary has been willing to review Executive decisions for compliance with the Constitution and other laws. In appropriate instances, the Judiciary has been able to overturn government actions for contravening the Constitution or other applicable laws.

3.5.2.2 Decentralisation

Since 1998, Malawi has opted for a one-tier decentralised system of government with Local Government Authorities (LGAs) constituting the sub-national tier. LGAs are divided in urban councils (4), municipal councils (2) and district councils (28) with different service delivery responsibilities across the 18 devolved sectors. Decentralisation is entrenched in the country's Constitution (Chapter XIV), it is regulated through the Local Government Act and led by the National Decentralisation Policy.

The implementation of the Local Government Act and of the National Decentralisation Policy in Malawi was meant to strengthen local governments' capacity to deliver social and economic services more efficiently and consolidate democracy

through the following: devolving administration and political authority to the district level; integrating governmental agencies at the district and local levels into one administrative unit through the process of institutional integration; workforce absorption; composite budgeting and provision of funds for the decentralised services; diverting the centre of implementation responsibilities and transfer these to the districts. Hence, the aim of fiscal decentralisation is to ensure that LGAs have access to adequate and predictable resources to deliver the mandated services (UNICEF, 2021).

The review of the policy and legal framework of decentralisation (with support from UNICEF and USAID over the period 2020-2022) is part of a wider reform of public administration and an attempt to respond to the several challenges and shortcomings that the country's decentralised systems faced since the start of the process in 1998. These challenges have been thoroughly explored by several encompassing studies funded by UNICEF and the World Bank between 2020 and 2022, particularly in terms of fiscal decentralisation.

In terms of expenditure assignments, Malawi's decentralisation process is incomplete. In several sectors, line ministries have retained competences that were supposed to be devolved according to the sector devolution plans, particularly those that are linked to significant budgets. Asset devolution has also not happened. In parallel, the devolution of functions and

responsibilities has not been informed by cost and financing considerations; most particularly, in Malawi finance does not follow function and many devolved competencies are not properly funded. An ongoing UNICEF costing study estimated that the overall financing gap for devolved social sector functions and agriculture is of 78%. In other terms, LGAs receive only about between a fifth and a quarter of the funds necessary to carry out their service delivery obligations. This situation also reveals a strong dependency of district councils (rural LGAs) from the fiscal transfers from the center, with about 80% of their budget funded by the center, as opposed to the 10% received by the urban LGAs (UNICEF, 2022). The dependency is linked to the constrained revenue generating capacity of most district councils as compared to that of the urban councils. This not only reduces the fiscal space of the district councils as well as their capacity to fund their district development plans, but also their flexibility in dealing with the persistent liquidity issues faced by the central level, which encourages negative coping mechanisms (bank overdrafts, etc.). Inter-governmental fiscal transfers to local councils have consistently fallen short of the benchmark set in the decentralisation law of 5% of net revenues. While the government has a formula for fiscal transfers to local councils, the Government often does not adhere to the allocation formulas, and this leads to huge unequal per capita allocations. For instance, in FY2019/20, Likoma District received fiscal transfers totaling MK 17,406 per inhabitant, while Neno District received MK 4,522 per inhabitant. Meanwhile, Machinga District only received MK 1,693 per inhabitant, or 10 % of Likoma's allocation per capita. The large gaps in per capita fiscal transfers are likely to exacerbate inequalities. Also, due to the amount of development-partner support that is provided off-budget, little is known about the volume or sectoral breakdown of funds that are flowing to specific districts via fragmented channels. Aggregate data are not available to compare the size and effects of these programmes, but anecdotal evidence suggests that there are wide variations across districts.

Planning processes for districts are elaborate and costly, requiring the drafting of Village Action Plans to inform the drafting of each District Development Plan. This is despite villages not being devolved any competence and thus no human resources and funding to carry out the activities listed in their action plans. Human resources capacity and availability in LGAs is also usually low and extremely unevenly distributed, with several key positions not filled in district councils and a constant capacity drain from the periphery to the center (UNICEF, 2022). Furthermore, the Guidebook on Local Government System in Malawi is gender blind, embracing a gender-neutral approach. The need to transform the lives of marginalised gender groups in local government and rural development is not articulated in establishing the governance structures. Gender is also not articulated in the development of village action plans and district development plans. Consequently, the decentralisation policy and guidebook fail to specifically address males' and females' practical and strategic gender needs in the Local Government structures.

The combination of incomplete functional decentralisation and lack of adequate financing and capacity in LGAs significantly thwarts the service delivery capacity of most districts. This has negative repercussions on the capacity of Malawi to realise its development objectives as well as the SDGs, given the extent of decentralisation in key sectors such as health and education.

Participation

The freedoms of association and assembly are constitutionally guaranteed in Malawi, which means that individuals, civil society organisations and political parties are free to associate and organise meetings and public assemblies. While the freedoms to associate and assemble are constitutionally guaranteed, in practice they depend on the prevailing political climate, which has become more liberal after the 2020 presidential election. About two-thirds (62%) of Malawians said they are somewhat or completely free to say what they think in an Afrobarometer survey conducted between December, 2019 and January, 2020. However, UN treaty bodies have consistently raised reports of journalists and human rights defenders being harassed and/or arrested by police.

In 2022, the Committee Against Torture noted "allegations of threats, arrests, beatings, harassment and intimidations against human rights defenders, civil society activists and journalists in the course of their work, including exercising their right to peaceful assembly or reporting on issues of public interest. It also regrets the lack of information on investigations and prosecutions, including their outcome, and on any protective measures adopted in this regard."

Other than expatriates residing outside of the country, Malawi citizens have few challenges participating in electoral processes and decent provisions are made available to those with physical disabilities, including persons with albinism. During the 2019 Tripartite Elections, 54% of voters were women and 74% were youth (under 35). Nonetheless, more could be done to encourage regular and meaningful interface between civil society and State or parastatal organisations and even between parliamentarians and their constituencies. There is often insufficient consultation between these entities when discussing local or national priorities and the formulation of policies and legislation. Creating more opportunities for such interface would strengthen the social contract. Representation of women in Parliament also remains low, standing at 21% and for local government as low as 14%, as of 2019 when the last parliamentary and local government elections were held. An encouraging feature is that during the 2019 elections, women's participation increased from 217 candidates in 2014 to 309 candidates for the Parliamentary Elections and from 417 candidates in 2014 to 659 for the Local Government Elections.

Constitutional bodies and oversight and human rights institutions

Corruption remains endemic in Malawi. In the 2019 financial year alone, Malawi is estimated to have lost over half a billion dollars to corruption, whereas an assessment by the country's Financial Intelligence Agency revealed that Malawi lost approximately \$7.4 million to illegal foreign exchange externalisation over an 11-month period. In October, 2020, the United Nations Conference on Trade and Development stated that Malawi loses 5% of its total annual wealth to illicit financial flows. The Corruption Perceptions Index (CPI) that ranks 180 nations and territories worldwide according to their perceived levels of public sector corruption shows an increase in CPI for Malawi from 30 in 2020 to 35 in 2021. The results are graded on a scale of 0 (very corrupt) to 100 (very clean) (exceptionally clean). On the other hand, Malawi joins two-thirds of the 180 countries with a score below 50, indicating major corruption issues. According to Transparency International's 2020 Global Corruption Barometer, 72% of the Malawians surveyed thought



corruption had increased in the previous 12 months. The key to the country making significant strides in this area pertain to certain legislative weaknesses; a scarcity of operational resources for the main corruption fighting agencies; a lack of data collection and digitized processes that would facilitate the monitoring and processing of financial crimes and occasionally weak independence of the parastatals and judicial instances in undertaking their duties.

The current administration has clearly made the fight against corruption its priority and the President has been very vocal on this issue since taking office. He has also empowered the Anti-Corruption Bureau through operational budget increases and in his support to the current Director General who has had the courage to go after senior officials in her fight against graft. However, there are clearly shortcomings in the processing of cases leading to convictions with inordinately long periods between an initial arrest and the trial. Malawi has a reasonably robust legal framework for fighting corruption. However, it is expected that the fight against corruption will increasingly become polarised or politicised as high-level political figures are prosecuted for corruption. And this may jeopardise the fight against corruption. The country is already seeing signs of this with the arrest and other developments around the Director General of the Anti-Corruption Bureau since December 6, 2022.

The Malawi Human Rights Commission (MHRC) is vested with the competence to promote and protect human rights by the Constitution and the Human Rights Commission Act (1998). It also has legislative responsibilities under the Gender Equality Act (2013) and the Access to Information

Act (2020). However, the Commission has consistently lacked sufficient funds and capacity to effectively meet its mandate. While the government has committed to adequately fund the Commission, the commitments have remained political rhetoric with MHRC failing to fully fulfil its mandate.

Malawi is yet to establish a fully functional National Mechanism on Reporting and Follow-up (NMRF). An NMRF is an institutionalisation of current inter-ministerial coordination structures or processes around human rights reporting, moving away from *ad hoc* to sustainable arrangements which facilitate implementation of recommendations addressed to States. NMRFs coordinate and prepare reports to and engage with the international and regional human rights mechanisms (including Treaty Bodies, the Universal Periodic Review and Special Procedures). NMRFs also coordinate and track national follow-up and implementation of the treaty obligations and recommendations/ decisions emanating from these mechanisms. Malawi has ratified all core UN Human Rights treaties, most recently the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families in 2022. All reports have been submitted on time except the government's initial report to the UN Committee Against Torture, the initial report to the Committee on Economic Social and Cultural Rights (overdue since 1996 and submitted in 2021) and its report to the Committee on the Elimination of Racial Discrimination (overdue since 1997). Yet follow up to treaty body recommendations still requires strengthening. The country underwent its 3rd cycle UPR in 2020 which opened up opportunities for institutionalising follow up to the UPR recommendations in the work of government, civil society, and UN agencies. The NMRF would be a critical institution to ensure

the effective implementation of recommendations. The Office of the Ombudsman is another key oversight body established under Section 120 of the Republican Constitution. It is mandated to investigate cases of injustice or maladministration. However, the office faces challenges in that its decisions have been challenged in the High Court, giving a blurred line on where its mandate starts and ends. Just like the MHRC, the Office of the Ombudsman lacks sufficient funding and capacity to effectively meet its mandate.

Public finance management

Malawi's Public Finance Management (PFM) context is still strongly affected by the aftermath of the extensive financial mismanagement practices unveiled by the 2013 'Cashgate'. As a result, most donors discontinued their budget support, structured around Sector-Wide Approach (SWAp) funds for most sectors, and moved their funding off-budget. Currently, most sectoral support is provided through pooled financing mechanisms, such as the Education Services Joint Fund (ESJF) or the Health Sector Joint Fund (HSJF), with Common Fiduciary Oversight Arrangements (CFOA) managed by third party auditors. Efforts to rationalise more fragmented sectoral support, such as in the area of social protection, are also still pointing towards pool funding arrangements that would be at least initially off-budget.

Following 'Cashgate' and in the framework of the previous Extended Credit Facility (ECF), Malawi's government embarked on major PFM reforms, centered on a comprehensive review of the PFM Act as well as in the design and roll-out of a new Integrated Financial Management Information System (IFMIS) for the central government. These processes were finalised between the end of 2021 and the beginning of 2022, although many contentious points remain, as highlighted in several position papers from development partners. The system remains particularly weak in terms of sub-national PFM and budget oversight capacity; Parliament and the National Audit Office are not sufficiently empowered to exert their roles and the executive remains exceedingly strong all through the process. Furthermore, the IFMIS roll out still presents issues, particularly in terms of commitment controls and fiscal reporting that have not yet been addressed to date. Malawi could draw useful lessons from the Public Financial Management Model Law, adopted by SADC PF in July, 2022.

Such issues are of particular importance in the framework of the negotiations of a new ECF arrangement with the IMF for which they represent some of the pre-requisites to advance the negotiation process. The ECF negotiations are ongoing since September, 2020, when the current government decided to cancel the previous ECF and have not yet brought to any agreement. In addition to the issues connected to the IFMIS is the country's high risk of debt distress situation. The reasons behind Malawi's current high risk of debt distress condition are rooted in fiscal policy choices made over the past five years, which have seen a steady increase in fiscal deficits (from 3.9% of GDP in 2017/18 to 8.8% in 2021/22) increasingly financed through domestic financing and non-concessional loans from regional development banks. The latter held 29.5% of external debt in 2020, while the remaining 11.5% was held by official bilateral lenders. Non-concessional loans reached 10% of GDP in 2020 and were used mainly to finance key imports, such as fuel and fertilisers (World Bank and IMF, 2021). The change

in definition of external debt from a currency to a residency basis and the conversion of RBM short-term reserve liabilities to medium-term external debt have seen total external debt increase to 32.9 percent of GDP in 2020—the highest level since debt relief under the Highly-Indebted Poor Countries (HIPC) Initiative in 2006 (World Bank, 2022). RBM uptake of the med-term debt on non-concessional terms has also increased the debt-servicing burden from external debt. Bank and non-bank private financial institutions remain the largest holders of domestic debt and were owed 75% of the total domestic debt stock as of December, 2021 (World Bank, 2022).

There are several ongoing efforts to address Malawi's debt situation. As part of the ECF negotiations, the IMF required Malawi to produce a Debt Restructuring Strategy to bring key debt sustainability metrics below the IMF indicated thresholds, within the timeframe of the future ECF (5 years). The development of the strategy was supported by the European Union Delegation (EUD) through a team of debt advisors that were tasked to negotiate with sovereign and private creditors and produce a strategy draft. Unfortunately, the first draft strategy was not deemed sufficient by the IMF, particularly owing to some thresholds, such as the debt to export ratio, which would not be reached before 2030. Currently, Government and the debt advisors are working to readapt the strategy to both the IMF requirements, and also, to the worsened macro-economic condition.

Given the deteriorating macro-fiscal situation of the country and while the ECF is being negotiated, the IMF reached a Staff Level Agreement on a Rapid Credit Facility (RCF) under the Food Emergency Window. Financing under the RCF carries a zero-interest rate, has a grace period of 5½ years, and a final maturity of 10 years. The RCF will provide the country the much needed Balance of Payment (BoP) support, the amount of which is, however, not clear. Under the RCF, Malawi will be subject to a Staff Monitoring Programme (SMP) through which the IMF will agree with Government on targets to be met and then monitor the implementation. The progress towards the targets will contribute to building a "track record" which will be used to determine the eligibility for a repeated use of the facility, but also for an ECF.

Despite the incoming RCF, there is a clear need for the country to act on the fiscal deficits, by reducing expenditures and increasing—where and when possible—revenue collection. This is a part second key element considered in the IMF negotiations, the financing gap Malawi faces both at BoP level and at fiscal level. The IMF estimated that Malawi would need about USD400 million over the next two years (2023/24) to close the financing gap through external support provided by the donors and development partners. However, the total amount is unlikely to be reached and fiscal measures will have to be taken. It must be noted that until and when an ECF will be in place, the country cannot receive budget support, and this curtails part of the effort donors pledged to make to close the financing gap.

The current ECF/RCF negotiations will, therefore, have multifarious impacts on the country's PFM landscape. If the negotiations were to be successful and the Malawi Government managed to obtain an ECF, several donors could consider resuming budget support operations, ending almost 10 years of off-budget, project-based support. Budget support would in

turn contribute to further strengthening of the country's PFM architecture and the country's system more in general as well as foster improved donor coordination.

3.6 Multidimensional SDG risk analysis

Malawi faces multiple, interlinked, and mutually reinforcing risks to the country's sustainable socioeconomic development path. These risks have become increasingly multidimensional, with knock-on effects among the interconnected security, social, political, environmental, and economic environments. Annex 2 outlines 10 specific risk areas that are likely to have the most negative impact on Malawi's development and the SDGs agenda in the near to the medium term, and the measures to mitigate them. These 10 risk areas are underpinned by the following five broad categories:

- Political and governance risk
- Security risk
- Climate change and the environment
- Public health outbreaks
- Geopolitical events (i.e., war in Ukraine)

Of these, the most severe ones are risks posed by the political and governance situation, the COVID-19 pandemic, climate change and the environment, and the effects of war in Ukraine. Security risk is rated moderate.

Political and governance risk - Turmoil and political impasse that followed the dispute over the 2019 Presidential Election, and the subsequent re-run of the election in June, 2020, have exposed Malawi's vulnerability to governance risk. The election disputes saw civil society-led demonstrations and, at times, led to community-wide violence. The community level activism, particularly including mob justice and often violent sporadic demonstrations, are concerning. The political discontent reflects long-standing unaddressed governance grievances relating to rising socio-economic inequalities, political grievances, corruption, human rights abuses, and are emerging as a major embedment to the government's efforts at fostering national cohesion, national healing and unity. Many of the grievances have ethnic and religious undertones. Furthermore, the continuous fuel shortage, disruption of power and electricity will add to pre-existing tensions. Without urgent action to make governance processes responsive to the socioeconomic needs of rights-holders, finding sustainable solutions and mechanisms for peaceful resolution of socio-economic and political grievances both in the immediate and long term, the political and governance risks stand as major impediments to Malawi's development agenda.

Public health outbreaks - The ongoing COVID-19 pandemic has highlighted threats to public health, political, and socio-economic livelihoods of communities. Many of the challenges and vulnerabilities in these areas already existed before the pandemic hit the country, but COVID-19 has worsened them. The onset of COVID-19, and the interventions undertaken to control it, have had serious multidimensional impacts on the socioeconomic lives of Malawians in a way that threatens to reverse past developmental gains and the achievements on the SDGs. The healthcare system continues to face limited resources, both financially and in terms of human capacities, and infrastructural, which impedes it from adequately responding to the country's high disease burden. Educational gains of the past decade have been set back as many children,

especially girls, have not returned to school. The impact of teenage pregnancies and early marriages will have long-term effects in many communities if not specially targeted.

Furthermore, the lives of many children were disrupted in the search for employment to fend for their families; many migrated, were smuggled or trafficked and need support to be reintegrated into their communities. The COVID-19 pandemic adversely impacted household incomes. As revealed by the COVID-19 Rapid Gender Assessment Report (2020), about 3 in 4 women and men in all age groups indicated that they had suffered decreases in income because of the pandemic (73% and 76%, respectively). The most common experiences that women and men had during the pandemic were financial difficulties (67% and 68%, respectively), eating less or skipping a meal altogether because of lack of money or other resources (62% and 64%, respectively), not eating at all for a day or more because of lack of money or other resources (46% and 51%, respectively), and loss of employment of the head of household (18% and 19%, respectively).

This has necessitated the UN to support the Government of Malawi to develop a Socio-economic Recovery Plan (SERP) to provide strategic interventions that will strengthen Malawi's capacity to recover from the impacts of the pandemic so that the affected sectors of the economy and areas of life can be restored through innovative catalytic initiatives to be implemented under the plan over three years. The ultimate goal of the SERP is to ensure that Malawi strengthens resilience, builds back better (after COVID-19) and takes off quickly on the sustainable structural transformation path as charted in Malawi's vision for long-term development, the Malawi 2063.

Climate and environment risk - Malawi is susceptible to climate-related disasters. The country suffers perennial floods and droughts with a huge impact on socio-economic livelihoods and social infrastructure. Forced displacement due to extreme weather events such as floods and dry spells are expected. Climate-induced crises relating to access to water and arable land, brought about by droughts, as well as conflicts among community-forestry officials, community-commercial farmers, industries, or companies are set to rise, especially if the ongoing COVID-19 pandemic persists. Climate change threatens progress and reverses efforts in attaining SDGs 1, 2, 5, 6, 7, 9, 10, 13, 14 and 15. In addition, climate change can be seen as a multiplier threat to economic growth and development leading to diversion of funds to disaster and humanitarian response and directly pushing vulnerable populations into poverty. Some mitigation measures include investment in risk management, environmental protection, and long-term community resilience. In advancing a green economic recovery, environmental sustainability, creation of green jobs and investments in key development services such as sustainable energy are key. The UN will need to draw on existing and new interventions and support the government to mainstream climate change and disaster risk reduction into the national and local level development planning.

Security risks - Malawi faces a rising security threat from the ongoing Islamist insurgence in neighbouring Mozambique's northern region, the Carbo Delgado province. The insurgence, which started in 2017, is causing significant security, political, humanitarian, and socio-economic crises in Mozambique's Carbo Delgado region, which is, in turn, having substantial spill-over effects on Malawi. The border communities share a common history of economic, social, and political marginalisation and,



in some cases, entrenched poverty and conflict. The insurgency threatens a rise in refugees into Malawi and, in consequence, tensions among border communities over resources. To mitigate the emergence of the security risk, urgent action is needed to invest in the systemic resilience of the border regions, including systematic and inclusive border management systems to allow regulated and safe migration management, and support the government's contingency planning to ensure the country can respond to humanitarian needs adequately should the Mozambique situation deteriorate.

Geopolitical events (i.e., war in Ukraine) - The spillover effects of the war in Ukraine have the potential to exacerbate the already existing hunger, poverty, inequality, and unemployment, especially among the most vulnerable groups in Malawi, including women and youth, people with disabilities, the elderly, migrants and children. Despite the two countries not being Malawi's major trading partners, the impact of the conflict is still being felt due to the interconnectedness of global markets and is pushing up commodity prices and worsening existing inflationary pressures, thereby exacerbating food insecurity in the sub-region. For instance, the conflict led to a 21% increase in the prices of fertiliser in Malawi.

3.7 Prevention and humanitarian-development-peace linkages

In the context of Malawi, poverty is the key risk to stability with high vulnerability to economic stressors, climate change,

and competition for resources. Malawi's economic situation is characterised by poor access to markets, limited infrastructure, and limitation with human capital, with substantive gender inequalities: only 55.2% of all women are literate, compared to 69.8% of all men. The recent global crises have demonstrated the vulnerability of the country, with a likelihood of a slower than average recovery. Further, the country remains highly vulnerable to climatic shocks and stresses, which are increasing in intensity, frequency and unpredictability. (Forced) displacement will add to the pre-existing tensions, facing the risk of stigmatising and excluding migrants in communities even further in terms of access to crucial services and other livelihood activities, leaving them behind and outside the response. Malawi is a State Party to the International Covenant on Economic, Social and Cultural Rights. The Committee's review and recommendations from Malawi's initial report (submitted 2021) may provide useful guidance on how the ICESCR can be implemented so as to help eradicate poverty.

3.7.1 Food security

Malawi's headline inflation rate has been steadily increasing since 2021, and in June it surpassed 20%, the second highest in the Southern Africa region. A significant contribution to this is food price inflation due to the devaluation of the local currency, the Malawi Kwacha. The national average price of maize has doubled in the past 12 months, underpinned by reduced output in 2022. In May, the price of the food basket increased, year on year, by 55%, while fuel prices increased year on year by almost

50%. In May, fertiliser prices were already 130 – 160 % higher than in 2020 and the increasing trend continued as the planting season approached. Moreover, increased recurrence of animal transboundary diseases as crop pests is compromising ability of rural households to diversify their livelihoods and embrace more resilient mechanisms to cope with more recurrent dry-spells and droughts.

The agriculture sector in Malawi employs 76.36% of the total population and 64% of the country's workforce. It generates over 80% of national export earnings, contributing to 23% of GDP (World Bank, 2020; JICA, 2020). Over 51% of Malawians are under 18 years of age and household food availability is generally determined by own production. However, about 76% of farmers are operating on relatively small farm sizes, below one hectare, of which at least 30% are already virtually landless and struggling to sustain a family on less than half a hectare of land (MwAPATA Institute, 2020).

The food insecurity situation is expected to worsen significantly amid the current global situation and macroeconomic distress, which coincides with the lean season, mainly driven by rising food, fuel, and fertiliser prices, including low household food stocks in southern districts. Food insecurity, like other natural disasters, impacts women and girls disproportionately.

The Integrated Phase Classification analysis released by mid-August 2022 estimated 2.6 million people, representing 13% of the country population, were experiencing high acute food insecurity (IPC Phase 3, Crisis) in the 28 districts and four cities of Malawi for the period June to September, 2022. This figure was expected to increase to 3.8 million persons for the last quarter of 2022.

3.7.2 COVID-19

COVID-19 is a global health emergency of unprecedented proportions, and the biggest challenge the UN ever faced in supporting member states. Malawi took a variety of measures to mitigate the disruption to health, social protection and economic systems and to prevent the spread of COVID-19 and other diseases during the peak, triage and treat people with the virus and monitor the burden and response. COVID-19 impacted many sectors, especially at intersection of humanitarian settings and HIV. In view of this observation, the future focus should be on sustaining progress made towards ending AIDS in relation to COVID-19 and in the framework of the Global Humanitarian Response Plan: COVID-19 (GHRP), launched on 25 March, 2020 and the Socio-Economic Framework (SERF) developed by the UNCT and the Government of Malawi.

The SERF highlighted that for Malawi, besides declined economic activities and growth rates, the threats included the erosion of domestic institutional capacities, the reversal of recent achievements in health and education, and the reversal of trade and private sector investment streams, which had brightened in recent years. Social insecurity has been heightened in the wake of COVID-19 infections, with the evolving situation throwing light on several healthcare system deficiencies in the country which need to be addressed urgently. Furthermore, with large numbers of job losses in the formal sector, the informal sector has ceased to play an effective role of shock absorber for alternative livelihoods, as the latter has not been spared from the COVID-19-induced decline.

3.7.3 Cholera

Cholera is endemic in Malawi with seasonal outbreaks being reported from 1998 to 2020. The southern region, which shares border with Mozambique, remains the hotspot of the recurrent cholera outbreaks and is impacted by cross-border transmission. Malawi has low population immunity in the districts reporting confirmed cases, including poor capacity for sample collection, transportation, and diagnosis in the affected areas.

Inadequate hygiene and sanitation, limited access to safe drinking water and personal hygiene practices, open defecation, and delay in seeking care are factors which have contributed to the initiation and ongoing spread of cholera. Furthermore, the conditions during annual rainy seasons and after tropical storms and floods (most recently Cyclone Idai in 2019 and Tropical Storms Ana and Gombe in 2022) contribute to the spread of cholera. Malawi's urban slum conditions and lakeside fishing communities lacking proper WASH and food hygiene practices, further facilitate transmission and inhibit containment. At the time of the CCA, a cholera outbreak was rapidly spreading – overstretching and depleting the already weak existing healthcare services and posing risk to across development gains.

3.7.4 Environment and climate change

With most of its population dependent on rain-fed smallholder agriculture, Malawi is highly vulnerable to climatic shocks and stresses, which are increasing in intensity, frequency, and unpredictability, making climate resilience ever more vital to safeguard its development gains and secure a more prosperous future. Having a large proportion of its population still located in rural areas and experiencing challenges with its economic growth, more pressure is increasingly being exerted on the already diminishing productive resources. Furthermore, climate change and environmental degradation will increase internal and cross-border human mobility, worsening the competition for a scarce land resource that may culminate in tensions among migrants and host communities. Climate change's impacts are felt disproportionately by marginalised groups in situations of vulnerability, such as women, girls, people with disabilities, and children.

With a population growth rate of 2.9% per annum, more pressure is increasingly being exerted on the already diminishing productive resources in the country. Moreover, women have limited access to inputs, including land, and to agricultural extension services, technology, and agricultural markets. Only 32% of individual landowners of agricultural land in Malawi are women. Furthermore, the average land holding size of female-headed households is lower than that of male-headed households, at 0.803 ha and 1.031 ha, respectively. Correspondingly, women lag behind men in terms of non-agricultural income sources.

Approximately, one third of Malawi's land area is classified as forest. However, estimates suggest that 57% of its forests were lost between 1972 and 1992, declining from 4.4 million to 1.9 million ha with an annual loss of 2.8%. An estimated 29 metric tonnes of soil per hectare are lost each year, reducing

productivity of cropland. The annual cost of land degradation in Malawi is estimated at US\$ 320 million (7% of GDP). For every dollar invested in restoring degraded land in Malawi, the returns are estimated at US\$ 3 – which is a strong economic argument to combat land degradation. Malawi's National Forest Landscape Restoration Assessment revealed that key biodiversity area accounted for 12% of the degraded land.

During the last five years, the recurrence of tropical storms, floods and erratic rainfall patterns have made agricultural livelihoods riskier to smallholders, reducing drastically their ability to cope with shocks and limiting the gains obtained from different resilience-building interventions. Compounding this, an increasing pressure on natural resources (soils, water, and forests) is decimating productivity gradually. Over the last 10 years, Malawi has accessed over US\$45 million in emergency funding from the UN's Central Emergency Response Fund (CERF) to respond to floods, tropical storms, droughts, and displacement. Between 2015 and 2022, the Southern Region of Malawi was affected by three large-scale flood episodes that affected more than one million persons (2015, 2019 and 2022) and two major dry periods (2017/18 and 2020/21).

The compounding nature of the economic, environmental, and other shocks, erodes the ability to cope with and recover from shocks, including returning from places of displacement, without external support being provided.

3.7.4 Refugees

As of July, 2022, Malawi was hosting a population of 34,742 refugees and asylum seekers at Dzaleka camp from different countries. The camp was initially established to host between 10,000 and 12,000 PoCs. Even more pressing are the concerns that the sudden re-emergence of the M23 in the Democratic Republic of Congo (DRC), military operations by Burundi and Uganda in the eastern DRC, combined with continued rebel activity, which could reignite historical antagonism between these neighboring countries and further destabilise the DRC. A destabilised DRC means mass displacements with Malawi a possible haven for asylum seekers. Another pressing issue is the situation in Cabo Delgado, Mozambique's northernmost province, where there has been a deadly insurrection. While a third-party intervention by Rwanda and SADC forces has assisted in improving the security situation, the prospects for success of the intervention remain in doubt. The conflict still threatens national and regional stability, and there is a risk of Mozambique becoming a new frontier for global Jihad to exploit with a likelihood of the displaced population trekking to Malawi.

Refugees/asylum seekers already face dire conditions and a long road ahead as the government aims at enforcing its encampment policy, thereby reducing the social and economic opportunities that some refugees and asylum seekers have been enjoying outside of Dzaleka Camp. In 2022, the Committee Against Torture expressed serious concern about the situation of persons in Dzaleka Refugee Camp, notably the severe overcrowding, lack of access to basic services, as well as allegations of gender-based violence and restrictions on movement. Moreover, the committee noted reports suggesting that

migrant children are placed in detention, often with adults, in poor living conditions and with no access to appropriate assistance to take account of their vulnerable situation.

A number of concerns compound crossborder issues for the country and these include increasing corruption among border officials and human traffickers, hostility from the host communities in receiving asylum seekers and hosting refugees, porous borders which hinder territorial integrity, externalisation of asylum seekers, geographical location of Malawi, for instance, the maritime part of Malawi is weak and can easily be infiltrated by any potential security threats, lack of reformed laws that criminalise the use of ungazetted border channels, lack of interdependent data and secure database, high turnover of immigration authorities, arbitrary detention of asylum seekers without documentation, and lack of regional border cooperation as many asylum seekers have been a pull and push factor in different countries.

In May 2020, a joint communication from UN Special Procedures expressed concern at alleged human rights abuses faced by migrant children detained by immigration authorities in Malawi and the failure to comply with international human rights laws applicable to these circumstances.

At its 2020 Universal Periodic Review (UPR), the GoM supported recommendations to accede to the 1961 Convention on the Reduction of Statelessness. It also supported a recommendation to speed up the adoption of the migration policy and the promulgation of the Refugee Bill. In 2022, Malawi implemented a supported UPR recommendation by ratifying the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families. The GoM also supported UPR recommendations to combat sex and labour trafficking. Additionally, Malawi implements measures to promote gender equality in the labour force as outlined in the Employment Act and the Gender Equality Act (2013), but none is specifically targeted at migrants, hence the need to sustain engagement with the GoM to ratify the Convention.

There is ongoing engagement with the government to address these challenges for the protection of and assistance to asylum seekers and refugees which needs urgent attention. These include a review of the migration and refugee laws, harnessing regional cooperation and security measures, and implementing regional and international binding instruments e.g., African Charter, International conventions i.e., human rights and refugee Conventions as well as strengthening implementation of UN Human Rights Mechanism recommendations.

3.7.5 Irregular migration, migration management and diaspora engagement

During the border closure due to the COVID-19 pandemic, IOM Malawi reported an increase of informal border crossing as part of their Flow monitoring approach under the Displacement Tracking Matrix (DTM). As people still desire to cross borders, they often fall victim to smugglers and traffickers, exposing themselves to high risks of exploitation, trafficking, GBV, loss of life and other related crimes.

The latest developments in this regard concern Ethiopian migrants who are increasingly on the move towards South

Africa, entering Malawi often irregularly from Tanzania. When detained by police or immigration officers, they, as well as other undocumented migrants, are often detained in prison, sometimes for six months to two years or more. This includes children being separated from their parents and being exposed to high risks of human rights violations.

Additionally, well managed migration and the facilitation of safe, regular and orderly migration as committed to by the Government through the Global Compact for Migration (GCM) and the Migration Governance Framework (MiGoF) has multiple accelerator effects to ensuring dignity and integrity of all migrants alongside the whole migration process. The well-managed migration also poses big economic development opportunities. Trade, migration, and cross-border human mobility are inherently interconnected, for without people, the vast majority of goods and services would be unable to cross borders and contribute to economic development. Inadequate and uncoordinated border management remains one of the barriers to trade facilitation, as it can increase delays and lengthen immigration and customs processing times. In addition, insufficient information and data sharing systems between neighbouring countries and the lack of harmonised immigration IT systems as well as infectious diseases such as the COVID-19 pandemic have hampered the facilitation of the movement of people and goods. As Malawi, and the African Union (AU) Member States move towards the implementation of the African Continental Free Trade Agreement (AfCFTA), the importance of effective border management policies increases as countries require measures that facilitate and expedite the movement of persons, goods, and services across borders while ensuring that important security concerns are addressed. As part of efficient border management, it has a positive impact on cross-border trade, as small-scale traders to multinational companies will benefit from swift, transparent, and well-organised processes at border posts and, therefore, trade agents might be encouraged to increasingly use the trade corridors. This strongly contributes to increased revenues for the respective governments, creates job opportunities and contributes to economic development in general. Furthermore, it contributes to women's economic empowerment as small-scale cross-border trade is expected to account for around 30-40% of total intra-SADC trade, with an estimated value of US\$ 17.6 billion annually. A large majority of small-scale cross-border traders in the region are women and young girls who constitute 70% of informal cross-border traders, crossing borders daily and providing the backbone for socio-economic development of the nation and sustenance of household incomes and livelihoods necessary to lift the poor from poverty.

Diaspora remittances remain a key and strategic source of foreign exchange in Malawi and have the potential to contribute to macroeconomic stability, economic growth and resilience and poverty alleviation. It is well known that remittances stimulate consumption, enable personal savings and investments and

thereby have positive multiplier effects at both micro and macroeconomic levels. In Malawi, the importance of remittances is evidenced by the numerous money transfer institutions in both formal and informal sectors as well as the rapid increases in both international and local remittances. Digital remittances to Malawi were projected to reach \$297 million in 2022 with the average transaction per user amounting to \$121.

While acknowledging the potential and positive impact of remittances to the economy, it is instructive to note that the transactional cost of remittances is highest in sub-Saharan Africa and the Pacific Island countries globally. The Reserve Bank of Malawi (RBM) lists several investment opportunities for the diaspora in the financial sector such as Malawi stock exchange, foreign exchange bureau business and money transfer business operations, among others. Further, the RBM does not subject remittances from Non-resident Foreign Currency Denominated Accounts to exchange control requirements.

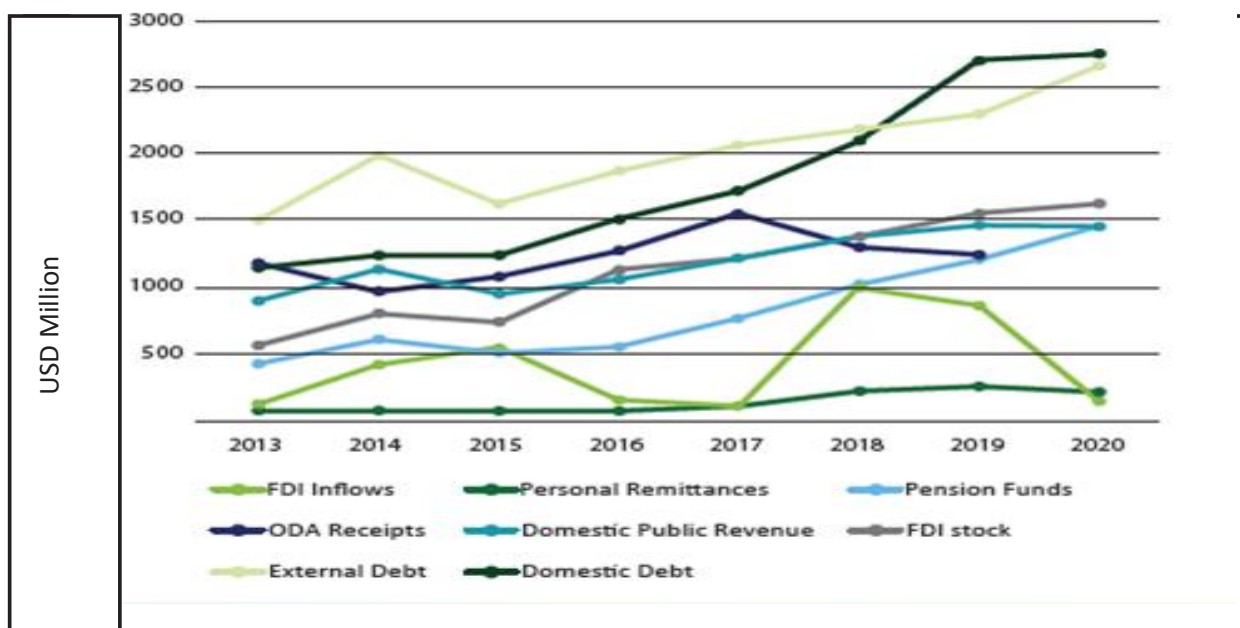
It is important to note that a drastic decline for remittance flows are projected for 2023 due to the COVID-19 pandemic and the ongoing war in the Ukraine, affecting negatively many Malawian households who are dependent on remittance to bridge financial gaps by the weak Malawian economy.

3.8 Financial landscape analysis

The Government of Malawi (GoM) begun to implement the country's new long-term vision, Malawi 2063 (Mw2063), in 2021 with the aim to create "an inclusively wealthy and self-reliant Nation". The Mw2063 is being operationalised by the First 10-Year Implementation Plan (MIP-1) of the vision. The MIP-1 provides costing of the strategies to be implemented by the Government and inform the budget for purposes of resource mobilisation.

However, insufficient revenue generation to meet development needs has led to unsustainable borrowing – both domestic and external. The situation was exacerbated by donors' withdrawal of direct budget support in 2013 following the Cashgate – Government of Malawi scandal over abuse of public resources. As of March 2022, Malawi's external debt stood at USD3.64 billion, largely owed to IFIs. The IMF and WB combined are owed USD1.56 billion. Other lenders included the Export-Import Bank of China at USD254 million, the Africa Export-Import Bank at USD460.7 million and the TBD at USD245 million. Meanwhile, Malawi's total public debt stood at K6.38 trillion in March 2022, soaring to MK7.3 trillion, as at end September 2022, an increase of 14%. The latest available overview of Malawi's financing mix evolution over the past years shows an increasing recourse to domestic debt and external debt which continued over the period 2020-22 (see Figure 10). This underscores an overall unsustainable financing pattern which has translated into the current levels of high debt distress and fiscal gap, as highlighted in the November, 2021 IMF-World Bank Debt Sustainability Analysis (DSA) and in the negotiations around a new Extended Credit Facility (ECF) agreement between Malawi and the IMF.

Figure 11: Overview of Malawi's financing mix evolution over the past years



Source: Deloitte analysis based on data from MRA, MoF, UNCTAD and WB

Despite the efforts towards fiscal consolidation Government is expected to deploy, reducing expenditures needs and mustering additional revenues (see below), debt will remain an outstanding issue in the short-term and might be negatively affected by the pressures on the Kwacha that already prompted a 25% devaluation in May, 2022 and could cause further devaluations before the end of 2022. The country's recently finalised Debt Strategy will contribute to improving the current situation, although Malawi remains highly vulnerable to macro-economic and fiscal shocks that could jeopardise the debt restructuring efforts. It will also be important to ensure that fiscal consolidation does not affect the essential social services. Importantly is to ring-fence social spending as already highlighted in the previous section that the current investments are below the agreed international and regional benchmarks.

As part of the Integrated National Financing Strategy (INFF) for Malawi under development,³ the latest Development Finance Assessment (DFA) suggests that the other components of the financing mix have potential for improvement. On the domestic front, the Government of Malawi is committed to taking steps to improve revenue mobilisation by reviewing tax policies to maximise the revenue, restructuring public debt, closing leakages, including better management of state-owned enterprises and improving resource allocation efficiency.⁴ To enhance domestic private financing, the Government seeks to improve the ease of doing business and to invest in developing bankable projects that will attract investment.

To strengthen international financing, Government needs to build a track record of good governance to build donor confidence and strengthen data quality and timeliness for effective monitoring and evaluation (M&E). There are also opportunities under existing multilateral financing for climate protection. Funding available under the United Nations Framework Convention on Climate Change (UNFCCC) and the Kyoto Protocol being probably the most important source of international financing for climate investments: The Clean Development Mechanism (CDM), the climate change programmes of the Global Environment Facility (GEF), and the Adaptation Fund, including the World Bank's Climate Investment Funds and bilateral initiatives.⁵ In the context of COVID-19 and debt forgiveness, the UN has advocated for a multi-lateral debt settlement agreement with debt re-structuring linked to green debt swaps and buyouts to help countries preserve biodiversity, move away from fossil fuels and curb global warming. The country also needs to ensure a stable macro-economic environment for international investors, improving visibility of Malawi's strategic investment opportunities to foreign investors, improving feasibility studies, and expanding financing sources to include diaspora community and philanthropic organisations.⁶

3.9 Stakeholder/ Partnership analysis

Public sector -The Malawi Government, both at national and local level, has been a key and strategic partner in the implementation of the SDGs in Malawi. The newly adopted vision the Malawi 2063, which is operationalised by the first 10-year implementation plan that is 81.82% alignment to the

³ Malawi is currently developing an INFF under the Joint SDG Fund with the support of UNDP and UNICEF.

⁴ Malawi INFF. Sept 2022 Draft strategy

⁵ UNCTAD.2009. Financing the Climate Mitigation and Adaptation Measures in Developing Countries

⁶ Malawi INFF. Sept 2022 Draft strategy

SDGs⁷, demonstrates government’s commitment to the 2030 Agenda. Furthermore, the newly established Pillar and Enabler Coordination Groups (PEGs) coupled with existing Government Agency mandates and policies provide the opportunity for partnerships with all development actors in Malawi. Despite these opportunities, the key challenges include:

- (i) Shrinking fiscal space, coupled with over-dependence on donors and development partners, limits the ability of the Government to effectively partner and coordinate with all key development actors in Malawi with priority given to partners with substantial resources to finance more visible development initiatives.
- (ii) There is need to strategically position broader UN engagement at the highest level to strengthen cross-Government collaboration and coordination and make the Joint Strategy Platform for the UNSDCF more accommodative to strengthen validation of Agency specific strategies aimed at supporting implementation of national development plans.
- (iii) The public sector needs to strategically lead in the development of this country. Currently, directorates of planning in the majority of the Ministries are not leading the planning process, which presents a risk to long-term development planning and weakens the linkages between the MW2063 and ad hoc short-term interests and objectives.
- (iv) Though decentralisation is ongoing, local governments continue to struggle with capacity gaps, minimal financial accountability, a gender-blind approach to planning and implementation of programmes and low incentives to perform. Human resource management has been particularly affected by fragmented decentralisation, especially in key frontline services such as health and education, and fiscal transfers to local governments are often unpredictable in timing and lower than agreed.⁸
- (v) High cost associated with engagement of parliamentarians in activities outside of Parliament acts as a major deterrent for strengthening collaboration and partnerships with key development actors. To improve stakeholder management, Parliament will need to improve its collaboration with development partners by negotiating reasonable compensations that have been a major source of misunderstanding (e.g., Daily Subsistence Allowance, and related travel costs).
- (vi) There is limited capacity of Parliament to undertake its role of oversight within private and public institutions in the country, including follow-up on money bills the country has so far accessed. Parliament must improve on this area and development partners are required to provide technical assistance in this area, failing which

oversight will remain limited to ad hoc activities within Parliament as opposed to looking at holistic needs of the country.

Private Sector- Gaining increasing importance as a significant part of the economic growth and employment mechanism, the private sector provides goods and services, generates tax revenues for financing key social and economic infrastructure and develops new and innovative solutions helping to solve development challenges. Malawi 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 vibrant and significant “middle class.” Furthermore, private investors such as the diaspora cannot be forgotten. Key issues affecting partnership with private sector include:

- (i.) Private sector development must be at the core of any strategy for economic growth, but currently the private sector is either not growing at all or only growing very slowly⁹. Its basic needs (such as energy, water, access to finance) are not being met. Supporting private sector to de-risk investments that are green, inclusive, and impactful shall be prioritised.
- (ii.) The private sector is becoming increasingly an important player in the development of the agricultural sector in the country. Increasing agricultural productivity and commercialisation is at the centre of the long-term development of the country, and for that to be achieved, the private sector becomes the engine and the hub of growth. The UN will need to innovate and become aggressive in leveraging the investment capital dividends that the private sector brings.
- (iii.) Private and public sector partnerships are key to addressing LNOB issues and can help to reduce child deprivations in Malawi. It is also important for the UN to enhance partnerships with the private sector to tap on resources that are meant for social responsibility to address the unmet need for family planning; address preventable maternal deaths as well as GBV and harmful practices.

Civil Society – Malawi has a robust civil society across different sectors and levels, from the national to the local, including community-based organisations. Civil Society Organisations (CSOs) take on a variety of functions in the implementation process of the SDGs. They spur government action through persistent advocacy and act as watchdogs, holding governments accountable to their commitments. They advise governments on concrete implementation measures to take, building on their experience on the ground, often working with marginalised communities. Civil society organisations also directly support implementation through the role they often play in service delivery and can have an important role in supporting data collection efforts, including on marginalised groups. Some of the main challenges in strengthening and diversifying civil

7 2022 Malawi’s 2022 Voluntary National Review Report on the Sustainable Development Goals (SDGs): <https://npc.mw/wp-content/uploads/2022/07/Malawi-SDG-VNR-2022.pdf>

8 World Bank Malawi Economic Monitor 2022

9 World Bank Country Partnership framework 2021

society engagement in SDG implementation include:

- (i.) Many CSOs are more interested in receiving grants or money from the UN than achieving concrete impact on substantive issues. Furthermore, limited financial resources lead to low coverage. Moreover, civil society tend to use parallel systems that do not often contribute to strengthening the national delivery platforms.
- (ii.) Some CSOs or leaders are created to serve or achieve vested political and selfish interests, and not necessarily play the active civil society role in the society. In some cases, some civil society organisations have demonstrated allegiance by siding with specific political sides.
- (iii.) Some CSOs that want to engage with the UN are not well established and have no clear structures in place. In other cases, civil society leaders have appeared to be chasing appointments into political or public positions, using their civil society work as a leverage to be given public office.
- (iv.) Due to limited capacities and resources, and weak accountability systems, many CSOs fail to sustain their work on the ground and experience delays in intervention implementation. In addition, capacity issues and rapid turnover of staff adversely affect timely implementation of planned initiatives.

Academia- The academia is uniquely placed to lead the cross-sectoral implementation of the SDGs, providing an invaluable source of expertise in research and education on all sectors of the SDGs, in addition to being widely considered as neutral and influential players. Key issues for consideration for enhancing partnership with academia include:

- (i.) There is need to harmonise approaches when it comes to engaging academia on partnership. The UN should also invest more in academia especially in areas of capacity development, research, and innovation. In addition, there is need to support the academia to transform its curricula to suit current developmental needs and agenda. The universities should develop curricula that focus on skills transfer and not only on theory.
- (ii.) Engagement has mostly been UN initiated as opposed to a proactive engagement beneficial to both parties. They could be involved in the VNR to demonstrate evidence through studies. These entities have already been involved in pioneering the National Research Agenda in collaboration with National Planning Commission. This agenda will gather evidence and data that will enhance innovative and evidence-based decision making for the Vision 2063.
- (iii.) Lack of financial resources leads to low level of contributions. As a result, academia act more like

consultancy firms. Until they have enough capacity to mobilise resources from both public and private sectors, the academia will remain a conveyor belt of graduates without taking an active role in research and innovation. Currently, their contribution towards the development discourse with research and innovation has been limited.

International partners - Development partners collectively cover many sectors: ensuring more effective technical coordination in alignment with MW2063 and the SDGs is key to strategic complementarity and impact. In addition, the Government has put a number of frameworks that enable high quality development cooperation including: country results framework (Malawi National Adaptation Framework); development cooperation information/data system (Malawi M&E Info System); and national development cooperation policy forum (Sector Working Groups; the donor coordination efforts described herein). Despite having put these in place, Malawi still finds barriers to strengthened development cooperation, including lack of quality, timely data and information on development cooperation and for M&E.

The European Union, African Development Bank, United Nations agencies, bilateral donors such as FCDO, USAID, Germany, Norway, and China, the World Bank Group, and the International Monetary Fund are among Malawi's key partners. The UN has remained actively engaged in the donor coordination process through existing coordination mechanisms such as the Head of Mission and Heads of Cooperation platforms. Key issues affecting donor engagement include:

- (i.) Despite existing donor coordination platforms, there remain widely diverging views regarding such critical issues as social protection, use of government financial systems and budget support.
- (ii.) While the overall structure for donor coordination is in place and generally perceived to be satisfactory, there is a generally shared perception among development partners that the government needs to be more in the driver's seat with respect to donor coordination.¹⁰
- (iii.) It will be important to reinvigorate efforts to ensure that development partners have a common understanding of the constraints Malawi faces, and the main pathways through which those constraints can be addressed.
- (iv.) The UN can play a key role in establishing country platforms for development partners dialogue with government in areas of comparative advantage. The UN can organise a donor forum where advocacy towards these donors is done for them to see the need to still prioritise funding for Malawi.

4. Opportunities for UN engagement



4. Opportunities for UN engagement



The CCA identified four key challenges and associated opportunities that have the most catalytic impact to achieve the SDGs. The selection of the key challenges was guided by the magnitude of the challenge, cost of inaction, and challenges that cover a breadth of sectors (i.e., multiple SDGs). These formed the basis for broader policy dialogues with government and other key stakeholders. These key challenges include macroeconomic instability, weak governance, harmful cultural practices and negative social norms, rapid population growth, and climatic shocks.

(a) Unsustainable, undiversified, and little inclusive growth— Malawi continues to rely on subsistence, rainfed agriculture, which limits its growth potential, increases its susceptibility to exogenous and endogenous shocks such as: (i) natural disasters and weather shocks; (ii) trade shocks; (iii) sudden reductions of capital inflows, including aid; and (iv) the ongoing geopolitical event linked to the war in Ukraine and the COVID-19 pandemic. The agrarian economy is characterised with a weak fiscal management and economic policies have contributed to recurring and increasing fiscal deficits, which have been largely funded by high-cost domestic borrowing and resulted in a surge in public debt. The 2020 Joint World Bank-IMF Debt Sustainability Analysis indicates that Malawi’s external and public debt are both at high risk of debt distress and the debt is unsustainable. The rising and unsustainable debt is reducing fiscal space for development spending and risks crowding out private sector investment¹¹. The large gaps in per capita fiscal transfers to local councils are likely to exacerbate inequalities. Also, the trade policies, high costs of doing business, deficient enabling infrastructure, and low access to export markets continue to impede investment and commercialisation. Erratic electricity, high interest rates and inflation have discouraged both local and foreign investors. Some of the opportunities to unlock microeconomic instability include:

- (i) Increased diversification could reduce vulnerability to shocks. Malawi’s agricultural sector is dominated by maize-based systems, with some 99% of smallholders growing maize and relying on a single rainfed season. Consequently, maize production, and the entire sector, suffers from low productivity due to the high risk of climatic shocks. Increasing diversification into other sectors such as legume production, industrial hemp and medical cannabis industry, tourism, and mining would reduce risks of income variability, and crop failure while supporting farming households to build up savings and productive assets.¹²
- (ii) Promoting exports of agricultural products to USA through the African Growth and Opportunity Act (AGOA) which is a non-reciprocal unilateral

trade preference programme that provides preferential market access, and duty-free access, into the US for products originating from eligible Sub-Saharan African (SSA) countries, including Malawi. The five products having the greatest potential for exports to the USA under AGOA and the US-GSP, as identified by the AGOA Response Strategy, are: macadamia nuts, handicrafts, honey, mangoes, and tea. Furthermore, the fast-regional integration of Africa with the entering into force of the African Continental Free Trade Area (AfCFTA) presents opportunities to Malawi which is already an active member of COMESA and SADC and a signatory member of the EAC-COMESA-SADC Tripartite Free Trade Area. Malawi has already secured US\$371 million worth of export deals within the AfCFTA with Angola, Botswana, South Africa, South Sudan, and Côte d’Ivoire to supply various commodities like maize, beans and rice.¹³ These initiatives open new markets to Malawi. The timing is opportune for Malawian exporters to explore business opportunities in other promising markets in Africa.

- (iii) The global and national momentum on transformation towards diversified, productive, efficient, inclusive and sustainable food system offers substantial opportunity to build upon Malawi’s commitments to embark on a food-systems transformation that addresses challenges related to food insecurity, malnutrition, agricultural productivity, and poor infrastructure. Hence, this is an opportunity to increase engagement with the private sector through market-led approaches, particularly the Small and Medium Enterprises (SMEs) in food supply chains (i.e., input supply, food production, processing and packaging, storage and distribution, food safety, retail, and marketing).
- (iv) The Integrated National Financing Framework (INFF), currently being established, offers an opportunity to strengthen Malawi’s financing architecture and accelerate implementation of the SDG-aligned MIP-1 in two parallel and coordinated ways: (1) the top-down establishment of Malawi’s INFF; and (2) the bottom-up strengthening of the local-level public finance management, service delivery and financial accountability systems. The INFF will be used to mobilise and catalyse resources and investments, public and private, to fund its development plans and deliver the SDGs. Building on the development finance assessment (DFA), the INFF will provide the government with a clear set of assessment options and policy interventions to

11 <https://www.worldbank.org/en/country/malawi/overview#1>

12 <https://openknowledge.worldbank.org/bitstream/handle/10986/31929/Malawi%20Economic%20Monitor%209.pdf?sequence=1&isAllowed=y>

13 Tena,N.(2021). Malawi \$1billion energy deal to boost economy.



unlock the country's development potential. The INFF will seek to improve financing structures in support of essential social service delivery at the local level through SDG costing and identification of funding gaps.

- (v) E-governance and digitalization has not been fully harnessed to improve business operations and transparency, hence more engagement with the private sector to leverage digitalization will radically transform the economy and forge new pathways to inclusive resilient growth. The digital revolution, as evidenced by the interlinked ecosystem of the National ID with MDAs and the private sector, has potential to improve service delivery and reduce economic crimes. Other technologies like Artificial Intelligence, the Internet of Things (IoT), blockchain, data analytics and digital platforms will also have applications across all sectors from agriculture and manufacturing to services, law, and governance to finance and trade.
- (vi) Harnessing the cultural and creative industries as well as cultural heritage will contribute to economic development and social cohesion. The CCIs and heritage conservation and promotion can create more jobs for young people and women. While the creative sector remains largely informal, its formalisation will enhance the status of the artists. Investing more in the tourism sector will also create more jobs and boost the country's

economy.

(b) Weak governance institutions, policies, and processes-

The country is rich in policies and strategies; however, the implementation of various policies and strategies remains weak, primarily due to politicisation, ineffective oversight and accountability mechanisms, and weak coordination, among others. Challenges in governance are linked to mismanagement, corruption, inefficient use of financial resources, continuity of harmful cultural practices and negative social norms that are perpetuating inequalities. At sub-national level, decentralisation reforms have been rolled out in a fragmented, uneven, and incomplete fashion, given that central ministries, departments, and agencies (MDAs) continue to retain control over expenditure responsibility for a high percentage of development and capital investments. The opportunities to address these gaps in governance include:

- (i) **Developments in the democratic process:** Support to democratic process and institutions is a critical priority to enable democratic institutions to uphold the principles of good governance and deliver on their mandates. The support will be provided toward the creation of innovative platforms of consultation and information sharing among government, parastatals, and civil society institutions, as well as strengthening their own internal capacities, to allow them to interact more effectively with one another and better represent

the interests of the citizens. Engagements will seek to ensure that a governing system interacts with and is structured by the interests of the rights-holder, to contribute to governance dynamics and effects by strengthening the social contract and the accountability that connects and bonds political representatives with their constituencies, otherwise said, the people of Malawi. A sustained and rich process of citizen participation should bridge the formal and informal spheres and create new dynamics of interaction and information exchange from the citizens to the Parliament - from the periphery to the core of the political system. The support needs to focus on the following areas:

- Support the Government of Malawi's capacity to hold free, fair, credible, and inclusive elections.
- Assist Parliament in representing its constituents and fulfil its legislative and oversight mandate.
- Strengthen capacity of democratic institutions to deliver on mandates.
- Improve participation and representation and ownership in democratic processes.
- Strengthen conflict prevention, mitigation, and mediation mechanisms to address potential disputes in democratic processes.
- Create platforms to educate the public in political processes and engage in dialogue.
- Create opportunities, including through legislative reform, for professional development to advance women in political decision-making processes.

(ii) **Peace and social cohesion:** In terms of peacebuilding and national unity, a new Peace and Unity Commission Act has been passed and measures are underway to give practical expression to this entity which should go a long way to ensuring stronger coordination and accountability in this area and give the much needed dynamism to the current and future District Peace Committees and to the work of other actors in this area, such as Public Affairs Committee and Centre for Multiparty Democracy. The UN needs to work with the government to ensure that National Peace Architecture structures are able to identify, prevent and respond to potential conflicts at national and district levels, with coordination into early warning systems at the community level. The support needs to focus on the following areas:

- Activate and advance the infrastructure for peace at the national, district and community levels.
- Improve capacity to prevent conflict among border security, immigration and rule of law actors.
- Establish data tracking / management of early warning systems in communities.
- Engage community groups in conflict

analysis, mediation, and peacebuilding activities.

(iii) **Decentralisation and empowerment of local government:** It is necessary to empower district and local level institutions to strengthen decentralisation efforts and allow sub-national institutions to effectively plan and deliver quality services. The support to decentralisation efforts needs to focus on strengthening inclusive local governance planning, gender responsive service delivery and oversight functions of the local authorities and local governance structures that are constituents of the communities.

(iv) **Enhance planning capacities:** There are opportunities to enhance planning in the following areas:

- E-governance or electronic governance to improve evidence-based planning and promote the delivery and financial planning.
- Use digital technologies and quality disaggregated data to improve availability, access, and utilisation of data.

(v) **Transparency and accountability:** It is important that technologies and processes to improve transparency and accountability are improved to enable governance institutions to perform core functions well. Therefore, enhancing transformative technologies to improve upstream data gathering and analysis, which will feed into stronger evidence-based planning of relevant MDAs. This is necessary to improve the actual professional capacities and internal work processes of MDAs and enable them to monitor and report on their own delivery performance. These new approaches, such as the utilisation of the biometric national ID card, will lay a foundation of information for further interlinkages and a further push towards greater e-governance in the country's administrative processes. In turn, this is expected to lead better levels of public service and less cases of graft. The support needs to focus on the following areas:

- Support the Malawi Vision 2063 priority on improving transparency and accountability in government systems and processes.
- Support the implementation of prioritised public sector reforms.
- Encourage development and scale up of public sector innovations.
- Adoption of new technologies and digital platforms to improve oversight of processes and service delivery.

(vi) **Constitutional bodies and oversight and human rights institutions:** Oversight mechanisms need to be strengthened to monitor and respond to the promotion and protection of people's

human rights. The support should focus on augmenting the capacities of human rights, rule of law and corruption-fighting institutions to prevent, detect and process acts of malfeasance being perpetrated by any entities onto any other entities, be they institutional or individual. The emphasis should be on encouraging the reviews of existing legal frameworks and policies to ensure that they are human rights-based and keep up with internationally recognised best practices and protocols, as well as with Malawi's international legal obligations under the human rights treaties it has ratified. With corruption remaining a national scourge that is obstructing the development ambitions of the country, capacity building on corruption fighting entities, especially on the surveillance, detection and processing of financial crimes and dealing with illicit gains will be a particular priority. That aside, working on improving the monitoring and dealing with human-rights abuses, especially against the most vulnerable elements of society, will be a primordial focus on:

- Strengthen the capacity of the Malawi Human Rights Commission to deliver on its mandate.
- Strengthen the establishment of a National Mechanism for Reporting and Follow-up to facilitate the implementation of human rights recommendations.
- Support the government, MHRC/Ombudsman, and civil society to implement, monitor and report on international commitments
- Support MHRC/Ombudsman to undertake investigations into human rights issues
- Develop digitized complaints management systems for monitoring and investigations
- Provide professional and institutional development support for the justice sector institutions
- Provide subject-matter expertise for legislative reforms

- (vii) **Access to justice, human rights and rule of law:** It is important to enhance the capacities of justice and security institutions, and strengthen access to justice, security, and protection services, especially for marginalised groups in situations of vulnerability, including women, children, persons with albinism, persons with disabilities, irregular migrants, and the LGBTQI persons, older persons, persons deprived of their liberty, and human rights defenders. The support rests on a supply and demand equation that combines enhanced service delivery by resilient justice, security, and human rights institutions with the public's ability to access such services and hold duty-bearers to account. Adopting a Human Rights-Based Approach to development includes conducting a causal analysis of development challenges, followed by a role pattern analysis to identify the

duty-bearers and rights-holders, and culminating in a capacity gap analysis to empower duty-bearers to discharge their duties and rights-holders to claim their rights. By increasing public confidence in the sector, support is designed to be catalytic, strengthening state-society relations and creating an enabling environment for development. Additionally, Malawi faces significant challenges with the number of qualified lawyers in the country. There have been discussions around reforms that would allow paralegals to provide representation services in the lower courts. The UN would explore opportunities for support in this area. The UN needs to engage at national and subnational levels, ensuring that solutions are put in place to ensure that traditional justice mechanisms are rationally applied to ensure the accessibility of justice in remote areas. The focus should be placed upon bringing about normative change, not only by strengthening transparency, accountability, and oversight mechanisms and by enhancing performance management of national institutions, but also by empowering civil society actors to enhance the capacity of rights-holders to claim their rights and support survivors of SGBV to access justice and interrelate with traditional justice mechanisms. The specific areas requiring support include:

- Strengthening justice mechanisms to reduce case backlog and arbitrary detention.
- Supporting the drafting, reviewing and implementation of key legislation to strengthen core functions of governance and rule of law, with particular attention to human and women's rights issues.
- Increasing the oversight capacity of key rule of law institutions.
- Increasing awareness-raising and education about human rights, for rights-holders to claim their rights, and for duty-bearers to discharge their obligations.

(viii) **Gender equality and women empowerment**

– The UN and its stakeholders need to take into consideration the following opportunities:

- The State has enacted several laws and policies to address harmful practices with the aim of eliminating prejudices and practices that violate the rights of women and children.
- Strengthen implementation of existing national laws that have also been adapted at local level with some traditional leaders being champions for eradication of harmful practices.
- Strengthen existing community structures such as community victim support units, community paralegals, child protection officers, village committees and chief councils to serve as avenues where women and girls can lodge complaints.
- Strengthen implementation of Male Engagement Strategy to achieve gender equality, protect women and girls from violence, prevent HIV and improve sexual reproductive health
- Increase education and awareness-raising on

sexual and reproductive health rights, and enhance access to modern contraceptives

- Reform the economy to address gender inequalities through women's economic empowerment

(c) Inadequate and uneven distribution of investments in human capital development and human rights

The Government of Malawi has made progress in ensuring that the education and health sectors consistently receive a lion's share of the national budget. However, the budgets for the education and health sectors have been below the 20% Dakar Commitment on Education for All by the African Union and the 15% Abuja Declaration target for African States. Other sectors such as nutrition, social welfare/ protection, WASH, science, technology, and innovation continue to receive sub optimal investments. Since Malawi is a State Party to the International Covenant on Economic, Social and Cultural Rights, it has an obligation to carefully justify the introduction of any deliberately retrogressive measures, such as decreasing budget allocations to economic and social rights. Malawi continues to have both financial and technical resource constraints to provide adequate and quality social services and create jobs for urban residents. Given the status quo, Malawi's continued rapid population growth will significantly increase the social sector investments and worsen the country's ability to meet the basic social service needs. Some of the opportunities to consider include:

- (i) Private and public sector partnerships (PPP) – Acceleration of PPP is needed to ensure investment on human capital. However, while the enabling legislative and regulatory framework is in place, it is not fully enforced as Government employees working in PPP institutions lack the necessary skills and capacities to guide PPPs through the project life cycle.
- (ii) The Generation Equality campaign both at global and national levels offers a greater platform to accelerate efforts in the Decade of Action and Delivery (2020-2030) in advancing Gender Equality. Malawi is a co-lead of Action Coalition on Feminist Movements and Leadership and the country made commitments to change the status quo. Enhancing accountability on such commitments can help ensure some strides are realised in as far as GEWE is concerned.
- (iii) The youth bulge, if properly harnessed, can present an opportunity. To attain this, however, there is a need to address challenges which young people disproportionately face, including: high unemployment; inadequate competitive technical skills for the labour market; limited access to productive assets; lack of technologies and financial resources; stigmatisation and discrimination of youth with disabilities; youth-at-risk who may be associated with cliques and gang activity.
- (iv) Supporting safe, orderly, and regular migration for everyone; promote low-cost diaspora remittance flows for development.
- (v) Progressively realise the economic, social, and cultural rights enshrined in the International Covenant on Economic, Social and Cultural Rights, or justify any retrogression, and implement

the recommendations that the Committee on Economic, Social and Cultural Rights will issue following its review of Malawi's initial report under the Covenant.

- (vi) Implementation of the Malawi Transforming Education commitments to promote inclusive, equitable, safe, and health-promoting schools; learning and skills for life, work and sustainable development, transforming the teaching profession to make it autonomous, trusted and accountable; digital learning and transformation; and increasing domestic financing to at least 15-20% of national expenditure, and at least 4-6% of GDP.

(d) Climatic change, environmental degradation, and energy

Malawi is highly vulnerable to the impacts of extreme weather events. The increased frequency and intensity of extreme weather events in Malawi, such as floods, strong winds, dry spells, cyclones, earthquakes, and landslides continue to affect the livelihoods, the country's economy, and damage infrastructure and result in large numbers of IDPs. These natural disasters, especially the recent cyclones, have reversed the gains made, especially in the infrastructure and energy sector. Environmental degradation is worsened by the increasing population growth which exerts high dependency on natural systems with more land being converted to agriculture as there are no alternative livelihood opportunities. Also, more forests continue to be unsustainably harvested for the wood and charcoal fuel supply as there are limited clean and affordable energy sources. Malawi also suffers from overfishing, widespread soil erosion and degradation from unsustainable agricultural practices, and the overexploitation and illegal trafficking of wildlife. The combined effects of population growth and climate change are increasing food insecurity, environmental degradation, and poverty levels in the country. Key SDGs which are affected by the climatic shocks and environmental degradation are SDG 1, 2, 6, 7, 9, 10, 13, 14 and 15. The sector is characterised with the following challenges: Inadequate coordination within and between government and development partners; limited financing, limited preparedness and early warning systems, insufficient levels of awareness about climate change in sectors; limited institutional capacity, insufficient technical capacity (science, data, information and knowledge management, mainstreaming); policy commitments not sufficiently reflected in planning and budget processes, including in other sectors; absence of "whole of government" approach, weak multisectoral approach (with climate change too siloed in environment), and low adoption of climate SMART technologies. Some of the opportunities to be harnessed include:

- (i) The existence of the National Climate Change Fund that has mobilised funds since 2020 to manage the climate risks in Malawi. However, a lot needs to be done to channel the mobilized funds towards climate change initiatives.
- (ii) Investing in resilience to mitigate against climate-induced weather shocks. The opportunity cost of not investing in

adaptation and mitigation measures will be widespread over time, in terms of foregone public investment in more productive areas. In view of this, government and development partners need to utilise existing local government structures to improve early warning systems, implement measures to reverse land degradation, ensure safe areas of living for communities in flood-prone areas to decrease the risks of forced migration, promote climate SMART technologies, and strengthen adaptation and disaster risk response systems

- (iii) Scale up innovations such as parametric and weather index microinsurance, and proven and successful climate SMART technologies
- (iv) Explore new opportunities on green debt financing to use the proceeds to exclusively fund environmental-friendly interventions.
- (v) Increased engagement with the private sector to promote alternative renewable and clean energy sources. However, emphasis should be placed on scaling up affordable alternative renewable and clean energy sources.
- (vi) Ensure meaningful participation of marginalised groups in situations of vulnerability, including women, people with disabilities, and children.

Economic Affairs has embarked on a reform agenda aimed at strengthening the Government Wide M&E system which, among other issues, emphasises on the establishment of a Harmonised National Management Information System that links with other selected existing data systems and support the Government of Malawi to collect, aggregate, and disseminate data and information. All these initiatives are important to ensure that there is supply of high-quality disaggregated data that meets the needs of all stakeholders and reporting obligations at global, national, and sub-national levels. Additionally, E-governance and digitalization have not been fully harnessed to improve business operations and transparency, hence leveraging digitalization will radically transform the economy and forge new pathways to inclusive resilient growth. The digital revolution, as evidenced by the interlinked ecosystem of the National ID with MDAs and the private sector, has potential to improve service delivery and reduce economic crimes.

Other Cross-cutting opportunities

- (a) Existing policy and legal frameworks** - The MW2063 First 10-Year Implementation Plan (MIP- 1), which is well aligned to the SDGs as per IPRT findings, offers an opportunity to fast-track the implementation of the Sustainable Development Goals (SDGs) to ensure Malawi meets most of the goals by 2030. However, it is crucial that the sectoral strategic plans and district development plans are well aligned to the MIP-1. Furthermore, the availability of sectoral policies and strategies are opportunities to harness. Nonetheless, implementation of these needs to be enforced and accelerated.
- (b) Pillar and enabler coordination groups (PECGs) and existing district structures**- The establishment of the PECGs provides an opportunity to enhance coordination among stakeholders in the planning, implementation, and reporting in line with the MIP-1 pillars and enablers. Furthermore, the existing Local Government system comprising local councils and its committees at community level are opportunities to domesticate the SDGs through the formulation of local development plans that are aligned to the national priorities as outlined in the Malawi 2063 and MIP-1.
- (c) Data for development and digitalization** -The 2019 – 2023 National Statistical System Strategic Plan is an entry point for the stakeholders to achieve coordinated, harmonised, relevant, timely, quality, and accessible statistical information and services. Furthermore, the Government through the Ministry of Finance and

Annexes:

Annex 1: List of stakeholders consulted

No	Stakeholder category	Name of stakeholder
1	Government	Ministry of Homeland Security
2	Government	Ministry of Education
3	Government	Ministry of Agriculture
4	Government	Ministry of Justice
5	Government	Ministry of Gender
6	Government	Ministry of Labour
7	Government	Ministry of Youth
8	Government	Ministry of Health
9	Government	Ministry of Natural Resources and Climate Change
10	Government	Ministry of Local Government and Rural Development
11	Government	Ministry of Finance
12	Government	Office of the President and Cabinet
13	Government	Department of Disaster Management Affairs
14	Government	National Registration Bureau
15	Government	Malawi Police Service
16	Government	Malawi Human Rights Commission
17	Government	Malawi Electoral Commission
18	Government	National Statistical Office
19	Government	National Planning Commission
20	Government	Malawi Investment and Trade Centre
21	CSO	OXFAM
22	CSO	Plan International
23	CSO	Action Aid
24	CSO	World Vision International
25	CSO	The Catholic Commission for Justice and Peace
26	CSO	Centre for the Development of People
27	CSO	Malawi Network of People Living with HIV / AIDS
28	CSO	NGO Coalition on Child Rights
29	CSO	Paralegal Advisory Service Institute
30	CSO	Association of Persons with Albinism in Malawi
31	CSO	Federation of Disability Organisation in Malawi
32	CSO	Malawi Economic Justice Network
33	CSO	Gender and Justice Unit
34	CSO	Council for Non-Governmental Organisations in Malawi
35	Development partners	Norway
36	Development partners	Foreign, Commonwealth and Development Office
37	Development partners	European Union
38	Development partners	Flanders
39	Development partners	Germany
40	Academia, private sector and professional associations	Lilongwe University of Agriculture and Natural Resources

No	Stakeholder category	Name of stakeholder
41	Academia, private sector and professional associations	Technical, Entrepreneurial Vocational Education and Training Authority
42	Academia, private sector and professional associations	Standard Bank
43	Academia, private sector and professional associations	Telekom Networks Malawi
44	Academia, private sector and professional associations	Employers' Consultative Association of Malawi (ECAM)
45	Academia, private sector and professional associations	Teachers Union of Malawi
46	Academia, private sector and professional associations	Malawi Congress of Trade Unions
47	Academia, private sector and professional associations	Women in Agri-Business

Annex 2: Multidimensional SDG risk analysis framework

SDG	Risk area	Description	Scope/specific risks	Examples of risk factors / Drivers (not exhaustive)	Likelihood (1 – 5)	Impact (1 – 5)	Response, mitigation	Time horizon (short, medium, long term)
SDG 16 & 17	Political stability	Risks to the stability of established political and government structures in the country resulting from politically driven factors.	<ul style="list-style-type: none"> Challenges to political system/government and democracy consolidation. Politically compromised government/institutions Irregular changes to governance structures or principles. Compromised electoral competition Commitment towards implementation of the electoral reforms 	<ul style="list-style-type: none"> Corruption that will compromise campaign promises. Limited formal-sector employment opportunities for the growing youth population leading to recruitment to political movements. 	5	5	RC Advocacy Engagements Deepen UNCT, and DPPA joint analysis and support for peace and dialogue infrastructure and processes at all levels Electoral support Support the creation of youth and women-centred livelihood opportunities at the local level. Sustained advocacy towards the implementation of the electoral reforms Civic education and transforming social norms	Immediate-long-term
				<ul style="list-style-type: none"> Prolonged or widespread social unrest or disruptions caused by economic challenges. 	4	4		
				<ul style="list-style-type: none"> Deepening regionalism, ethnicism and religious polarisation. 	4	3		
				<ul style="list-style-type: none"> Deep-rooted or antagonistic political polarisation leading to the over-politicisation of national development issues 	5	3		

SDG	Risk area	Description	Scope/specific risks	Examples of risk factors / Drivers (not exhaustive)	Likelihood (1 – 5)	Impact (1 – 5)	Response, mitigation	Time horizon (short, medium, long term)
SDG 16 & 17	Democratic space	Risks to democratic and human rights institutions, and to civil and political rights resulting from shrinking civic space, exclusion, repression, and intimidation	<ul style="list-style-type: none"> • Undue limits on democratic rights or freedoms • Constraints on civil society, rights actors or rights institutions • Active repression of civil society, rights actors, and the media. 	<ul style="list-style-type: none"> • Restrictive policies/legal framework on media, human rights and civic activism including: <ul style="list-style-type: none"> ○ Limits to rights to peaceful assembly and expressions. ○ The closure/outlawing of human rights entities due to non-adherence to the NGO amendment law. ○ Censorship and lack of access to information • Lack of commitment/implementation of policies/legal regime for meaningful participation or representation (for women, youth and PWDs) 	4	3	UN advocacy and support for civil society dialogue and engagement Support civil society strengthening Advocate for policy/legal reforms	Immediate-long-term
					4	2		

SDG	Risk area	Description	Scope/specific risks	Examples of risk factors / Drivers (not exhaustive)	Likelihood (1 – 5)	Impact (1 – 5)	Response, mitigation	Time horizon (short, medium, long term)
SDG 1, 5, 10 & 17	Social cohesion, gender equality and non-discrimination.	Risks to social unity and equality resulting from direct and indirect discrimination, horizontal inequalities, and demographic trends.	<ul style="list-style-type: none"> Discriminatory practices Power imbalances within society Gender-based violence Demographic pressures (youth bulge). 	<ul style="list-style-type: none"> Prejudice on the basis of race, belief and ethnicity. Grievances based on ethnic and religious lines. Hate speech in the public domain. Unmanaged urbanisation and existence of slums Unequal rights afforded to minority groups/women. Social exclusions /stigmatisation of minority groups (LGBTQI+, PWA). 	3 4 3 4 4 4	2 3 4 3 4 3	<p>Joint UNCT support for peace and dialogue infrastructure and processes</p> <p>Targeted local/community based social dialogue, conflict prevention</p> <p>Support regular assessment and analysis exercises at local levels</p> <p>Strengthen human rights and protection mechanisms at the local level</p>	Immediate-long term

SDG	Risk area	Description	Scope/specific risks	Examples of risk factors / Drivers (not exhaustive)	Likelihood (1 – 5)	Impact (1 – 5)	Response, mitigation	Time horizon (short, medium, long term)
SDG 16 & 17	Internal Security	Risks to the security of the country, people and infrastructure that may impact the ability of the international community to deliver effectively as a result of security issues.	<ul style="list-style-type: none"> Internal conflict and insecurity Regional/Cross-border insecurity, including border disputes Climate-related disasters 	<ul style="list-style-type: none"> “Cross-border insecurity 	3	4	Support security sector reform processes, including professionalism of security and rule of law institutions and actors	Immediate-long-term
				<ul style="list-style-type: none"> Civil unrest including demonstrations, protests against economic challenges and corruption 	4	4	Support socio-economic risk mapping and analysis at national and subnational levels	
				<ul style="list-style-type: none"> Election and post-election violence 	4	4	Support public sector reforms especially financial management systems	
				<ul style="list-style-type: none"> Food insecurity 	4	3	Advocate and support food systems transformation and diversification	
				<ul style="list-style-type: none"> Climate-induced forced displacements 	4	3		

SDG	Risk area	Description	Scope/specific risks	Examples of risk factors / Drivers (not exhaustive)	Likelihood (1 – 5)	Impact (1 – 5)	Response, mitigation	Time horizon (short, medium, long term)
SDG 16 & 17	Justice and rule of law	Risk to the fair, effective and comprehensive implementation and application of the principles of justice, the rule of law and accountability from issues.	<ul style="list-style-type: none"> Weak and compromised oversight institutions. Security forces who act outside of or do not respect the law. Ineffective and incomplete implementation of the principles of justice, human rights, the rule of law and accountability. 	<ul style="list-style-type: none"> Weak/challenged human rights and accountability institutions (i.e., ACB, MHR, NMR, and Office of the Ombudsman (OoO)) 	4	3	<p>Support rule of law sector strengthening</p> <p>Joint UNCT support to accountability institutions, systems and processes</p> <p>UNCT support for the implementation of human rights and the recommendations of the UN Human Rights Mechanisms</p> <p>Support access to justice, including using digital technologies to improve justice delivery and transparency</p>	Immediate-long term
				<ul style="list-style-type: none"> Ineffective and incomplete implementation and application of the principles of justice, the rule of law and accountability. 	4	3		
				<ul style="list-style-type: none"> Loss of public trust/citizen perception of unprofessionalism of MPS officers. 	4	4		
SDG 16 & 17	Displacement and migration	Risks to the population and to the stability of the country, resulting from pressures associated with displacement and/or migration.	<ul style="list-style-type: none"> Movement of people within and outside the country and from its neighbours Level of rights and protection afforded to migrants Social, economic, cultural, environmental impact of migration 	<ul style="list-style-type: none"> Increased migration into Malawi induced by the violence in Mozambique, climate and the global economic crisis (including using Malawi as a transit to South Africa) 	4	3	<p>Support decentralisation and investment in local economic opportunities</p> <p>Support creation of youth and women centered livelihood opportunities</p>	
				<ul style="list-style-type: none"> Low level of rights and protection afforded to migrants. 	3	2		
				<ul style="list-style-type: none"> A growing xenophobic attitude towards refugees, migrants and asylum seekers 	4	2		

SDG	Risk area	Description	Scope/specific risks	Examples of risk factors / Drivers (not exhaustive)	Likelihood (1 – 5)	Impact (1 – 5)	Response, mitigation	Time horizon (short, medium, long term)
SDG 3 & 17	Public Health	Risk to the population, the economy and stability of the country resulting from actual and emerging health emergencies.	<ul style="list-style-type: none"> increase in preventable or treatable health issues (incl. due to climate change impacts) Epidemics, pandemics and infectious diseases (including due to climate change impacts) 	<ul style="list-style-type: none"> Re-emergence/outbreak of diseases like polio and cholera 	4	4	Health systems strengthening	Immediate-long-term
SDG 12, 13,14,15& 17	Environment and climate	Risks to the ecology of the territory, its ecosystem and its people resulting from issues associated with the environment, climate and natural resources.	<ul style="list-style-type: none"> increasing frequency and intensity of natural hazards or extreme weather events Severity of ecological damage and climate impacts High economic reliance on climate sensitive sectors and high exposure of productive assets to climate risks Absence of/inadequate climate action plans and strategies Absence or non-implementation of climate legislation and policies Poor health of ecosystems 	<ul style="list-style-type: none"> Dry spells and drought. 	4	3	Agricultural systems transformation	Immediate-long-term
				<ul style="list-style-type: none"> Perennial floods and heavy rains and cyclones. 	4	3	Support research in crop diversification	
				<ul style="list-style-type: none"> Cyclones and rainstorms 	4	3	Support research and investment in renewable energy	
				<ul style="list-style-type: none"> Destruction of infrastructure for power generation, road network and social services. 	4	4	Support DRR/preparedness and contingency planning	
				<ul style="list-style-type: none"> Deforestation 	3	3	Support investment in clean energy economy and climate smart agriculture	
				<ul style="list-style-type: none"> Climate-related disasters (cyclones, floods, drought) 	4	3	Support ecosystem restoration and biodiversity conservation, including transboundary cooperation	

SDG	Risk area	Description	Scope/specific risks	Examples of risk factors / Drivers (not exhaustive)	Likelihood (1 – 5)	Impact (1 – 5)	Response, mitigation	Time horizon (short, medium, long term)
SDG 8 & 17	Economic Stability	Risks to the economic, financial and fiscal stability of the country which could impact governance, social cohesion, or people's ability to satisfy their needs	<ul style="list-style-type: none"> Macro-economic volatility Economic underdevelopment Economic inequality 	<ul style="list-style-type: none"> Currency devaluation or hyperinflation Deep-reaching austerity measures 	3	4	Support GoM, businesses to take advantage of opportunities under AfCTA by supporting industrialisation, standardisation.	Immediate-long-term
				<ul style="list-style-type: none"> Inability to pay public sector wages 	3	4		
				<ul style="list-style-type: none"> Possible financial crisis / economic/debt distress 	4	4	Support investment in wealth creation and livelihood opportunities at local level (SMEs)	
				<ul style="list-style-type: none"> Collapse of key employers and industries, especially small-scale businesses 	3	4		
SDG 16 & 17	Regional and Global influences	Risks to the stability, safety and prosperity of the country as a result of the actions of external actors or the influence of external events.	<ul style="list-style-type: none"> International tensions Fragility in neighbouring countries Sanctions, exploitation, or dependencies 	<ul style="list-style-type: none"> Spillover of conflict or criminal actors from outside (the insurrection in northern Mozambique). 	3	4	Support Malawi regional and sub-regional engagements (peace & security, regional trade)	Immediate-long-term
				<ul style="list-style-type: none"> Cross-border organised crime due to border porosity. 	3	2		
				<ul style="list-style-type: none"> Human/child trafficking 	4	2		
				<ul style="list-style-type: none"> Risk of violent extremism in Malawi 	2	4		
				<ul style="list-style-type: none"> Donor flight due to focus on the Russia/Ukraine war. 	3	4		

Annex 3: List of partners

SECTOR	PARTNERS
Public sector – National level	Ministry of Agriculture, Ministry of Natural Resources and Climate Change, Ministry of Lands, Ministry of Finance and Economic Affairs, Ministry of Health, Ministry of Gender Community Development and Social Welfare, National Statistical Office, Malawi Bureau of Standards, Ministry of Youth and Sports and Ministry of Trade and Industry and various district councils, National Planning Commission (NPC), Department of Water Resources, Department of Disaster Management Affairs, Department of Climate Change and Meteorological Services, Department of Civil Aviation, Ministry of Homeland Security (Malawi Police Service), Ministry of Foreign Affairs, National Child Justice Forum, Malawi Judiciary, Malawi Law Commission, Ministry of Justice, Ministry of Youth and Sports
Public sector – Local level	Nkhata Bay, Mzimba; Ntchisi; Dowa; Dedza; Salima; Mangochi; Machinga; Mulanje; Chiradzulu; Chikwawa and Nsanje
Private sector	Various private companies, including those in agricultural inputs sub-sector, cooking oil sector, Standard Bank of Malawi Limited, Internet providers, Airtel, TNM, MTL and the MCCC, SACCOS
National human rights institutions	Malawi Human Rights Commission, Office of the Ombudsman, Independent Police Complaint Commission
Civil society	NGOs (both local and international), CISANET, Farmers Union of Malawi, NASFAM, SWET, WRM, THP, FUM, AECDM, WESNET, Nkhoma Synod, Blantyre Synod, World Vision International, World Relief, Save The Children, NGO CCR, Malawi Girl Guides Association (MAGGA); Family Planning Association of Malawi (FPAM); Youth Net and Counselling (YONECO); Girls Network (GENET); Armref; ActionAid Malawi; Ntchisi Organisation for Youth Development (NOYD); FOCESE; Nayuchi AIDS Support (NANES)
Academia	Public universities: Lilongwe University of Agriculture and Natural Resources, Malawi University of Science and Technology, University of Malawi, Malawi University of Business and Applied Sciences, Mzuzu University, Kamuzu University of Health Sciences.
International partners	Private universities: University of Livingstonia, Catholic University, UNICAF, Malawi Assemblies of God University FCDO, Irish Embassy, Royal Norwegian Embassy, EU, Flanders, KFW, USAID, World Bank, Embassy of Iceland, Embassy of Ireland, KOICA, SDC
UN agencies	UNFPA, WFP, WHO, IFAD, UNICEF, FAO, WFP, UN Women, UNCESCO, UNHCR, IOM, UNDP, OHCHR
Foundations	Gavi Foundation, Bill and Melinda Gates Foundation
Special groups	Women, adolescents, youth, people living with disability, chiefs, children, the elderly, the poor including the ultra-poor
Legislative	Parliament of Malawi
Media	Media Institute of Southern Africa – Malawi Chapter (MISA Malawi), Spotlight Media Network, Association of Environmental Journalists in Malawi (AEJM), individual media houses, Association of Women in the Media (AWOM), Media Council of Malawi, Blantyre Press Club, Bwaila Press Club, Nyika Press Club, Association of Community Radio Stations in Malawi



United Nations Malawi