



**United Nations Conference on Sustainable Development (Rio+20)
National Preparatory Process**

**Malawi's Progress towards Achieving Sustainable Development Goals
20 Years Since the 1992 Earth Summit in Rio**

Synthesis Report

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Acronyms

AIDS	Auto Immune Deficiency Syndrome
CC-ENRM	Climate Change, Environment & Natural Resource Management
EAD	Environment Affairs Department
ENRM	Environment and Natural Resources
EMP	Environment Management Plan
LEAD SEA	Leadership for Environment and Development Southern and Eastern Africa
UNDP	United Nations Development Programme
REDD+	Reduction in Emissions through Deforestation and Forest Degradation
EPA	Environment Protection Agency
HIV	Human Immunodeficiency Virus
NGO	Non Governmental Organization
SACCO	Savings and Credit Cooperatives
UNCED	United Nations Conference on Environment and Development
PAP	Poverty Alleviation Programme
SDA	Social Dimensions Adjustment
PRSP	Poverty Reduction Strategy Paper
GoM	Government of Malawi
MEGS	Malawi Economic Growth Strategy
NSSD	National Strategy for Sustainable Development
MGDS	Malawi Growth and Development Strategy
EIA	Environment Impact Assessment
IEEA	Integrated Environmental and Economic Accounting
NSO	National Statistical Office
MEET	Malawi Environment Endowment Trust
USAID	United States Agency for International Development
EDVP	Ethanol Driven Vehicle Project
NCST	National Commission for Science and Technology
BEST	Biomass Energy Strategy
GBI	Green Belt Initiative
TPMCSOESTree	Planting and Management for Carbon Sequestration and Other Ecosystem Services
IFMSL	Improved Forest Management for Sustainable Livelihoods
GDP	Gross Domestic Product
MoNREA	Ministry of Natural Resources and Environmental Affairs
MOREA	Ministry of Research and Environmental Affairs
NCE	National Council for Environment
TCE	Technical Committee on Environment
PCE	Parliamentary Committee on Environment
OPC	Office of President and Cabinet
MDG	Millennium Development Goals
UNCSD	United Nations Convention on Sustainable Development
GMO	Genetically Modified Organisms
GM	Genetically Modified

1. Introduction

UNDP Malawi commissioned Leadership for Environment and Development, Southern and Eastern Africa (LEAD SEA) to undertake a stocktaking exercise of progress made by Malawi since the 1992 Earth Summit in Sustainable Development and produce a report for Malawi to be used for the Rio +20 United Nations Conference on Sustainable Development in June 2012. This synthesis report is derived from the stocktaking report and includes recommendations and comments from the stakeholders following a consultative workshop on the stocktaking report. It describes Malawi's present situation, experiences gained and aspirations to achieve sustainable development. It also provides recommendations that could assist the country to achieve sustainable development goals.

2. Key Issues and Barriers to Sustainable Development

2.1. Malawi's Progress in Sustainable Development since 1992

Since the United Nations Conference on Environment and Development (UNCED) in 1992, Malawi has developed, reviewed and implemented a number of programmes and policies aimed at integrating environment and socio-economic development in planning and decision-making. These include Structural Adjustment Programmes, Poverty Alleviation Programmes, National Strategy for Sustainable Development, Vision 2020, Millennium Development Goals (MDGs), Poverty Reduction Strategy Paper, Malawi Economic Growth Strategy, Malawi Growth and Development Strategy and a number of sector specific policies.

The programmes and projects that were developed in the early 1990s e.g. Social Dimensions Adjustment (SDA)¹ and Poverty Alleviation Programme (PAP) suggested that they succeeded in integrating the poverty issues in the national development process, but they fell short of explicitly integrating environmental concerns. With this concern, the Department of Environmental Affairs took the effort to develop a National Environmental Action Plan in 1994 to integrate environment in issues of development. This was followed by the development of the Environmental Management Policy (EMP) in 1996, which acted as a framework for environment and natural resources management in the country.

The PAP was followed by Vision 2020 in 1998, which gave a long term perspective for economic development for Malawi while emphasizing environmental sustainability as a foundation for the vision. The pursuit of the Millennium Development Goals which were adopted in 2000 was another means of integrating economic and social development and environment in decision-making and planning for Malawi. But neither the PAP nor Vision 2020 was followed by concrete or fundable action plans.

¹ Structural Adjustment Programmes (SAP) were developed in Malawi in the 1980s and it was realized that social dimensions were missing in it and thus Social Dimensions Adjustment (SDA) was formed in 1987. Under the SDA, Malawi provided financial grants to government and non-governmental organizations to develop methods of providing financial services to the poor.

In the early 2000s, the SDAs were replaced with Poverty Reduction Strategy Papers (PRSPs), which became the new approach for loans and debt relief. In the Malawi PRSP, environmental issues were covered in a stand-alone chapter on Natural Resources and Environmental Management. This chapter addressed all risks to the environment and focused on protection of land, soil, water, fish, other wildlife, forest and air resources. It also covered poverty, population and climate change (GoM, 2000). But environmental issues were neither mainstreamed in other chapters, including those that dealt with productive sectors, such as food security and nutrition, nor the chapters aligned to Agenda 21.

The Malawi Economic Growth Strategy (MEGS) followed the PRSP and was formulated in 2002 and launched in 2004. It aimed at complementing the PRSP by stimulating private sector growth and ensuring that the poor are key participants and beneficiaries of economic growth. It owed its origin to two missing links in the PRSP with which both the government and the private sector were concerned. The first is that while the PRSP contained a pro-poor growth strategy for stimulating economic growth in ways that directly address poverty, it focused on the role of micro and small-scale enterprises to the exclusion of large-scale ones. The second is that the PRSP neither planned for a sufficiently high rate of economic growth, which is considered necessary for poverty reduction, nor gave sufficient attention to the role of the private sector, investment and trade, which are considered to be the main drivers of economic growth (GoM, 2003). Part I of MEGS set out the background to the strategy, the framework for delivering growth and the strategy for dealing with the macroeconomic constraints that affect enterprises. Part II analyzed the main sectors of the economy and the strategies for the growth of the core and other sub-sectors of the economy. There was also a review of key public institutions that support and regulate the private sector. However, there was not much effort to align MEGS to Agenda 21², although it pointed out the possible irreversible effects of large-scale mining on the environment and the risk of soil erosion and deforestation associated with the cultivation and curing of tobacco (GoM, 2003).

The Malawi Government developed the National Strategy for Sustainable Development (NSSD) in 2004 in response to the World Summit on Sustainable Development (WSSD) action plan that called for governments to establish an institutional structure for sustainable development and a medium term strategic plan for the same. The objective of the NSSD is to provide the basis for Malawi's sustainable development framework to implement the WSSD recommendations. Specifically, the strategy provided Malawi's medium term priority areas for environmental management and socio economic development. It also provided the basis for accessing resources from development partners as pledged at the WSSD. In addition, it aimed at assisting Malawi to stimulate sustainable growth and reduce poverty in line with the PRSP of 2002.

The current official tool for pursuing sustainable development, and hence integrating economic and social development and environment in decision-making and planning, is the Malawi Growth and Development Strategy (MGDS). The first MGDS was the country's

²Agenda 21 is a global environmental program and statement of the United Nations (UN) emphasizing on issues that are relevant to Sustainable Development (SD) which was an outcome of the UN Conference on Environment and Development (UNCED) also known as The Earth Summit held in Rio de Janeiro, Brazil, in 1992. It is a comprehensive blue print of action that is supposed to be taken globally, nationally and locally by all stakeholder organizations, governments, and institutions everywhere where humans can directly affect the environment.

Decadal Stocktaking reports are done to monitor activities and assess success in all SD areas (Social, economic, political and environment).

medium-term (2006-2011) development strategy, which has been replaced by the 2012-2016 version of MGDS II that has been officially launched in April 2012. The main aim of this strategy is to create wealth through sustainable economic growth and infrastructure development as a way of addressing poverty that may be declining (Fig. 1) Apart from sustainable economic growth and infrastructure development, the other themes in the MGDS are improved governance, social development, and social protection and disaster management. It is expected that these themes will facilitate the transformation of the country from a predominantly importing and consuming economy to a predominantly manufacturing and exporting economy as had been earlier articulated in Vision 2020 (GoM, 2006).

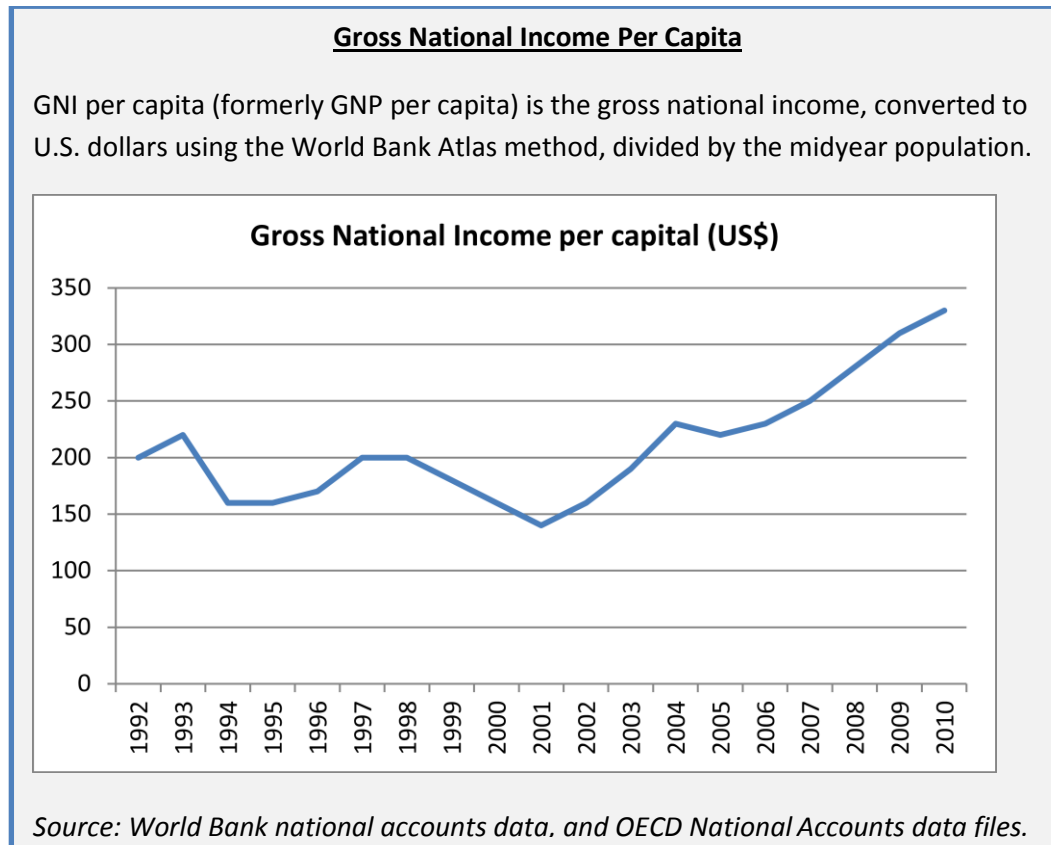


Figure 1 Gross National Income per Capita for Malawi (US\$)

The MGDS contains several key priority areas which are crucial for generating rapid economic growth necessary for long-term, sustainable development including: Agriculture and Food Security, Transport Infrastructure & Nsanje World Inland Port, Green-Belt Irrigation & Water Development, Energy, Mining & Industrial Development, and Integrated Rural Development, which all would put pressure on the environment. The inclusion of Climate Change, Natural Resources and Environmental Management as a priority amongst priorities, was a response to addresses environmental issues directly.

2.2. Legal Framework in Support of Sustainable Development

To facilitate the UNCED implementation, Malawi has either developed or reviewed its laws to integrate the principles of sustainable development of which the most relevant include the Environment Management Act 1996, the Forestry Act 1997, the Local Government Act 1998 (Amended 2009), the Pesticides Act 2000, the Irrigation Act 2001, the four Acts in the

Energy Sector i.e. the Energy Regulation Act, the Rural Electrification Act, the Electricity Act, and the Liquid Fuels and Gas Production and Supply Act, all approved in 2004, the National Parks and Wildlife Act 2004 and most recently, the Atomic Energy Act 2011.

The Malawi government established Environmental Impact Assessment (EIA) guidelines in 1997, followed by sector-specific guidelines on Environmental Management System and Auditing for programmes, projects and operations that have significant impacts on the environment such as mining, waste management, sanitation and irrigation. The guidelines help to integrate environmental concerns in national development and are applicable to all types of projects in the public and private sectors, for which EIA studies may be or are required. These guidelines also facilitate compliance with requirements by Government, project developers, development partners and the general public. Awareness on the importance of EIAs and the existence of the guidelines has mainly been raised through a series of training workshops organized by Environmental Affairs Department in 1997. Subsequently, EIA training was normalized in 1998 through introduction of an EIA course within the Masters in Environmental Science Programme at Chancellor College through which over 100 local experts have since been trained (EAD, 2011).

Malawi Government established the Law Commission as an independent institution established under Chapter XII of the Constitution with powers to review and make recommendations relating to the repeal and amendment of laws for conformity with the Constitution and applicable international laws and such other powers and functions as are conferred on it by the Constitution and any other Act of Parliament. Matters relating to the functional operation of the Malawi Law Commission are provided for under the enabling Law Commission Act (Cap. 3:09) enacted in 1998. The commission has reviewed over 10 laws including the Constitution, the Corrupt Practices Act – 2002, the Criminal Procedures and Evidence Code – 2003 and the Penal Code. Currently, 8 other laws including Gender Equality and Public Health Act are being reviewed through the new Law Reform Programme.

Despite these developments, the enforcement and monitoring of implementation of environment and development laws in Malawi has generally been weak due to a number of factors which include outdated framework legislation (EMA, 1996) that fails to provide the required guidance in changing times; inadequate capacity (resources: Human, material and financial); weak linkage between policy and research; inadequate integration of indigenous knowledge in the legal system; non-deterrent penalties to offenders; absence of policies to address other critical ENRM issues (e.g. Waste Management and Human Settlement) and placement of coordinating/enforcing institution under the same Ministry as that responsible for implementation, as in the case of EAD.

Barriers to sustainable development include lack of awareness on sustainable development matters, lack of data for informed decision making, lack of coordination and cooperation between bodies that need to work together to achieve sustainable development, cultural barriers including early marriages which hinder development, corruption, technological hurdles and threats such as climate change, HIV/AIDS and the global economic downturn, as discussed in the next section.

2.3. Barriers to Sustainable Development in Malawi

Lack of awareness on sustainable development issues is the foremost barrier which Malawi faces. Most of the stakeholders consulted as part of stocktaking exercise were not aware of

Agenda 21 and the knowledge gap also existed amongst the media personnel. There is need for increasing awareness on Local Agenda 21 in Malawi. Stakeholders were also not familiar with the Green Economy concept.

Another important barrier to sustainable development is the lack of data to inform decision makers. For example, data on the economic value of natural resources in Malawi is scanty. Reliable estimates of the stock and value of fish or the value of forest products are not available. This makes determination of user fees difficult and more often fees are lower than the real market value, hence the inability to replace most plantations once harvested.

Another barrier is the scanty integration of environmental and economic accounting. Agenda 21 proposed national systems of integrated environmental and economic accounting, but in Malawi, one of the main challenges in achieving this is the lack of improved environmental and economic and social data. The other challenges are lack of expertise to develop and implement methods and rules for accounting for sustainable development. The National Statistical Office was trained in Integrated Environment and Economic Accounting (IEEA) but it has not adopted this due to capacity constraints. A positive development has been holding of workshops and discussions, and thereby creating awareness amongst members of Malawi Chamber of Commerce and Industry about IEEA.

Coordination and cooperation for information sharing and experience exchange among local authorities is essential for achieving sustainable development. This remains a barrier in the country as stakeholders consulted mentioned poor funding, poor coordination and absence of a lead organization responsible for communication to be the major challenges faced by Malawi in achieving this. There is need for a lead organization responsible for coordinating and communicating information on sustainable development to local authorities.

Yet another important element to achieving sustainable development is women and youth involvement in a country's development. In this regard, Malawi faces challenges including limited capacity to facilitate adult literacy and continuing education; early marriages perpetuated by socioeconomic factors; socio-cultural factors that make people believe that men are superior; and, poor learning environment which disproportionately negatively affects girls in primary and secondary schools (e.g. poor sanitary facilities, long distances to education facilities, extra burden from domestic chores especially for adolescent girls) resulting into high dropout rate. The Malawi Government has done much to address these issues including free primary education, re-enrolment of girls who drop out due to adolescent pregnancies and other reasons as well as improvement of sanitation facilities in schools but more needs to be done.

The Gender Inequality Index (GII³) for Malawi in 2008 is 0.758. With regard to women's representation in Parliament, the first woman was elected into Parliament in 1964 during

³“ The Gender Inequality Index (GII) reflects women's disadvantage in three dimensions—reproductive health, empowerment and the labour market. The index shows the loss in human development due to inequality between female and male achievements in these dimensions. It ranges from 0, which indicates that women and men fare equally, to 1, which indicates that women fare as poorly as possible in all measured dimensions. The health dimension is measured by two indicators: maternal mortality ratio and the adolescent fertility rate. The empowerment dimension is also measured by two indicators: the share of parliamentary seats held by each sex and by secondary and higher education attainment levels. The labour dimension is measured by women's participation in the work force.” (Source: UNDP.(2012) Human Development Reports. Online Publication available at <http://hdr.undp.org/en/statistics/gii/> Accessed 16/6/12)

Colonial days. In 1999, there was 8.3% seats in Parliament filled by women, while in 2008 this increased to 13% and in 2009, it went up to 22% (UNDP,2009; UNDP, 2010; UNDP 2012). Having women in key positions help provide role models for young girls/ Moreover, Parliament is where policies are made and having women representation in Parliament would ensure that policies would be gender sensitive and also cover matters that affect children and youth as women know such concerns better.

Corruption is considered a barrier to achieving sustainable development and in Malawi it was cited as one of the key constraint to development as noted by the Governance and Corruption Survey (2010). Some of the people consulted argued that corruption may be a major barrier to implementation of laws to protect environment as perpetrators may bribe officials tasked to enforce proper environmental management principles.

Technological barriers also hinder sustainable development in the country. Malawi has less technological and information dissemination capacity for early warning systems to alert people of impending natural climate change induced disasters and catastrophes. Green technologies are few and not adopted easily in the country. Technology adoption for value addition in agriculture is also found to be low. While government has set up the National Commission for Science and Technology, the media lack the capacity to provide the bridge between research, policy makers and communities at large.

Other threats to achieving sustainable development include climate change, HIV/AIDS and global economic crises. Climate change is threatening water sources as well as hydropower generation as dry spells are increasing in frequency and this is also affecting the foremost important economic activity in the country: Agriculture. Climate change is also expected to affect biodiversity and impact the health sector by increasing vector-borne diseases. The HIV/AIDS pandemic mostly affects the productive population (15 to 49 years), which not only places a severe burden on the country's economic status but also compromises the achievements on sectoral growth and development in all aspects. Government's initiatives that encourage voluntary testing and provision of free anti-retroviral therapy and the nutrition programmes have helped in this regard. Malawi has made some progress in tackling HIV/AIDS where there has been a reduction in adult (ages 19-49) prevalence rate from 11.8% in 2004 to 10.6% in 2010 (NSO, 2010).

Finally, sustainable development has also been impacted by aid effectiveness in Malawi. Aid effectiveness has been affected by lack of aid predictability, aid fragmentation, inadequate use of country systems, and continued use by some development partners of their own parallel implementation structures. Aid can play a part in sustainable development only when its provision is aligned with partner countries' own policies and strategies. In this regard, The Malawi Government has formulated the Development Assistance Strategy to facilitate a more effective way to receive and apply external resources for the MGDS. Through this strategy, government intends to domesticate the five principles of the Paris Declaration on Aid Effectiveness to which Malawi is a signatory. Options for Green Economy

2.4. The Concept of Green Economy

Green Economy is defined as "one that results in improved human wellbeing and social equity, while significantly reducing environmental risks and ecological scarcities" (UNEP, 2011). Green economy is characterized by low carbon energy production, efficient lifecycle use of materials and more inclusive sharing of economic wealth. Other features of a green

economy are green jobs, green industries, green production processes, safe and healthy workplaces, decent jobs for all, social inclusion and social development. Green Economy would remedy challenges arising from prevailing economic model through a variety of institutional reforms, resource quotas, environmental taxation, investment in innovative technologies and strategic alignment of public subsidies.

2.5.Green Economy: The Malawian Perspective

Malawi is facing a number of challenges in transforming itself into a green economy. Over the period 2000 to 2009, real gross domestic product grew at an annual average rate of 4.6 percent. From the mid-2000s, the rate of economic growth accelerated, reaching an annual average rate of 7.8 percent between 2006 and 2010. But the rate of economic growth declined to 4.5 percent in 2011. While, in general, the rate of economic growth has been satisfactory in recent years, it must be noted that it has not been equitably distributed. Most of the growth has originated in the sectors of construction, wholesale and retail trade, information and communications, financial services and insurance, and in accommodation and restaurants. These sectors are dominated by large enterprises and, therefore do not directly serve the interests of the poor who do not feature in them as producers. In smallholder agriculture, where the poor dominate, the growth of real value added between 2000 and 2007, for example averaged only 3.0 percent.

World Development Indicators show that Malawi's poverty has been declining from 65.3% in 1998 to 52.4% in 2004. However, the latest Malawi Demographic and Household Survey (2010) which has not been published yet at the time of writing this report may confirm the current level of poverty in the country..

On the environment front, forest and soil degradation has continued unabated, as has depletion of fisheries and wildlife, and loss of biodiversity. The degradation of the environment reduces green savings, investment and it costs the country a loss of 5.3 percent of its GDP annually. Environmental degradation also reduces food production, thereby worsening food security.

At the micro level, there are projects in various sectors that fit the Green Economy Concept. However, as indicated earlier, it was noted that most stakeholders consulted are not familiar with the Green Economy Concept. Most notable amongst the green economy initiatives in Malawi is the REDD+ projects, including the Kulera Biodiversity Project implemented by Total Land Care, which targets resource poor households around 4 protected areas which are the Nyika-Vwaza complex, Mkuwazi Forest Reserve and Nkhotakota Wildlife Reserve. Another initiative is the Trees of Hope - REDD+ initiative for small-scale farmers in Malawi and being implemented in Neno and Dowa. While these projects may appear attractive, they are complicated in conceptualization and implementation because of complex design formats and requiring long-term contracts. A consortium composed of Department of Forestry, LEAD and Malawi Environment and Endowment Trust (MEET) came up with a carbon sequestration project with the support of the United States Agency for International development (USAID). The project is yet to find buyers of the carbon under the voluntary carbon market.

In the energy sector a project that leans towards green economy is the ongoing blending of ethanol with petrol and the Ethanol Driven Vehicle Project (EDVP) that uses ethanol from major sugar plantations of Dwangwa (in Nkhotakota District) and Nchalo (in

Chikwawa District). The National Commission for Science and Technology (NCST) embarked on this Ethanol Vehicle Driven Project with the overall goal of contributing to economic development by promoting use of ethanol as an alternative energy/ fuel source for petrol driven vehicles and is still in experimental phase. All petrol (excluding petroleum products such as paraffin) in Malawi is currently blended at 80: 10% (Petrol: Ethanol). The use of ethanol as fuel in Malawi is helpful to reduce carbon footprint and can also assist to alleviate poverty. Small scale farmers could be engaged to grow the sugarcane and hence earn a living. Expanded sugarcane and ethanol production can create employment opportunities for Malawians in the sugar as well as ethanol production, processing and marketing chain. There has also been interest in the use of jatropha but it has remained at experimental stage and upscaling is necessary in order to make a significant impact, as no progress has been made in advancing it as a source of fuel and debates are ongoing about it competing with food security due to land demand. From stakeholder consultations, opinions were divided on the value of biofuels in Malawi citing potential land use conflicts where food production should take priority.

Malawi's electricity generation through hydropower, wind and solar are clean energy sources and can be categorized as initiatives supporting the green economy drive. However, hydropower has been seriously impacted by poor catchment management, siltation, excessive invasive weed growth in rivers, floods and droughts. Floods have contributed to the build-up of siltation, damaging hydro turbines. Silt also induces flooding due to poor catchment management and deforestation leading to increasing silt carried by rivers. Droughts have reduced water levels, making minimum dam water levels difficult to maintain. The above challenges to hydropower encourage people to use fossil fuel powered generators, thus contributing to greenhouse gases, especially carbon dioxide which is contrary to the green economy drive and charcoal thereby reversing the gains from clean energy sources.

In Malawi, 88.5% of the total energy demand is met by biomass, the rest from hydrocarbon fuels (6.4%); and coal (2.4%) while only 2.8% demand is met by electricity from hydropower (Malawi BEST, 2009).

Technologies such as small scale irrigation and conservation agriculture being promoted in Malawi also help further the Green Economy drive. In support of irrigation, Malawi government is advocating the Green Belt Initiative (GBI), which is aimed at improving availability of water and irrigation especially to smallholder farmers in the country. Many of these irrigation schemes are low carbon because of gravity fed water and at least one at Ngolowindo is powered by electricity from hydro.

Tree Planting and Management for Carbon Sequestration and Other Ecosystem Services (TPMCSOES) is another initiative supporting green economy initiative supported by the Government of Malawi and aims at compensating local farmers for the land they have set aside for tree planting and for any trees that survive. An important component of this programme is research that focuses on conducting baseline surveys to determine area for planting; assessment of underground baseline carbon stocks; and training farmers on issues of climate change, carbon sequestration and data collection. This programme was drawn up by Forestry Department, Environmental Affairs Department and LEAD soon after the Katoomba Meeting that took place in Uganda in 2007. Even though the programme does not have all the elements to be considered under international carbon markets, it showed political will where Government of Malawi provided the funding to address poverty alleviation using a tree planting programme and learn from it on matters of incentives for addressing environmental stewardship.

Improved Forest Management for Sustainable Livelihoods (IFMSL) is an initiative supporting green economy and is being implemented in twelve districts in Malawi. Key programme interventions include tree planting, forest conservation and the promotion of forest based income generating activities with the overall aim of improving the livelihoods of local communities.

In spite of these initiatives, most Malawians are not conversant with the Green Economy concept and hence the need to raise awareness. Malawi still puts GDP growth above all goals, leading to more environmental degradation in some instances. The fertilizer subsidy programme is a case in point where the country aims to increase GDP through increasing crop production with possible negative environmental consequences such as eutrophication in water bodies. REDD+ activities previously handled by Department of Forestry are now being shifted to Ministry of Agriculture, Irrigation and Water Development. Up scaling the Green Economy Projects would require major structural adjustments and integration using an inclusive approach where all stakeholders are involved..

Measures for Promoting Green Economy in Malawi from the stakeholders meeting are summarized under Section 4.

3. Institutional Arrangements for Sustainable Development

Since 1992, Malawi has established the Ministry of natural Resources and Environmental Affairs (MoNREA) previously Ministry Of Research And Environmental Affairs (MOREA) and its executive the Environmental Affairs Department. The National Council on the Environment (NCE) was established as the highest advisory wing to the Cabinet, supported by a Technical Committee for the Environment (TCE) and more recently Malawi established a Parliamentary Committee on Agriculture and Natural Resources and a Cabinet Committee for Environment and Natural Resource Management (CCENRM). But in spite of this, poverty and environmental degradation have continued to increase.

During the workshop held in Lilongwe, the stakeholders recommended the following structure as institutional arrangement for sustainable development in Malawi.

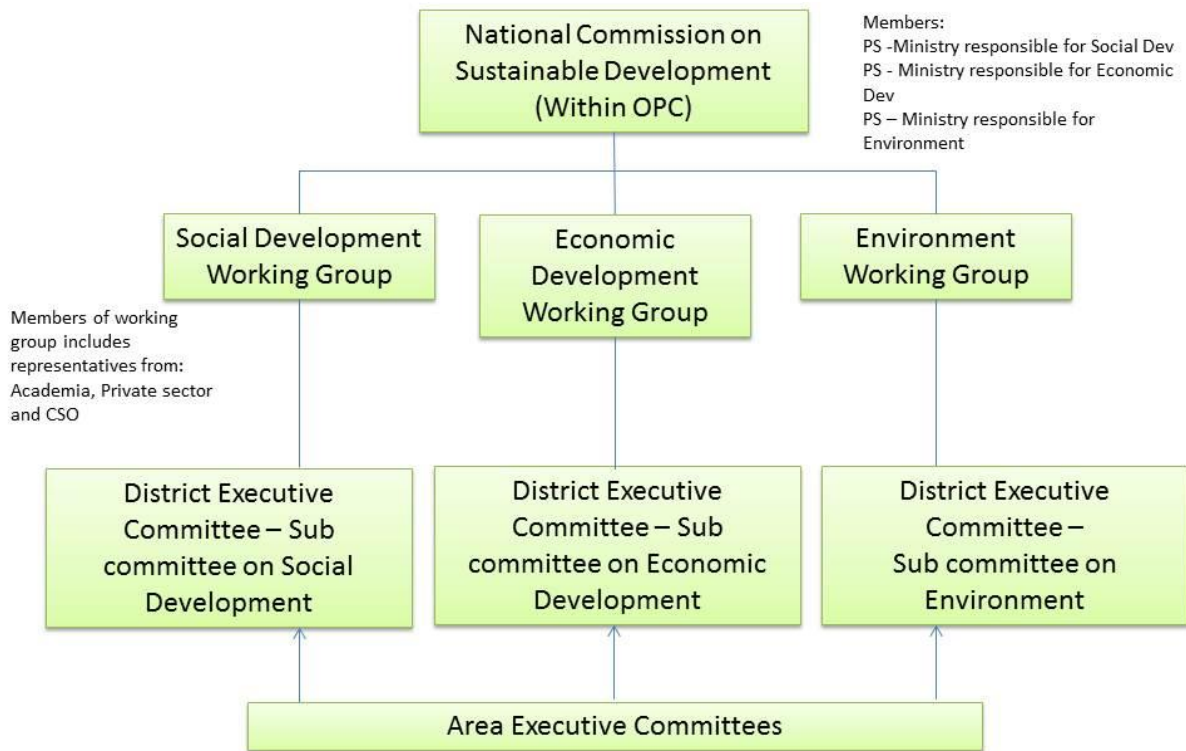


Figure 2 Proposed Institutional Framework for Sustainable Development

The National Commission for Sustainable Development would be within the Office of President and Cabinet (OPC) and would have membership including Principal Secretaries of three ministries responsible for the three pillars of sustainable development including social, economic and environment. Working groups in the three pillars would provide guidance and advice and have membership from various sectors including academia, civil society organizations, private sector and the district executive committees and area executive committees would be providing information needed for decision making and policy advice. There was divided opinion among the participants as some felt that it would be better to strengthen existing structures and orient members with the integrated approach of the three pillars towards sustainable development. Reorganization would still be essential to create understanding that prudent environmental management requires sufficient gains in the economic and social pillars.

4. Summary of Stakeholders workshop

The stakeholders' workshop was held at Capital Hotel in Lilongwe on 15th May, 2012. Participants included policymakers, civil society, private sector and academia and development partners.

The workshop began with a statement from the UNDP Resident Representative who emphasized that the agenda for sustainable development should be given momentum, drawing on the lessons that we have learnt since 1992 and taking into account new challenges, so as to achieve the Millennium Development Goals.

The Deputy Director of the Department of Environmental Affairs pointed out at the meeting that Malawi has put in place relevant legislation, strategies and policies for implementing all the three agreements post Rio 1992. Failure to attain the goals of Agenda 21 is not due to lack of enabling legislation, strategies and policies, but due to challenges such as lack of resources for implementation. Tackling these challenges requires a holistic approach to sustainable development, strengthening integration of social, economic and environmental concerns; diversification of the economy, especially away from tobacco and reducing corruption.

On behalf of the consultants, Prof. Chiotha presented the Stocktaking Report to the workshop. In his presentation, he highlighted the background to the study, the objectives and methodology, before explaining the findings relating to integrated planning and decision making for sustainable development, the status of implementation of Local Agenda 21, institutions for sustainable development, sustainable development in key sectors, the role of the Ministry of Development Planning and Cooperation, tradeoffs between economic growth and sustainable development, the green economy, prospects for sustainable development in the next decade and the recommendations from the stocktaking report.

Participants made observations and comments on the report and asked questions to which Prof. Chiotha responded. After the question and answer session, In the process, participants suggested that the report should:

- o Include more information related to issues of Mining and Industry
- o Include current initiatives related to Reducing Emissions from Deforestation and forest Degradation plus (REDD+), Clean Development Mechanism (CDM), management of forests in customary land, renewable energy and related micro projects
- o Discuss the status in the set-up of Environment Protection Agency (EPA)
- o Include as recommendation that sustainable development must be integrated into all pillars (social, economic and environmental)
- o Include Green Economy issues with a focus on:
 - i) Implementation and capacity building suitable for developing countries in order to avoid marginalization and exploitation,
 - ii) linkages with private sector for green jobs, ecosystems approach to health, social enterprise and occupational safety and health
- o Include the challenges of usage of burnt bricks, bush fires and burning of litter in Malawi and make recommendations for immediate action
- o Make recommendations to take advantage of mitigation funds available for energy sector
- o Note that value addition is necessary for Malawi to diversify its industrial base
- o Take stock of progress made with Environment Fund and Forestry Fund
- o Integrate academia, private sector, NGOs and decentralized structures in structural framework for achieving sustainable development
- o Include formal education, non-formal education and lifelong learning for sustainable development.
- o Recommend that further to Rio+20, National Strategy for Sustainable Development (NSSD) should be reviewed considering the outcomes of the summit
- o Recommend that communications interventions must create awareness, increase knowledge, understanding and participation for sustainable development

Stakeholders were then divided into groups to identify key issues and barriers to addressing sustainable development, identify options for Green Economy, propose institutional arrangements for sustainable development and make recommendations to strengthen national sustainable development agenda.

Key issues and barriers to addressing sustainable development were identified as being:

- o Environmental – lack of funding for implementation, budgetary constraints, lack of political will and lack of incentives for the private sector.
- o Social – poverty, which, along with rising population, is putting tremendous pressure on natural resources
- o Economic – Insufficient valuation and mainstreaming of the environment in decision making, neglect of the environment in politically-driven projects, and inadequate capacity for sourcing resources from development partners.

Options for a green economy were identified as being maximizing economic benefits from Green Economy through:

- o Review of legal and policy frameworks making Green Economy initiatives conducive to investors
- o Increasing the participation of the Private sector and Civil Society Organizations in the green economy through traditional and community based approaches
- o Strengthening public monitoring systems
- o Enhancing the capacities of various stakeholders
- o Developing capacities in Human Capital, Technology, Financial, Infrastructure and Energy
- o Promotion of safety and healthy capacities in the green economy
- o Promotion of social Protection interventions (subsidy for those in abject poverty)
- o Review of the financial inclusion act for the change of the ownership in the financial institutions setting (Village Banking, SACCO, options for sharing of profits for bankers)
- o Greening the existing technologies and policies
- o Promoting REDD+
- o Promotion of local capacities for carbon trading
- o Promoting the use of clean energy technologies (Solar, hydro)
- o Improving waste management and Recycling
- o Pollution control

Proposed institutional arrangements for sustainable development are captured by the chart shown on Figure 1.

Recommendations made to strengthen the national sustainable development agenda were:

- o That capacity should be built and resources provided for developing guidelines for implementation of sustainable development in line with Agenda 21.
- o That the strategy on sustainable development should be driven at Ministry level.
- o Creation of a national taskforce including representation of all sectors to drive the agenda on sustainable development.
- o Review and update the national sustainable development strategy.

5. Recommendations to Strengthen the National Sustainable Development Agenda

5.1. Adopt a Holistic Approach to Development

Malawi must strive forward in combating poverty and reducing the country's dependence on natural resources. A holistic approach is necessary where education, employment opportunities, economic growth, empowerment of the poor as well as achievement of Millennium Development goals, are prioritized. Rapid rural to urban migration being experienced in Malawi contributes to increasing poverty in cities due to limited employment opportunities. Hence, rural growth centers with clear strategic plans would be engines for stimulating sustainable development. Socially and environmentally responsible growth is necessary with emphasis on equity and inclusiveness for improving the wellbeing of Malawians. One indicator of improved wellbeing would be increase in life expectancy as illustrated by figure 3 below.

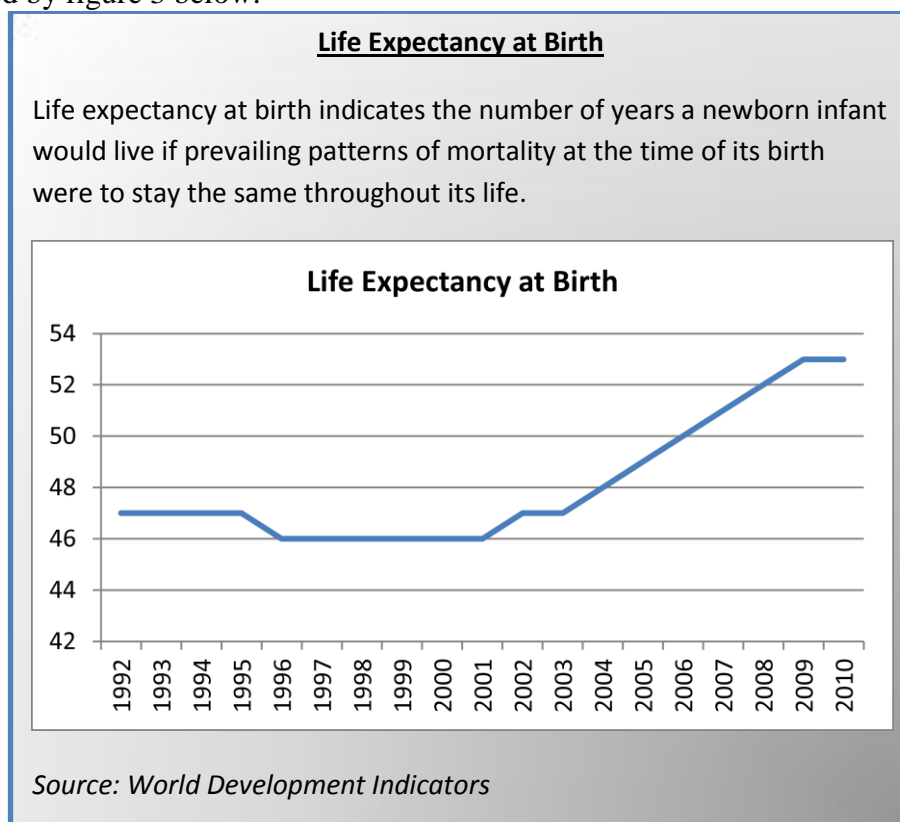


Figure 3 Life Expectancy at Birth

5.2. Integrated planning and decision making

Decision making at all levels in Malawi must take into cognizance social, economic and environmental aspects and integrate these. This integrated approach will help the country make progress towards sustainable development. In this regard tools such as EIAs must be used for safeguarding social, economic and environmental tradeoffs in development. Capacity should be built and resources provided for developing guidelines for implementation of sustainable development in line with Agenda 21.

5.3. Integrate Social and Environmental Costs in Economic Activities

Malawi must integrate social and environmental costs in economic activities so that prices reflect relative scarcity and the total value of natural resources so that they can contribute towards prevention of environmental degradation. This requires the removal or reduction of subsidies and the adjustment of prices that are inconsistent with sustainable development. Environmental costs have to be incorporated in the decisions of producers and consumers, to reverse the tendency to treat environment as a “free good” and to pass these costs on to other parts of society, other countries or to future generations.

Social and environmental costs must be incorporated in forests, water, biodiversity, soil and air. In Forestry, government must ensure that royalty rates and fees reflect market prices of forest products; increase the level of funding of the Forestry Department; and carry out a comprehensive assessment of the value of forest products in the country. Taking into account the full economic value of ecosystem services and the cost of their degradation in decision-making could help slow or reverse ecosystem degradation.

With regard to water resources, price of water should reflect the full cost of social and environmental costs for consumers who have economic benefits from the use of water (for example industries). Industries in Malawi continue to pollute waterways and there is need to internalize costs of externalities such as water pollution caused by industries. Once costs are internalized, market prices will support clean industries and make products from polluting industries expensive, thereby encouraging environmentally friendly production.

Human activities such as fisheries and bird hunting generate externalities on biodiversity. If not well managed, overfishing and over harvesting of natural products will occur and negatively affect biodiversity. Biodiversity decline will affect ecosystems services and thereby affect human wellbeing. Although quantifying and costing biodiversity is difficult, eco-labeling and using ecosystems approach in projects would help reduce the decline in biodiversity.

Soil erosion could be addressed to some extent with technology such as conservation agriculture, better methods of land conservation and use and improving soil fertility. Air pollution costs could be internalized with stricter emissions standards in vehicles and effluents from industries. For this we need to acquire technology to monitor pollution.

5.4. Improve Capacity in Data Collection and Usage

Major efforts should be made to augment the capacity at the National Statistical Office to collect and analyze environmental data and information and to integrate it with economic data, including gender disaggregated data. Efforts should also be made to develop physical environmental accounts. In this connection, training in all areas related to the establishment of the Malawi Integrated Environment and Economic Accounting will be required.

5.5. Strengthen the Role of Farmers and major groups

The following recommendations are proposed:

- a. To develop a policy framework that provides incentives and motivation among farmers for sustainable and efficient farming practices;

- b. To enhance the participation of farmers, men and women, in the design and implementation of policies directed towards these ends, through their representative organizations;
- c. To support and enhance the legal capacity of women and vulnerable groups with regard to access, use and tenure of land;
- d. With improvements in IT, farmers should be empowered to generate, share and receive practical knowledge and the ideas of local tele-centres, rural radios etc. should be supported by the government and civil society.

5.6.Strengthen Scientific and Technological Community

Malawi needs not only to have robust policies that support science and technology but should also find ways of making sure that science is taught at all levels of education in more effective ways. This includes formal, non-formal and lifelong learning is essential for sustainable development.

5.7.Strengthening the role of Business and Industry

Government of Malawi, business and industry, including transnational corporations, should aim to increase the efficiency of resource utilization, including the principles of reuse, recycle and reduce. Malawi needs to diversify its industrial base.

5.8.Strengthen the Role of Workers and Trade Unions

Trade unions are vital actors in facilitating the achievement of sustainable development in view of their experience in addressing industrial change, the extremely high priority they give to protection of the working environment and the related natural environment, and their promotion of socially responsible and economic development. Workers should be full participants in the implementation and evaluation of activities related to Agenda 21.

5.9.Local Authorities should be in support of Local Agenda 21

“Because so many of the problems and solutions being addressed by Agenda 21 have their roots in local activities, the participation and cooperation of local authorities will be a determining factor in fulfilling its objectives. With the level of governance being closest to the people, Local Authorities play a vital role in educating, mobilizing and responding to the public to promote sustainable development” (Agenda 21, paragraph 28.1).

5.10. Strengthen the role of NGOs

To ensure that the full potential contribution of non-governmental organizations is realized, the fullest possible communication and cooperation between international organizations, national and local governments and non-governmental organizations should be promoted through programmes designed to carry out Agenda 21. Non-governmental organizations will also need to foster cooperation and communication among themselves to reinforce their effectiveness as actors in the implementation of sustainable development (UNCSD, 1992).Government of Malawi should to continue engaging in meaningful dialogue with the NGO community in implementation of Agenda 21 and its monitoring and evaluation activities at all levels.

5.11. Women should be more involved in sustainable development

Below is a summary of some of the recommendations for national governments towards women involvement in sustainable development.

- a. To implement the Nairobi Forward-looking Strategies for the Advancement of Women, particularly with regard to women's participation in national ecosystem management and control of environment degradation;
- b. To formulate and implement clear governmental policies and national guidelines, strategies and plans for the achievement of equality in all aspects of society, including the promotion of women's literacy, education, training, nutrition and health and their participation in key decision-making positions and in management of the environment, particularly as it pertains to their access to resources, by facilitating better access to all forms of credit, particularly in the informal sector, taking measures towards ensuring women's access to property rights as well as agricultural inputs and implements;
- c. To implement, as a matter of urgency, in accordance with country-specific conditions, measures to ensure that women and men have the same right to decide freely and responsibly the number and spacing of their children and have access to information, education and means, as appropriate, to enable them to exercise this right in keeping with their freedom, dignity and personally held values;
- d. To consider adopting, strengthening and enforcing legislation prohibiting violence against women and to take all necessary administrative, social and educational measures to eliminate violence against women in all its forms.

5.12. Children and Youth should be fully involved in Sustainable Development

Children and youth are the future of Malawi and have an important role to play in sustainable development. They should be empowered through education and awareness on social issues such as HIV/AIDS so that they are able to make right decisions. Environmental education and wildlife clubs in schools in Malawi are creating awareness in protecting the environment. Further involvement of children and youth through programmes targeted at them and also through science fairs, environmental commemoration days etc. should be encouraged.

5.13. The atmosphere should be protected from harm

There is need to develop an operational framework for climate change programmes, projects and activities. The National Sustainable and Renewable Energy Programme (NSREP) and/or Department of Energy in promoting renewable energy in the country is a step in the right direction. There is also need for unified and coordinated sectoral policies and strategies to respond to climate change challenges and opportunities. Enforcement of emission limits from vehicles and industry is necessary for Malawi and there will be need for involving relevant departments and ministries responsible for road traffic and industrial inspection. Switching energy sources from biomass requires holistic approach which should include economic empowerment of the users and Malawi needs to build human and infrastructural capacity to monitor, investigate, develop and disseminate various technological and policy interventions to address climate change challenges. There is also need to address the issue of air pollution that arises from bush fires and biomass burning and addressing the health concerns of the fires in addition to air pollution.

5.14. Biotechnology should be managed for sustainable development

Most soils in Malawi are fatigued and cannot, therefore, provide enough and robust harvests to feed people who cultivate them throughout the year. This is compounded by the persistent diseases, drought, flash floods and landslides caused by climate change. With this background, Malawi needs to seriously consider taking huge strides in the genetically engineered crops/livestock. GM crops have the potential to build capacity to utilize the technology to good use without negative social and environmental consequences.

5.15. Desertification and drought should be combated

Malawi should intensify climate change adaptive technologies through promotion of drought resistant crop varieties; crop diversification, conservation agriculture, small scale irrigation and organic farming. Some stakeholders expressed concern that conservation agriculture (climate smart agriculture) while offering hope, has sometimes come with conflicting messages and overrated expectations and this needs to be addressed.

5.16. Deforestation should reduce

Providing alternative inexpensive energy options such as kerosene stoves, briquettes, fuel efficient stoves, small scale biogas production and solar panels may be necessary to reduce dependence on biomass as a fuel source, which has negative repercussions for forests. Payment for ecosystems services mechanisms such as REDD+ may help provide incentives for forest conservation. There is great interest in energy efficient stoves and these may also provide access to CDM funding. Natural regeneration has been seen to have positive effects and must be promoted to more areas.

5.17. International Cooperation should improve to accelerate sustainable development

Malawi needs to make the legal and regulatory framework more effective and to redesign more effective instruments and incentives for protecting the environment; to improve human capacity, and mobilise more domestic financial resources and international assistance for improving social development. Furthermore, Malawi needs to maintain friendly relations with development partners to allow consistent flow of foreign aid into the country.

5.18. Transport Sector should be managed for Sustainable Development

Transport sector in Malawi is over reliant on road network. Alternatives such as water transport and railways are not being utilized to their full extent. VISION 2020 calls for restructuring of railways transport system to make it more efficient and commercially viable.

With regard to road transport the main issues are road safety and fuel for vehicles. Road safety needs to be improved by better maintenance of road infrastructure. Currently, all petrol is blended with Ethanol, although the domestic price of ethanol in Malawi is high which jeopardizes efforts of replacing petrol with ethanol. This calls for policy direction to increase production and help lower the cost. Furthermore, Malawi must make it mandatory for all filling stations to install an ethanol tank.

5.19. Water Sector should be managed for sustainable development

Malawi is in track with achieving the MDG goal of improved access to water sources (Fig 4). However, there is need to improve capacity in the country for water recycling. Catchment management of rivers must be ensured to reduce siltation which affects hydropower generation. An eco-health approach must be taken in water supply provision so as to not spread water borne diseases such as Bilharzia and cholera.

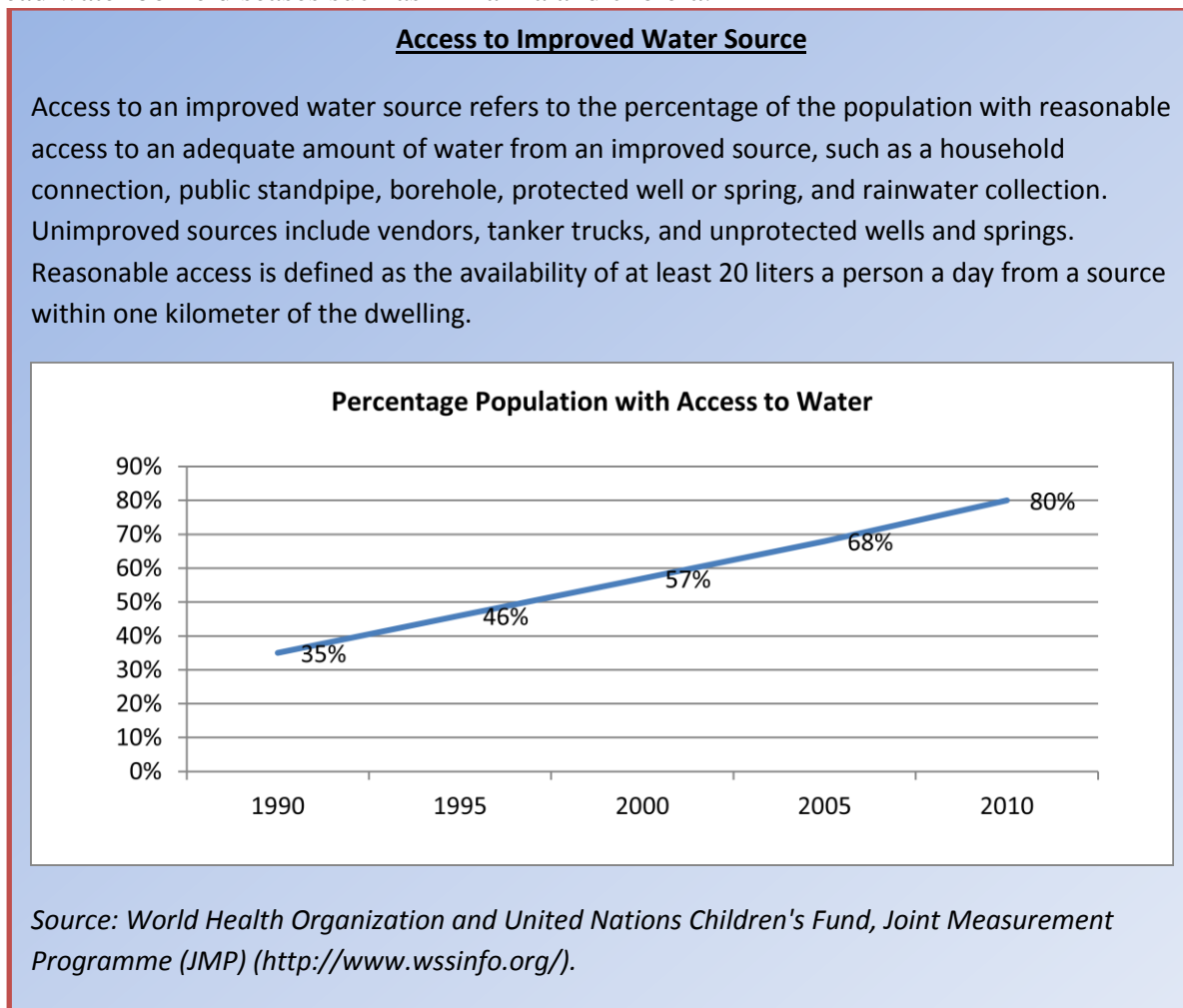


Figure 4 Percentage Population with Access to Water

5.20. Energy Sector should be managed for sustainable development

There is need to upscale technologies for clean energy such as fuel efficient stoves, biogas, briquettes, wind power and solar. There is need for research to find locally suitable technologies for mini hydro power plants. Climate change will pose stress on water resources and flows of rivers will be affected. This needs to be taken into consideration while planning hydropower. While the alternative sources of energy will help on a small scale, the huge generation demand gap can be reduced by hydropower generation on Shire River and other major rivers. Regional interconnection may help to bring stability in the short term.

There is need to look at energy consumption in a holistic manner, as poverty must be reduced and education levels improved in order for communities to jump the energy ladder and move from over dependence on biomass to electricity and other clean energy sources. Awareness campaigns must be done to promote clean energy technologies in Malawi, through media

such as press, radio and television. Community awareness could also be raised through drama and music. It is further recommended that mitigation funds available for energy sector must be accessed by Malawi and these could help create incentives much needed for technology adoption..

5.21. Land Resources should be managed for sustainable development

Malawi should develop and implement an overall policy that would harmonize the different sectoral policies, arbitrate policy conflicts and tackle the cross-sectoral nature of land degradation.

5.22. Tourism, Mining and Industry should be managed for sustainable development

Government should continue to actively promote tourism in Malawi. It is recommended that community involvement in tourism and eco-tourism initiatives should be encouraged. There is need to increase the skilled labor force for tourism and promote sustainable tourism that is both ecologically sensitive and socially sustainable. Furthermore, better marketing of Malawi as a tourist destination will help encourage more local and foreign investment. It is also recommended that re-zoning of specific areas with special biodiversity could be helpful. There is also need to improve transport infrastructure to support the industry.

Malawi has a variety of minerals of economic importance and the mining sector has been declared a priority sector which has resulted in increased activity as evidenced by the opening of the first commercial mine at Kayerekera in Karonga. Employment through mining activities have increased and contributed to economic growth of the country. However, there is need for continued monitoring to mitigate potential negative impacts.

Malawi's industrial production or manufacturing sector has been concentrated in the cities of Blantyre and Lilongwe and has not grown significantly. Value addition and export development as well as employment creation needs to be enhanced through growth in this sector.

5.23. Green Economy initiatives should be encouraged

The concept of Green Economy is fairly new in Malawi hence the need to raise public awareness about the concept and its implications to sustainable development. Malawi must strive towards reducing greenhouse gas emissions mainly from biomass burning, particularly forest fires, while at the same time strive to grow its economy and create jobs. This can be achieved by providing incentives for environment friendly projects and products, empowering the poor through supporting marginalized groups and providing livelihood opportunities via sustainable enterprises.

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