



MALAWI EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE (MWEITI) ANTI-CORRUPTION STRATEGY (ACS)

2023 - 2028

**THEME: 'PROMOTING TRANSPARENCY AND ACCOUNTABILITY IN THE
EXTRACTIVE SECTOR OF MALAWI FOR INCLUSIVE SUSTAINABLE DEVELOPMENT'**

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The Secretariat would like to make special mention of representatives of private sector and Civil Society Organisations (CSO) in the extractive sector for offering their insights on ways to fight corruption in the sector. Representatives of local authorities and traditional leaders consulted are also gratefully acknowledged for their inputs.

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ABBREVIATIONS AND ACRONYMS

ACB	Anti-Corruption Bureau
ACS	Anti-Corruption Strategy
ACHPR	African Charter on Human and People’s Rights
ASM	Artisanal and Small-Scale Mining
BoD	Beneficial Ownership Disclosure
CEDAW	Convention on the Elimination of all forms of Discrimination Against Women
CONGOMA	Council for Non-Governmental Organisation of Malawi
CPI	Corruption Perception Index
CSR	Corporate Social Responsibility
CSOs	Civil Society Organisations
CRC	Convention on the Right of the Child
DEA	Department of Environmental Affairs
DP	Development Partners
DoF	Department of Forestry
DF	Department of Fisheries
EDF	Export Development Fund
EITI	Extractive Industries Transparency Initiative
ICCPR	International Covenant on Civil and Political Rights
ICESCR	International Covenant on Economic, Social and Cultural Rights
IICs	Institutional Intergrity Committees
GDP	Gross Domestic Product
GoM	Government of Malawi
KUM	Kayelekela Uranium Mine
MCOME	Malawi Chamber of Mines and Energy
MDA	Mining Development Agreement
MOFEA	Ministry of Finance and Economic Affairs
MONRF	Ministry of Natural Resources and Forestry
MRA	Malawi Revenue Authority
MSG	Multi –stakeholders Group
MWEITI	Malawi Extractive Industries Transparency Initiative
MNS	MWEITI National Secretariat
NACS	National Anti-Corruption Strategy
NAO	National Audit Office
NGOs	Non-Governmental Organisation
NPC	National Planning Commission
NRJN	Natural Resources Justice Network
OGI	Open Government Initiative

PPDA	Public Procurement and Disposal of Assets Authority
PPPP	Public Private Partnership Policy
PSCAC	Private Sector Coalition Against Corruption
RBM	Reserve Bank of Malawi
RGD	Registrar General Department
SDGs	Sustainable Development Goals
TEVETA	Technical, Entrepreneurial and Vocational Education and Training Authority
TI	Transparency International
TMCU	Timber Millers Cooperation Union
UDHR	Universal Declaration of Human Rights
UNCAC	United Nations Convention Against Corruption

FOREWORD BY THE MWEITI CHAMPION, HONOURABLE MINISTER OF FINANCE AND ECONOMIC AFFAIRS

I am pleased to present this first ever anti-corruption strategy for the extractive sector in Malawi, which will be implemented under the theme, **‘Promoting Transparency and Accountability in the Extractive Sector in Malawi for Inclusive Sustainable Development’**. This strategy reflects the Government’s continued commitment to ensuring sustainable, prudent, transparent and accountable extraction and management of the country’s natural resources. In this connection, this strategy provides a blue print for combating the scourge of corruption in all its forms.

I note with satisfaction that this strategy not only complements, but is aligned to the National Anti-Corruption Strategy (NACS) II that provides the country’s overall strategy in fighting corruption. In a similar manner, this strategy is also aligned to the Domestic Revenue Mobilisation Strategy (DRMS) that seeks to broaden the country’s revenue base, as well as providing ways of efficiently and effectively managing the natural resources at our disposal. This strategy, doubtless underscores the Government’s zero tolerance stance towards corruption.

I am aware that fighting corruption is one of the pillars of the Open Government Initiative that seeks to ensure transparent, inclusive and accountable governance. In addition, this strategy also aligns with the strategic priority of EITI Standard to address corruption risks along the extractive value chain. Furthermore, MWEITI is a key Institution and driver of the thematic pillar “natural resources” under Open Government Partnership Initiative (OGPI). I am confident that this strategy will serve as one of the tools for safeguarding resources that will move Malawi towards the realisation of its long term vision of **‘An Inclusively Wealth and Self-reliant Nation’**.

I wish to embrace the hope that the stakeholders that joined together with Government to develop this strategy, will continue to do so to help achieve the objectives set out in this strategy. Let me also take this opportunity to thank our partners the European Union (EU) Chuma Cha Dziko (CCD) Project for providing financial and technical support for the development of this strategy.

Finally, I wish to acknowledge the trust and mutual relationship that the Multi-Stakeholder Group (MSG) has built through its leadership of the MWEITI that has led to the development of this strategy. I encourage the MSG to sustain the active engagement of all key stakeholders in the extractive sector in order to make this strategy a success for the benefit of Malawi.

Hon. Sosten Alfred Gwengwe, MP
Minister of Finance and Economic Affairs

PREFACE BY THE MSG CHAIRPERSON

As Malawi strives to transform itself from low income to upper middle class income status, opportunities abound, given the potential offered by the extractive sector, especially in the area of mining, oil and gas. However, Malawi could join the unenviable list of countries suffering from the ‘mineral resource curse’, if the country does not effectively deal with corruption, which is threatening every aspect of the Malawian society. It is with these sentiments that I welcome the development of the MWEITI ACS, as it provides a road map for tackling corruption in the extractive sector.

I note that the ACS was developed using a participatory approach that maximised the inputs of a cross section of stakeholders at national and district level, including Traditional leaders. The resultant strategy is not only relevant to the issues being tackled, but also offers practical solutions that are cost effective. The strategy also benefited from extensive literature review, which included drawing on the experiences, lessons and best practices from similar anti-corruption initiatives in the extractive sector around the world.

Corruption needs to be exposed and denounced in all its forms and its perpetrators held accountable, if the country is to forge ahead with its development agenda. For the successful fight against corruption, all stakeholders in the extractive sector need to collaborate to effectively support the implementation of the MWEITI ACS.

On behalf of the MSG, comprising of the Government, the extractive sector companies and civil society, I wish to express support for the implementation of the MWEITI ACS and to request stakeholders of goodwill to join hands with us in the noble cause of fighting corruption. I wish to express my gratitude for the financial support rendered by the European (EU) under Chuma Cha Dziko (CCD) Project in the development of this strategy.

MSG Chairperson

GLOSSARY OF KEY TERMS

Beneficial ownership (BO).	Describes the “natural” person(s) who, directly or indirectly, ultimately own(s) or control(s) a corporate entity, a license or other property.
Cadastre	An official register of oil, gas, and mining licenses. These registers often include information such as the name of the company holding the license, the duration of the license and coordinates of the license area.
Concessionaire	Means a partner assigned through a long-term concession contract with a Contracting Authority, the right to invest and maintain an infrastructure project or provide a service to the public, and be compensated through charging of user fees directly to the public
Corruption	Corruption is inappropriate abuse of authority among government officials or members of private organisations in exchange for benefits for themselves or others. Bribery is perhaps the most recognised form of corrupt behaviour, but abuse of power can take many forms, including fraud, forgery, turning a blind eye to crimes, extortion, coercion, making decisions that favour friends or relatives, nepotism, trading in influence, embezzlement and laundering of the proceeds of crime.
Civil Society Organization (CSO):	A broad term used to describe nongovernmental and noncorporate organizations, such as the media, trade unions, religious groups, nongovernmental organizations (NGOs), academia, and think tanks. Civil society is broad and diverse and often represents a wide variety of constituencies.
EITI Principles	The founding tenets of EITI.
EITI Report	All EITI implementing countries publish annual EITI Reports, which allow citizens to follow the value of the country’s natural resources from issuance of licenses, production and

EITI Requirements

payments all the way into government accounts. The report is compiled by an Independent Administrator.

There are seven requirements for implementing countries. The requirements can be found in the EITI Standard. These are broken into 31 requirements that serve a benchmark for implementing countries to make progress on transparency and accountability in the extractive sector.

EITI Standard

The EITI Standard is the global transparency standard for improving governance of natural resources. It outlines the requirements applicable to countries implementing the EITI as well as the Articles of Association governing the EITI.

Independent Administrator

An organization, typically an auditing firm, appointed by the multi-stakeholder group (MSG) to produce the EITI Report. The Independent Administrator is charged with comparing different sets of data and investigating and explaining any discrepancies identified. The Independent Administrator does not usually carry out an actual audit of such transactions.

Joint Annual Review

Forum bringing together all key stakeholders in the extractive sector in Malawi to review progress and chart the way forward

Local Authority

A City, Town, District, or Municipal Council, established under the Local Government Act

Multi-Stakeholders Group (MSG)

The multi-stakeholder decision-making body in a national EITI process that leads and oversees implementation of EITI in a country, comprising representatives of government, extractive industry companies, and Civil Society Organizations.

MWEITI Policy

A document that contains the policy framework of the Malawi extractive industries transparency initiative

Politically exposed person (PEP)

A natural person who is or who has been entrusted with prominent public functions.

Public-Private Partnership

Means a contract in which a Contracting Authority partners with a Partner

to build, expand, improve, or develop infrastructure or service in which the Contracting Authority and private sector partner contribute one or more of know-how, financial support, facilities, logistical support, operational management, investment or other input required for the successful deployment of a product or service, and for which the Contracting Authority and the private sector partner is compensated in accordance with a pre-agreed plan, typically in relation to the risk assumed and the value of the result to be achieved

Validation

The agreed process by which progress on implementing EITI by countries is measured against the EITI Requirements

EXECUTIVE SUMMARY

The 2023-2028 MWEITI ACS has been developed to guide the extractive sector to implement a robust set of measures to fight against corruption. The ACS was developed in a highly participatory manner, to ensure relevance and ownership of the results. The assessment took into account the environment in which the sector is operating so as to generate strategies that are relevant and evidence-based. The assessment entailed consultations with a cross section of groups and individual stakeholders in the extractive sector at national and district level.

The assessment of the environment revealed the potential that the extractive sector, especially mining, including oil and gas has to contribute to the GDP and the overall reduction of poverty of the country. Notwithstanding the potential of the extractive sector, the assessment also revealed a number of corruption risks across the value chain of the extractive sector of mining, forestry, fisheries and transport that need to be addressed to ensure sustainable extraction and management of natural resources in the country.

In sum, the key emerging corruption related issues in the extractive sector are highlighted below.

1. Allocation of licenses/permits/concessions is fraught with a number of corruption risks that include bureaucratic delays, involvement of politically exposed persons, the lack of transparency and inadequate use of technology, as well as broad discretionary powers at the level of Director in the departments of Forestry and Fisheries. This is exacerbated by gaps in the legislation and weaknesses in internal corruption prevention measures in agencies that award licenses/permits/concessions that include failure by some officers to declare their assets in accordance with the Public Officers (Declaration of Assets, Liabilities and Business Interests) Act of 2013, which may mask their business interests in enterprises in the extractive sector.
2. There is a lack of a well structured process for negotiating Mining Development Agreements (MDA)/permits/concessions which poses a corruption risk(s), in terms of transparency and accountability, which may lead to government collecting less than its fair share of revenues from the extractive sector especially mining and hydrocarbons. However, there are steps being taken to develop a model MDA.
3. There is inadequate monitoring of production levels in the extractive sector due to constraints in funding and skills of staff in the various MDAs, leading to under declarations of production and their attendant values. In addition, there is a lack of capacity to monitor prices for commodities on the international markets so as to inform an understanding of the values of such commodities.
4. Current Beneficial Ownership Disclosures (BoD) do not meet international benchmarks such as the EITI standard and requirements as there is partial disclosure of beneficial owners of enterprises. However, there are indications that the country is taking steps to align with international disclosure standards as the Companies (Beneficial Ownership)

Regulations published in December 2022 seek to improve transparency and accountability in the ownership structures of companies operating in Malawi. The regulations require all companies to disclose their beneficial ownership information to the Registrar of Companies, in a bid to fight against corruption, money laundering and other illicit activities. Notwithstanding the development on beneficial ownership, there will be a need for disclosures to be extended to relationships between public sector officials and owners of private sector companies to ascertain their influence in award of licenses, permits and contracts as they are reports of collusion between owners of companies and politically exposed persons, as well as with key public servants.

5. The measures to prevent illicit flows of finances are inadequate resulting in some entities in the extractive sector not honoring their obligations in annual fees, royalties¹ and concessions due to capacity constraints and instances of false invoicing, bribery and corruption. The collection of tax revenue from the extractive sector is also less than optimal as many eligible entities are not contributing their fair share of revenue. This is compounded by inadequate auditing capacity by the National Audit Office (NAO) to undertake specialized audits. There is also rampant smuggling of precious stones such as gold, rubies resulting in loss of revenue.
6. There is Inadequate attention to localities where natural resources are extracted leading to sentiments of being 'short changed' by local communities. The benefits from exploitation of natural resources are not evident in communities where mining is taking place. There is a lack of transparency on how proceeds from mining ventures and other extractive ventures are benefiting the country. This is exacerbated by perceptions of inordinate collusion between traditional leaders and potential investors and inadequate civic education among the citizenry of operations of key agencies in the extractive sector. To counter such perceptions among communities where natural resources are extracted and to promote transparency and accountability in resource management, the Mines and Minerals Act (MMA) of 2023 provides for Community Development Agreements (CDAs) under the large scale mining category. There are also provisions for Corporate Social Responsibility (CSR), although, this is not mandatory.
7. Natural resources extraction causes irreparable damage to the environment and therefore the need for impact mitigating measures.

The MWEITI ACS sets out the following Strategic Objectives in order to address the corruption related risks in the extractive sector value chain.

1. To improve the license/permit and concessions award processes and internal measures to combat corruption.

¹ Royalties are now to be collected by MRA as per MM Act.

2. To strengthen the negotiating framework on Mining Development Agreements (MDA) for fair revenue sharing.
3. To strengthen the management and monitoring arrangements of minerals production volumes, payments/revenue, export volumes and export proceeds.
4. To increase compliance with disclosure of beneficial ownership requirements.
5. To strengthen capacity of revenue collection agencies in corruption prevention and management.
6. To strengthen mineral resource proceeds sharing between mining entities and local communities.
7. To strengthen environmental protection efforts related to extractive sector activities.

The operationalisation of the MWEITI ACS will be through an Implementation Plan attached as Annex 1, while monitoring of progress in terms of achievement of the strategic objectives will be done through use of the Monitoring and Evaluation Plan attached as Annex 2.

1.0 CHAPTER ONE: INTRODUCTION AND BACKGROUND

1.1 Preamble

In June 2015, Malawi became a member of the international Extractive Industries Transparency Initiative (EITI), which is a global platform that promotes transparency and accountability in the extractive sector. This development, signaled the Malawi Government's resolve to implement the EITI Standard in the extraction of natural resources in the country. The move also underscored the Government of Malawi's (GoM's) determination to put in place governance arrangements and strategies that address corruption in the sector. In this regard, the GoM has established the Malawi Extractive Industries Transparency Initiative (MWEITI) National Secretariat, which is housed in the Ministry of Finance and Economic Affairs (MoFEA) to coordinate and support a Multi-Stakeholder Group (MSG), which is a crucial part of implementing the EITI Standard. The MSG is comprised of two members each from the key constituent groups, namely, government institutions, civil society organisations, and the private sector. The MSG is responsible for providing oversight of the EITI implementation in the country.

1.2 Rationale for the MWEITI ACS

The extractive sector in Malawi has been operating without a broad overarching contextualized anti-corruption strategy for addressing corruption issues in the sector. In this regard, efforts to tackle corruption in the sector have proved futile as they lacked coordination and coherence. In 2020, the EITI Board recognised the need for the EITI to clearly articulate its role in deterring corruption and provide support to MSGs to enable them to contribute to anti-corruption measures. The 2023 EITI Standard requires that multi-stakeholder groups consider issues related to extractive sector governance – including issues related to corruption – to place more focus on ensuring that EITI implementation strengthens anti-corruption efforts. Given that EITI Standard and priorities ensure transparency and accountability in the exploration, extraction, management and use of revenues from natural resources, an anti-corruption strategy is one of the critical tools in fulfilling that objective. Malawi, has a National Anti-Corruption Strategy (NACS) II, which recognizes the need for specific anti-corruption measures targeting different sectors of the economy, such as the extractive sector.

1.3 Purpose of the MWEITI ACS

The MWEITI ACS seeks to operationalize the efforts of the GoM in fighting corruption nationally, by facilitating a more focused and targeted approach to dealing with the malpractice in the extractive sector. The aim is to assist GoM achieve its development aspirations of an 'inclusively wealthy and self-reliant nation'. The strategy facilitates implementation of the objectives of the MWEITI Policy of strengthening the trust among stakeholders of natural resources management and addressing corruption risks in the extractive sector.

1.4 Approach of the MWEITI ACS

The MWEITI ACS is anchored on the requirements of EITI and aspirations of the NACS II, as well as the MWEITI policy and the principles of the Open Government Partnership Initiative (OGI). It

is also premised on the desire to have a win-win scenario for all parties involved in the extractive sector, as espoused in the country's Domestic Revenue Mobilisation Strategy (2021-2026). In addition, the MWEITI ACS was developed using a participatory approach that sought to capture inputs of all key stakeholders involved in the extractive sector, namely, Government at central and local levels, private sector, Civil Society Organisations (CSOs), Media, Development Partners, Traditional Leaders representing the local communities (List of stakeholders consulted is attached as Appendix 1). The MWEITI ACS was also developed through the review of pertinent documents (The list of documents reviewed is attached as Appendix 2).

The MWEITI ACS has been informed by international experiences based on EITI principles and practices, as well as reflections on the local context. The strategy is designed to facilitate an incremental, but yet reformatory approach to tackling corruption issues in the extractive sector. In this regard, the strategy recognizes the challenges that exist with the existing policy, legislative, regulatory and institutional framework in the extractive sector in Malawi and the need for continued reforms in the sector to achieve the desired outcomes.

1.5 Structure of the MWEITI ACS

The strategy is organised into chapters for ease of reference and clarity of presentation. Chapter One sets out the introduction and background to the strategy. Chapter Two, presents the situation analysis, which includes the socio-economic context, policy, legal and institutional framework for MWEITI, overview of the extractive sector in Malawi and its contribution to the economy, performance of Malawi against EITI requirements, corruption related risks in the extractive sector across the value chain, key emerging issues in the extractive sector. Chapter Three, outlines the vision, goals, objectives and guiding principles of the strategy. Chapter Four, presents the strategic priorities and interventions, while Chapter Five outlines the key success factors, which include adherence to EITI Standard and validation processes, political support and MSG support. Chapter Six, presents the major risks and mitigating measures that may affect implementation of the ACS. Chapter Seven, provides the EITI ACS Implementation arrangements, which include the governance and management structure for the MWEITI ACS, the roles of the various key stakeholders and the MWEITI Theory of Change. Chapter Eight, sets out the MWEITI ACS Monitoring and Evaluation Framework, which includes the monitoring and evaluation structure, specific activities and monitoring and evaluation arrangements. The strategy is complemented by annexes, namely, the Implementation Plan, the Monitoring and Evaluation Plan and appendices, namely, list of stakeholders consulted as Appendix 1 and documents reviewed, as Appendix 2.

2.0 CHAPTER TWO: SITUATION ANALYSIS

2.1 Socio-Economic Context

Malawi is a landlocked country with a surface area of 118,484 Km² of which 94,276 Km² is land mass. It had an estimated population of 19.4 million in 2022, with an average of 2.69% population growth per annum and estimated to grow to 23.1 million in 2030. The population of Malawi is youthful, with 51 percent of the population under 18 years of age as of 2018. Life expectancy at birth was estimated at 65.62 years, for both sexes, in 2022.² An estimated 81.5% of the population lives in the rural areas currently, but Malawi is predicted to experience an average annual urban population growth rate of 4.2% from 2013 to 2030³, exerting significant pressure on delivery of social services in the urban areas.

Malawi's Gross Domestic Product (GDP) per capita in 2017 was estimated at USD513¹. The economy is predominantly based on agriculture, forestry and fishing contributing to 23.2% of GDP in 2021.³ The crops grown in Malawi are highly susceptible to regulatory, environmental and global economic shocks. The economy has struggled to keep pace with the fertility rate in the country reported to be at 4.2 births per woman in 2018⁴. Notwithstanding, the economy is reported to be on the rebound as of 2021 and grew by 3.9 per cent. This uptick followed the relaxation of the COVID-19 preventive measures as countries worldwide, including Malawi started administering vaccines to vulnerable groups and those of working age in a bid to curb transmissions. Although, growth is projected to maintain an upward trajectory reaching 4.1 percent, it is currently hovering around 2 per cent, probably as a result of the effects of Cyclone Freddy and other natural disasters. This growth is expected to be supported by growth in education, food and accommodation, transportation, construction and wholesale and retail sectors as the threat of the COVID-19 pandemic continues to recede⁵. Despite reported improvements in the economy, poverty has remained persistent over the years and is Malawi's key challenge. The country has thus failed to harness the growing and youthful labor force such that unemployment has remained high at around 20 percent and skewed against the youth. National poverty levels have remained high at 51.5 percent as of 2017. Inequality has also remained high with a Gini Coefficient of 0.6. Notwithstanding the challenges the country is experiencing, it is aspiring to become a lower middle economy with Gross National Income (GNI) per capita of between US\$1,086 and US\$4,255. In this connection, Malawi's economy needs to be growing by at least 6 per cent per annum for over 10 years.

2.2 Policy, Legal and Institutional Framework for MWETI

2.2.1 Global and Regional Level

At international level, the 17 Sustainable Development Goals (SDGs) set by the United Nations remain the driving force for guiding the global development agenda. The goals are broad and

² UNICEF 2015

³ Annual Economic Report 2021

⁴ Malawi Vision 2063

⁵ Malawi Economic Report-2022

interdependent, yet each has a separate list of targets to achieve. Malawi, as a member of the United Nations is obligated to pursue attainment of the SDGs. Malawi has ratified the Universal Declaration of Human Rights (UDHR). It has also acceded or ratified: i) the International Covenant on Civil and political Rights (ICCPR); ii) the International Covenant on Economic, Social and Cultural Rights (ICESCR); iii) the Convention on the Elimination of all forms of Discrimination Against Women (CEDAW); iv) the Convention on the Rights of the Child (CRC); and v) the African Charter on Human and People’s Rights (ACHPR). Malawi is also party to the United Nations’ Convention Against Corruption (UNCAC) and the SADC Protocol Against Corruption. The obligations created by the applicable human rights instruments are core to Malawi’s human rights based approach to development⁶ and to the fight against corruption.

As a member of the EITI, Malawi is obligated to abide by the requirements of the EITI Standard. Countries who are members of EITI are expected to promote accountability and transparency in the extractive sector in a manner that ensures inclusive sustainable development. In this connection, the country is expected to put in place policies, legal and institutional arrangements that ensure natural resources are extracted in the public interest.

The EITI Standard comprises of standards and governance and management arrangements that member countries ought to comply with as set out below.

- **The EITI Principles**, which were agreed by all stakeholders in 2003. These Principles lay out the general aims and commitments by all stakeholders.
- **The EITI Requirements**, which have been currently revised must be adhered to by countries implementing the EITI.
- A section on **EITI Board oversight of EITI implementation**, which outlines the time frames that implementing countries must adhere to and the consequences of lack of progress with meeting the EITI Requirements.
- **Overview of Validation**. Validation provides stakeholders with an impartial assessment of progress in EITI implementation towards meeting the requirements of the EITI Standard.
- **The protocol on “Participation of civil society”**, which sets out requirements and expectations regarding civil society participation in EITI implementation.
- **Expectations for EITI supporting companies.**
- **The Open data policy.**

The EITI’s governance and management includes: the Articles of Association, which address how the EITI Members’ Association is governed and the EITI Openness policy, which addresses how the EITI itself should be transparent. Each constituency of the Association has agreed

⁶ Malawi Democratic Governance Sector Strategy

Constituency guidelines. It also includes the EITI Association Code of Conduct which establishes expectations for conduct for all EITI Board Members, their alternates, Members of the EITI Association, national and international secretariat staff and members of multi-stakeholder groups.

2.2.2 Country Level

Malawi has a range of policies and legal instruments that underpin activities undertaken in the extractive sector. At the apex is the Constitution of the Republic of Malawi, which embodies the spirit of openness and transparency on which EITI is founded. Section 37, provides every person the right of access to information held by the state or any of its organs at any level of government. Section 13 provides for the establishment of measures that guarantee transparency, accountability, and financial probity in order to strengthen confidence in public institutions. These principles are fundamental to the effective implementation of the EITI process and realization of open data objectives envisaged under the 2023 EITI international standard requirement number 7.

The Constitution also anchors all development efforts in the country including the Malawi 2063 and its first 10 Year Implementation Plan – 1 (MIP1) and other development imperatives. The Constitution of the Republic is supported by the Corrupt Practices Act of 1995, the Public Officers (Declaration of Assets, Liabilities and Business Interests) Act, 2013, the Financial Crimes Act, 2016, National Access to Information Policy (2014), the Access to Information Act, 2016 and the Gender Equality Act, 2013, the Public Finance Management Act, 2022, the Public Audit Act (2003), and the Public Procurement and Disposal of Assets Act (2017).

The country has laws that specifically govern the operations of the extractive sector. These laws include the Mines and Mineral Act, 2023, which provides the legal framework that governs mining processes and procedures in Malawi. The Act aims at creating an enabling environment for increased investments in the mining sector. Firstly, the Act establishes an autonomous regulatory body to oversee the operations of the mining sector. The responsibilities of the authority include: a) granting of mining licences; b) inspection of mining activities; and c) advising the minister on policy matters of the mining sector. The Mines and Minerals Act, 2023 also provides for geological surveys and registrations. Secondly, the Act provides for mineral tenements and artisanal mining permits and the general obligations of the mineral tenement holders. It further provides for non-exclusive prospecting licences which are valid for one year and are granted by the Authority to Malawians only or companies owned by Malawians only. The Act also provides for reconnaissance licences which give the holder, the right to carry out subsurface reconnaissance activity including airborne and remote sensing. The Act provides for exploration licences and retention licences, it provides that a retention licence will be granted to holders of a valid exploration licence to maintain the exclusive right to apply for a mining licence over an exploration area when exploration has been completed but prevailing conditions do not justify mine development at that particular time. Thirdly, the Act provides for medium and large-scale mining licences, preference for employment and training of Malawians, preference for

procurement of goods and services within Malawi, business development assistance plan to local businesses to support mining operations, compensation, and resettlement management plans. Besides the corporate social responsibility, which is voluntary, the Act provides for a mining licence holder to have a community development agreement to ensure that communities in the vicinity of mining operations benefit directly from the mining. The Act also introduces the small-scale mining licence only available to Malawian citizens and is valid for two years, which will replace the one-year mining claim in the Act for regulating small scale mining operations such as lime production and gemstone mining. Furthermore, the Act provides for an artisanal mining permit granted by local authorities to Malawian Citizens only, which is not a mineral tenement but grants rights to the holder to temporarily mine for minerals used in local or traditional construction and handicraft. The Act also provides for a reserved minerals licence which provides for standard provisions for dealing with possession of and dealing in precious metals and precious stones. Fourthly, the Act provides for the discovery of reserved minerals by a contractor constructing public works that inadvertently discovers reserved minerals in the course of its work. The Act also makes provision for restrictions, surface rights, compensations of lawful occupiers of land and the handling of disputes over landownership and compensation. The Act further provides for inspections, administrative penalties, directives and orders etc. Fifthly, the Act gives the Malawi Revenue Authority (MRA), the mandate to collect royalties. It also makes provisions for government to take up free equity in large mining without obligating government to give any concessions on any item in the fiscal regime ensuring that any equity participation percentage should be a negotiation matter. The Act further makes provisions for the protection of the environment where companies are obliged to take into consideration environmental management issues as shall be determined by the Department of Environmental matters in accordance with the principle of national policy as enshrined in the Constitution section 13(d) (iii) on promotion and protection of the environment and natural resources by ensuring sustainable use of the mineral products. Lastly, the Act gives powers to the Authority to resolve disputes or refuse to do so and provides for the shape of a mineral tenement, community engagement plan and permits to export minerals. Malawi also has an Artisanal and Small-Scale Mining Policy (2018), which has been given effect by the Mines and Minerals Act of 2023. The ASM policy is intended to stimulate and guide ASM operations by administering, regulating and facilitating the growth of the sub-sector through a well-organised and efficient institutional framework, which includes formalisation of small scale miners. The Policy is also intended to promote orderly and environmentally friendly artisanal and small-scale mining.

Apart from mining, there is legislation covering forestry and fisheries, which are part of the extractive sector in Malawi. The Forestry Amendment Act, 2019, is the legal instrument regulating forestry in Malawi. The Act updates the Forestry Act of 1997. It was developed to increase transparency and accountability in the forestry sector, improve charcoal regulation, enhance opportunities for public-private partnerships, and provide forestry officers with greater powers of law enforcement. The Forestry Amendment Act of 2019 also signals the recognition by Government of the serious nature of forestry crimes, which is reflected in penalty provisions

of up to MK10 million and custodial sentences of up to 20 years, which among other things, are supposed to deter corruption. The Fisheries Conservation and Management Act, 1997, makes provisions for the regulation, conservation and management of fisheries in Malawi, establishment of the Fisheries Advisory Board, granting of fishing licenses as well as establishment of the Fisheries Fund and assessment of fish stocks and the collection of statistics. It also regulates the monitoring, control and surveillance of fishing operations, the regulation and control of fishing operations, including aquaculture and operations ancillary thereto. The Fisheries Conservation and Management Act, 1997 is supported by Fisheries Regulations of 2020. GoM has recognised limitations in the current pieces of fisheries legislation and has been working with the Ministry of Justice on updating the same.

The country is implementing reforms such as the Open Government Partnership (OGP), which is the genesis and anchor of EITI implementation in Malawi. The country joined the OGP in 2013 and is among many countries that have made a high-level Open Government Declaration to promote transparency, empower citizens, fight corruption, and harness new technologies to strengthen governance. EITI became commitment five (5) of the OGP National Action Plan (NAP) (2016-2018). From this step, Malawi made a major move towards more openness in the extractive sector through the expressed commitment made by the then Head of State, His Excellency the State President to join EITI in 2014, which was followed by the granting of candidature status in 2015. In the OGP NAP 2016-2018, MWEITI is one of the important milestones for assessing Malawi OGP progress. Under the OGP, the Government has initiated processes to develop an extractive sector policy and legislation aimed at strengthening the governance architecture in the sector, which processes are currently underway, with drafts are awaiting approval by relevant bodies. After the expiry of the NAP 2016-2018, the country's membership in the OGP became inactive mainly due to political and governance developments related to the disputed 2019 General Elections. Government has since launched a successor NAP for 2023-2025, which is the last component of a series of activities for reactivating Malawi's national membership in the OGP. The OGP 2023-2025 NAP spells out collective commitments to achieving accountable, responsive and inclusive governance. Under the OGP 2023-2025 NAP MWEITI is one of the critical institution to drive transparency and success of the OGPI under the Natural resources pillar.

Malawi has developed an ambitious National Anti-Corruption Strategy (NACS) II to guide anti-corruption efforts across various sectors of the country. The NACS II is a result of Government's continued commitment to zero tolerance stance on corruption. The NACS II has been designed to promote Good Governance and Improved Service Delivery in Malawi through a coherent and effective approach to fighting corruption. This is to be achieved by concentrating efforts in the pursuit of three mutually reinforcing Strategic Goals of Promoting Improved Service Delivery, Strengthening the Rule of Law and Promoting a Culture of Integrity. The Strategy facilitates stimulation of social and economic development by ensuring that resources are channelled towards the implementation of the long term development plan, the Malawi 2063. The MWEITI

Anti-Corruption Strategy, which is aligned to NACS II is expected to facilitate a more focused fight against corruption in Malawi's extractive sector.

2.3 Overview of the Extractive Sector in Malawi

The extractive sector in Malawi presently comprises; mining, oil and gas, forestry, and fisheries, as well as transport. The share of mining to GDP is estimated at 1%, while forestry is at 6.1⁷ per cent, and fisheries is at 4 percent. Outlined below is an overview of Malawi's extractive sector beginning with mining.

2.3.1 Mining

2.3.1.1 General Issues

Mining is featured very highly in Malawi's Vision 2063, as one of the key sectors that can bring about a paradigm shift in the country's creation of wealth through industrialization. The identification of mining as a strategic growth catalyst for the country, is part of Government efforts to restructure the economy from its dependence on agriculture. In this regard, Parliament passed the Mines and Minerals Bill, of 2023, which has since been assented to by the President of the Republic. The Act aims at creating an enabling environment that stimulates both international and local investments in the mining sector. The Ministry of Mining has developed and launched a Strategic Plan, which is aimed at guiding efforts to promote growth and sustainable development of the mineral sector with a view to stimulating exports and contributing to import substitution.

The mining sector arguably has the most viable potential in the Malawi economy, although this has yet to be fully realised. In addition, advanced exploration projects in rare earth elements, graphite, niobium, rutile and heavy mineral sands have produced positive results showing significant quantities of probable reserves. Government continues to strive to improve the investment climate in mining. Furthermore, improvements have been made in the form of access to updated geo-scientific information and mineral rights licensing and management in the mining sector through the progressive updating of the geo-data management platform at Geological Survey Department and the computer-based Mining Cadastre System at the Department of Mines. The systems have promoted transparent, effective and efficient processing and management of data sets for investors, both local and foreign, interested in the mineral sector. The Computer based cadastral system has been in operation since 2017 and has improved the aspects of transparency and effective management and administration of mineral rights in the country.

Malawi has several large mineral deposits with economic potential, such as:

- Uranium in Karonga and Rumphi
- Niobium in Mzimba

⁷ MWEITI 6th Report puts GDP at 0.12%

- Rutile in Kasiya Lilongwe
- Rare Earths at Songwe in Phalombe
- Phosphates (apatite) at Tundulu in Phalombe;
- Bauxite on Mulanje Mountain;
- Kaolinitic clays at Linthipe and Senzani in Dedza and Ntcheu respectively;
- Coal in Rumphu, Chitipa, Karonga, Nsanje and Chikwawa;
- Kyanite in Ntcheu;
- Limestones in several districts of the country; Rare Earths (including Strontianite and Monazite) in Balaka and Phalombe;
- Graphite in Salima and Lilongwe;
- Sulphides (Pyrite and Pyrrhotite) in Lilongwe and Dowa;
- Iron ore in Blantyre; and
- Titanium minerals in Salima and Nsanje; and Vermiculite in Mwanza.

Mining in Malawi takes place in three categories, namely small scale, medium scale, and large scale. Malawi has only three mining projects registered for large scale mining at present and these are Kayelekera Uranium Mine (KUM), which remains under care and maintenance due to persistently low global prices of uranium and Kanyika Niobium in Mzimba and Songwe Rare Earth Project, which have yet to be commissioned. Artisanal and Small-Scale Mining (ASM) in Malawi is generally carried out through labour intensive methods for limestone production, clay for pottery, gemstones and gold. Small Scale Mining is facilitated by Mineral Permits, Small Scale Mining Licenses and Reserved Mineral Licenses. The GoM recognizes the importance of this category of miners and hence the development of ASM Policy⁸ and the provision of a structured market for gold through the Export Development Fund (EDF), a subsidiary of the Reserve Bank of Malawi (RBM). ASM's importance in the Malawi context lies in its contribution to livelihood, albeit at a significant cost to the environment. Roughly 40,000 Malawians, 10% of whom were women, were engaged in artisanal mining in Malawi as of 2022. Most artisanal miners are informal and it is difficult to obtain statistics on both their production and sales⁹.

2.3.1.2 Types of Licenses/Permits

Currently, the country is using licensing/permit procedures as provided for under the Mines and Minerals Act of 2019, even though the President has assented to the Mines and Minerals Act of 2023, as the Authority that is set to take over this responsibility has yet to be operationalized. The law, prohibits any person to carry out any reconnaissance, prospecting, exploration or mining operations, except under and in accordance with a mineral tenement or an artisanal mining permit granted under the Act.

⁸ The ASM Policy is still in draft form.

⁹ 5th MWEITI report

1. Minerals tenements

The following mineral tenements may be granted under the Act:

- a) non-exclusive prospecting licence, that grants the holder the non-exclusive right in the licence area, which area is defined by district boundaries, to do prospecting for all minerals;
- b) reconnaissance licence, that grants the holder the non-exclusive right in the licence area to do reconnaissance;
- c) exploration licence, that grants the holder the exclusive right in the licence area to explore for all mineral deposits and an exclusive priority right to apply for a mining licence;
- d) retention licence, that grants the holder the right to maintain the exclusive right to apply for a mining licence in the licence area when exploration has been completed but other specified conditions preclude mining at the present time;
- e) small-scale mining licence, that grants the exclusive right to mine minerals in the licence area using only small-scale mining methods as defined in section 2 of the Act;
- f) medium-scale mining licence, that grants the exclusive right to mine all minerals in the licence area provided the scale of operation does not exceed any limit specified in section 148 of the Act; and
- g) large-scale mining licence, that grants the exclusive right to mine all minerals in the licence area.

2. Artisanal Mining

An artisanal mining permit, which is not a mineral tenement for the purposes of the Act, grants the right to the holder to temporarily mine for minerals used in local construction and handicraft, subject to restrictions on the scale of operation and manner in which the minerals can be mined.

2.3.1.3 Licensing/Permit Procedures

- a) All licenses/permits/mining rights for non-exclusive prospective licenses, reconnaissance licences and small-scale mining licences should be made in a prescribed manner to the Commissioner for consideration and approval.
- b) Where circumstances relating to an application for a small-scale mining licence, small-scale mining area expansion or the extension of the term of an exploration licence, medium-scale mining licence or large-scale mining licence, in the Commissioner's opinion, require consideration by the Mineral Resources Committee, the Commissioner may refer the decision to approve the licence, extension or expansion to the Committee.
- c) Where an application to grant a small-scale licence or expand its area or an application to extend the term of an exploration licence, medium-scale mining licence or large-scale mining licence has been referred to the Mineral Resources Committee pursuant to

subsection (8), the Committee shall advise the Commissioner, and the Commissioner shall grant or refuse the application according to the advice of the Committee.

- d) All licenses/permits/mining rights for medium and large scale mining should be made in a prescribed manner to the Commissioner for the consideration of the Mineral Resources Committee, which is mandated to make recommendations to the responsible Minister to approve award of licenses/permits/minerals rights to the applicant. The Minister cannot vary the recommendation of the Mineral Resources Committee, but may request the Committee to re-consider its recommendation if not satisfied. Where the applicant is not satisfied with the decision made on the application, they may appeal to the High Court of Malawi.
- a) The Commissioner shall not grant any licence with respect to a project for which an environmental and social impact assessment is required under the Environment Management Act, unless the Director of Environmental Affairs has certified, in writing, that the project has been approved or that an environmental and social impact assessment is not required under the Environment Management Act.

2.3.2 Oil and Gas

2.3.2.1 General Issues

Malawi is situated in the Great African Rift Valley, where oil resources have been discovered in neighbouring countries. In this regard, oil and gas explorations have been undertaken in various parts of the country, which have confirmed potential for the existence of oil and gas. In view of this, Government realizes that petroleum resource development, if well managed, has the potential to generate revenue through royalties and taxes; contribute to foreign currency reserves; create employment; and transfer new technologies and skills necessary for socio-economic development of the country. Activity in this area remains at exploration level. In this connection, Government has as of January 2023, updated the policy framework for the upstream petroleum sub sector for which the Ministry of Mining is responsible for, in order to provide direction and guidance in the implementation of interventions. The upstream Oil and Gas sector in Malawi is governed by the Petroleum (Exploration and Production) Act (1983) (PEPA), the Petroleum (Exploration and Production) Regulations 2009 and the Environment Management Act of 2017. A model Production Sharing Agreement (PSA) is being developed. Malawi is currently also reviewing its Petroleum Act.

PEPA (1983) recognises the Minister responsible for Petroleum, currently, the Minister of Mining and the Commissioner for Petroleum Exploration and Production as authorities regulating the petroleum sector.

The Commissioner for Petroleum Exploration and Production is appointed by the Minister and the latter is the sole and final licensing authority for petroleum operations in Malawi. However, in exercising his functions under PEPA, the Minister of Mining shall always act subject to the general or special directions of the President.

The main Government entities in the Oil and Gas sector are:

- a) The Department of Mines;
- b) The Ministry of Mining;
- c) Malawi Revenue Authority (MRA);
- d) Ministry of Finance (MoF); and
- e) Environmental Affairs Department/Malawi Environmental Protection Authority (MEPA).

The approved National Petroleum Exploration and Production Policy provide for the inclusion of National Oil Company of Malawi (NOCMA) as a commercial entity responsible for state participation in the licenses and other related business aspects.

2.3.2.2 Types of Licenses

- a) Petroleum Production Licenses
- b) Petroleum Exploration Licenses

2.3.2.3 Procedures for Award for the Award of Oil and Gas Blocks

Section 11 of PEPA provides that licence applications have to be made in accordance with the Petroleum Regulations (1984) as amended by subsequent Regulations (2009). Applications shall be submitted to the Minister and the Commissioner for Petroleum Exploration and Production. In accordance with Regulation 2 of the Petroleum (Application) Regulations, applications for a petroleum exploration licence should include the names and nationalities of the applicants, the names and places of incorporation where applicants are companies, names and nationalities of the directors and if it has a share capital, the name of any person who is the beneficial owner of more than 5% of the issued share capital, as well as a statement giving particulars of the works to be carried out and the minimum expenditure involved.

The Minister may consider the application of an exploration licence in respect of one or two blocks at most where he considers it to be appropriate to do so. An application for the renewal of a petroleum exploration licence shall be made ninety days before the expiry date of the exploration licence.

Sub-regulation 1 of the Petroleum (Application) Regulation 4 sets out the list of particulars required for persons or corporations applying for petroleum production licences and which are similar to those for exploration licences but additionally, the applicant should include his financial status, technical competence and experience; the period for which the production licence is being sought for, identify the composition of the petroleum which it is intended to produce, a comprehensive report of the petroleum deposit and any other information listed in the sub-regulation.

The Minister may exempt the applicant from a petroleum production licence from any of the requirements listed in sub regulation 1 of Petroleum (Application) Regulation 4 where he considers appropriate at its own discretion. An application for the renewal of a petroleum production licence shall be made twelve months before the expiry date of the exploration licence.

In addition to the information to be included in the applications for both exploration and production licences, the legislation does not provide any information on technical or financial criteria to be applied for the application assessment and does not specify administrative procedures to be followed when submitting the application.

2.3.2.4 Types and Award of Contracts

Production Sharing Agreements (PSA) are a specific model for governing the Oil and Gas sector, although a model is yet to be developed for Malawi. In this system, ownership of the petroleum remains with the state, while the contractor funds exploration and development activities and is reimbursed through a share of the oil produced.

In accordance with Section 10 of PEPA, the Minister of Mining on behalf of the Republic of Malawi may, with the consent of the President, enter into an agreement with any person or body corporate with respect to granting a licence. Therefore, the awarding licence procedures mentioned above also apply to the awarding of Production Sharing Agreements. However, the legal framework does not provide any petroleum agreement model on the matter nor guidance on the fees.

The Act defines the arrangement rules between the Government and petroleum companies without providing the conditions and minimum requirements of the agreement. The Minister has the power without resorting to competitive bidding nor to directives of the council of Ministers, by direct negotiation to enter into a petroleum sharing agreement with respect to the grant of licences.

2.3.3 Forestry

2.3.2.1 General Issues

Malawi has been engaged with forestry reserves since the 1940s. This has taken the form of natural and man-made forests. Exotic soft woods have been planted in a number of areas such as Luwawa, Chikangawa, Champhoyo and Lusangazi up to 53,000 hectares. Overtime, there has been a significant reduction in forestry reserves due to Malawi's over reliance on forestry resources for energy, illegal logging, wanton cultivation and lower rate of replanting. The GoM recognizes that the landscapes in the country needs to be restored to improve food security, increase resilience from disasters and diseases made worse by climate change, and support the biodiversity and ecological functions that underpin agricultural productivity, economic growth, and social well-being.

The forestry sector is crucial in supporting livelihoods, infrastructure development and energy in Malawi. Malawi is heavily dependent on biomass fuels, defined as firewood, charcoal, crop residues and animal dung. The 2018 National Energy Policy recognizes the country's dependence of bio-mass fuels as it accounts for up to 80 per cent of its energy source, due to among other things, lack of affordable and reliable alternatives. As a result, forestry resources are degrading at a fast rate of 2.6% per annum, mostly due to the agricultural expansion driven by population growth but also because of forest degradation for fuel wood (firewood and charcoal).¹⁰ Given that

¹⁰ Economic Valuation of Sustainable Natural Resource Use in Malawi, January 2011

this dependency is likely to continue in the foreseeable future, GoM is promoting sustainable production and efficient use of biomass.

In May 2020, the Government of Malawi and Raiply Malawi Limited signed a sixty (60) year Concession Agreement in respect of the management of Viphya Plantation. The forest management area comprises an area of 20,000 hectares situated in Champhoyo, Chikangawa and Kalungulu forest and Nthungwa of the Viphya plantation. Of the 53,000 hectares available of forestry reserve, it manages about 33,000 hectares, which it makes available to Malawian cooperatives' loggers to log forests in a sustainable manner. The remaining 10,000 hectares are under concession to Total Land Care and Timber Millers Cooperatives Union (TMCU) under an agreement signed in December 2011.

2.3.2.2 Types of Licenses/Permits

The following are the types of licenses and permits issued by the Department of Forestry.

- a) Production licenses
- b) Transport licenses
- c) Selling licenses
- d) Storage licenses

The Department does not issue licenses for charcoal production and selling of the same, except for own wood, with a management plan for production. Indigenous trees are exempt from charcoal business.

2.3.2.3 License/Permit Processes/Procedures

The license/permit procedures are set out below.

- a) Whenever the Department of Forestry has trees that need harvesting, it prepares a Harvesting Plan and circulates an advertisement, providing information to potential bidders.
- b) Bidders respond by paying the applicable fees to the Director of Forestry.
- c) The Department reviews Expressions of Interest from bidders.
- d) The Department decides on how applicants can share the resource available.
- e) The Director of Forestry issues permits for any commercial undertaking relating to forest produce, which authority is at times delegated to lower level officers up to the rank of Principal Forestry Officer. Advancement in technology provides for such permits/licenses to be issued electronically. Permits issued by the Director of Forestry have conditions attached to them, such as a forestry re-planting plan.
- f) Inspections are undertaken by the Department in areas where the resource to be harvested is based and monitoring of adherence to conditions is also undertaken.

The Department of Forestry can also enter into concession agreements, which are preceded by an advertisement. Concession agreements are regulated by the Public Private Partnership Act

and hence involves the Public Private Partnership Commission (PPPC), which directs the process. The DoF is party to the process together with the MoFEA, Department of Environmental Affairs (DEA), Government Contracting Unit, Public Procurement and Disposal of Assets Authority (PPDA) and the Ministry of Natural Resources, which awards the concession. The Concession Agreement is between the Government of Malawi and the private contractor.

The Forestry Act, also provides for co-management of natural resources on customary land between the Government and the communities concessionaire with clearly defined roles.

2.3.4 Fisheries

2.3.3.1 General Issues

With 20 per cent of Malawi's surface area covered by water, the fisheries sector is important in contributing substantially to food and nutritional security, livelihoods of the rural population and economic growth of the country as it contributes 4 percent to the Gross Domestic Product (GDP). In the 1970s, fish provided 70 per cent of animal protein intake of the Malawian population and 40 per cent of total protein supply for the country. These figures have declined as a result of the decrease in catches and rapid population growth over the last thirty years. The per capita fish consumption in Malawi has subsequently fallen by more than 60 per cent, from 14 kg per person per year in the 1970s, to about 8 kg in 2015. The decline in per capita supply and protein intake brings serious nutritional implications for the nation, especially to some vulnerable groups such as HIV/AIDS affected and infected people, orphans and the poor¹¹.

The fisheries sector is broadly divided into three categories, namely: capture fisheries, aquaculture and aquarium trade or ornamental. These are briefly discussed below.

a) Capture Fisheries

The capture fisheries sub-sector directly employs nearly 60,000 fishers, and over 500,000 people are indirectly involved in fish processing, fish marketing, boat building and engine repair. The sub-sector is largely artisanal in nature, except that in Lake Malawi there are also semi-commercial and commercial fisheries, made up of pair trawlers and larger stern trawlers respectively. The small-scale sector produces 90 per cent of the annual fish production while the rest is landed by the commercial or industrial sector.

b) Aquaculture

There are 6,000 fish farmers with varying sizes of ponds in the aquaculture subsector. Fish production in the sub-sector has been increasing from 800 tonnes per annum estimated in 2006 to 3,600 tonnes per annum by 2015. However, one of the major problems identified with commercial aquaculture is that the species cultured are slow growing and have a poor feed conversion, making the products of aquaculture expensive to produce. The aquaculture sub-

¹¹ National Fisheries and Aquaculture Policy (2016)

sector has potential to increase fish production in the country. Enhanced aquaculture production especially at commercial level would improve supply of fish protein in rural areas far away from the major fish production sources and also creation of wealth and employment in such areas. The aquaculture subsector can also be one of the major sources of fish product exports, thereby contributing to Malawi's economic growth.

c) *Aquarium Trade*

The aquarium trade mainly involves exploitation of Mbuna fish for export trade. Mbuna fish are also part of the rich biodiversity of Lake Malawi that attract tourism. The sub-sector is dominated by a few operators that have ranged from two to three per annum since the 1980s.

2.3.3.2 Types of Licenses/Permits

The Department of Fisheries issues the following licenses or permits:

- a) Annual fish gear license after checking of the gear.
- b) Annual license for trawlers/mechanised boats according to size after inspection of worthiness of trawler/boat.
- c) Trading license for aquarium fish renewed every year through Expression of Interest, when applicant has not been engaged in illegal fishing activity. This includes permits for exports.
- d) Applications for medium to large scale fishing reviewed by Licensing Committee (established on administrative arrangements).
- e) Licensing Committee makes recommendations to the Director of Fisheries for issuance of license or permit.
- f) Aquaculture permit issued by the Water Resources Department in terms of water rights.
- g) Aquaculture of 3,000 tonnes and above requires an environmental impact assessment, which also considers the suitability of the site.
- h) Aquaculture permit required for commercial fish farming.

3.3.3.3 License Process/Procedure

The licensing/permit procedure is as follows:

- a) Licenses for small fishers are initiated by the Department of Fisheries through licensing campaigns of fishing gear. Fishermen can also obtain permits at Fisheries District Officers upon satisfying conditions and paying the license fee.
- b) Large scale fishing operators, including those for ornamental fish apply for consideration to the Director of Fisheries, who only issues them with a license after they have satisfied conditions, including not having been involved in illegal fishing activities.
- c) Commercial aquaculture Operators with 3,000 tonnes and above apply to the Director of Fisheries for permits. They are required to apply for a water rights permit from the Department of Water Resources and also required to undergo an environmental impact assessment before they are permitted to operate.

2.3.5 Transport Sector

2.3.4.1 General Issues

Railway concessions are an integral part of the extractive sector value chain. In Malawi, the Department of Railways is responsible for providing policy and strategic oversight on issues related to rail concessions. The railway concession is managed under the public private partnership arrangements using the build, own and transfer mechanism. The existing rail concession was entered in between the Malawi Government and Vale Logistics Limited (ownership now transferred to another operator) for 35 years. The arrangement was initiated by the operator who was looking at ways of securing uninterrupted haulage of coal extracted from mines located in Western Mozambique to the Mozambican Port of Nacala passing through Malawi lands, as rail capacity at the time was not meeting the needs of the investor. Under an agreement signed between the Government of Malawi (GoM) and the Brazilian mining company Vale Logistics Ltd in December 2011, the company financed the construction of 136.5 kilometres of railroad from Kachaso in Chikwawa on the western border of Malawi, passing through Mwanza and Neno Districts to join the existing railway network at Nkaya junction in Balaka District in the South Central of Malawi. Vale Logistics Ltd started operating trains on the rail line in 2016. The Concessionaires, Vale Logistics Limited and Central East African Railways Company Ltd pay concession fees to the Government of Malawi based on the quantities of coal transported from Mozambique by rail. The Brazilian mining company also concluded a partnership with Mozambican State-Owned Enterprise Mozambique Ports and Railways (CFM) in July 2012 to improve the existing line of the Nacala Logistics Corridor.

Given that the rail route to the Indian Ocean is shorter than existing export routes from most parts of Zambia, it has the potential of becoming the main international mode of goods transport from all or parts of Zambia, to both ports of Nacala and Beira. However, the rail system has been plagued by a number of challenges that include encroachment, vandalism and theft. In addition, the sector also has capacity constraints with respect to Government's ability to effectively monitor the performance of the concessionaires.

2.3.4.2 Concession Arrangements

Concession agreements are done under the framework of the Public Private Partnership Policy (PPP) of 2011 and the Public Private Partnership Act of 2011, which among other things, provides for the partnerships between the public sector and private sector for the supply of infrastructure and delivery of services as means of contributing towards sustaining economic growth, social development and infrastructure development and to provide for the development and implementation of public private partnership arrangements in Malawi for the delivery of infrastructure and services. The implementation of the PPP Policy and Act is done through the PPP Process Procedures and Guidelines Manual of 2015.

The process of developing and agreeing on a Concession, provides for the following key phases:

- a) Phase 1: PPP Project Initiation, Screening & Selection
- b) Phase 2: Completing the PPP Feasibility Analyses & Risk-Allocation Structure
- c) Phase 3: Conducting the PPP Tendering & Procurement
- d) Phase 4: Final PPP Contract Signing & Financial Closure
- e) Phase 5: Monitoring & Ensuring Post-Award PPP Performance

The process entails a collaborative arrangement between the PPPC, the respective MDA under which the project will fall and the Ministry responsible for planning and public investments. The aim is to ensure that any public project has undergone a feasibility study to ascertain affordability, value for money, bankability, environmental viability among other critical issues. The contracting authority is the GoM through the Ministry of Transport, with negotiations involving the Ministry of Finance and Economic Affairs, Ministry of Justice, Contracts Unit, and PPPC. The special purpose vehicle for implementing the concession on behalf of Government is the Malawi Railways Limited of 1994, who own the rail infrastructure. The Railways Department under the Ministry of Transport is the policy holder and general overseer, although it does not have legislation specific to its operations at present. However, there are plans to introduce legislation to provide for the Department of Railways, a regulator and a holding company.

The lead agency for managing the concession developing process is the PPPC. Hitherto, PPPC used to receive and manage funds emanating from the management of the rail concession, but the administration of the funds has since been transferred to the Road Fund Administration (RFA). The concession is on gross revenue, irrespective of the profitability of the concessionaire.

2.4 Performance of Malawi against EITI Requirements

Since becoming a member of the EITI, the performance of Malawi has been fairly progressive in meeting EITI requirements. In this regard, Malawi managed to meet all the requirements for signing up to EITI. It has unequivocally declared its intention to comply with the EITI Standard and Requirements. In this connection, GoM has facilitated the establishment of the MSG to oversee the implementation of EITI. The MSG comprises government, civil society organisations, and companies, hence demonstrating the willingness of all these players to work together. The Minister of Finance and Economic Affairs was appointed as a champion for the extractive sector transparency initiative for Malawi. In addition, the MSG has in consultation and agreement with key EITI stakeholders developed and published 5 (five) fully costed work plans with measurable targets since becoming an EITI member. Recognising the need for policy and legal backing for EITI arrangements, the GoM through the MoFEA has developed a draft MWEITI Policy and Legislation, which are currently awaiting approvals. Once adopted, the policy and legislative arrangements are intended to foster greater transparency and accountability through increased compliance to set standards and regulations in the extractive sector. The GoM has also established a National Secretariat for MWEITI, which is currently housed in the Revenue Policy Division (RPD) of the MoFEA, to coordinate the implementation of EITI processes. The GoM has also taken steps to ensure the functionality of the Secretariat by providing a staff establishment for MWEITI through the Functional Review of RPD of 2019.

The EITI process requires the reconciliation and publication of payment and revenue data through reports that are based on accounts audited to international standards. This is to ensure that the data used meet a commonly accepted standard of reliability. The government is also required to ensure that data submitted by governmental agencies and/or companies are based on accounts audited to the same international standards. In this connection, key government agencies such as the Department of Mining and the Geological Survey Department have implemented a cadastre system that has improved capturing and reporting of activities in these entities, as well as enhanced transparency of their operations.

Recent statistics indicate a marked improvement in compliance by the reporting entities showing that companies and government agencies are beginning to appreciate the need for EITI reporting. The reliability and quality of data of the government reporting agencies is certified by the National Audit Office.

Malawi has maintained its membership in the EITI and has produced six (6) EITI reports¹². The recent validation in 2021 led to a moderate overall score (80%) in implementing the EITI Standard. The 2022 assessment of Malawi's progress in the implementation of the EITI Standard

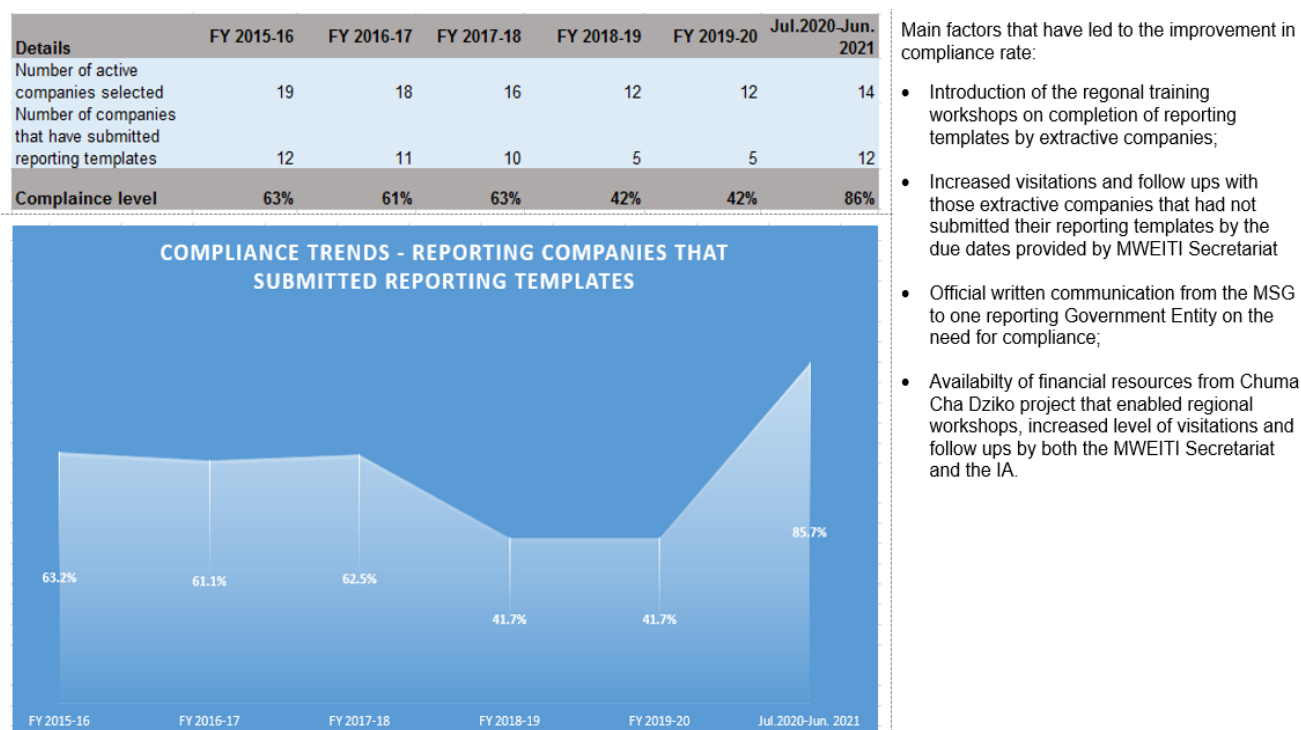
¹² The sixth report is still undergoing validation and approval processes.

suggests that Malawi has exceeded one EITI Requirement, fully met 11 EITI Requirements, mostly met 11 EITI Requirements and partly met one EITI Requirement.

Additional achievements in the extractive sector as set out in the EITI Validation Report are as follows:

1. Malawi has established a platform for meaningful debate on the governance of the extractive sector, as demonstrated in the MSG’s discussions around corruption allegations linked to license renewals among other instances.
2. Malawi EITI has broadly sustained its disclosures despite the impact of the COVID-19 pandemic, using the transition to “flexible” EITI reporting to improve the timeliness and relevance of its data while maintaining reconciliation of company payments and government revenues.
3. The innovative nature of Malawi EITI’s dissemination and outreach efforts, which have proved resilient to the impact of the pandemic, is a particular strength, with publication of EITI Report summaries in three local languages and active outreach at the subnational level.
4. Compliance with EITI reporting obligations is increasing among extractive sector entities as seen in Figure 1 below.

Figure 1: Compliance Trends to the EITI Process



Main factors that have led to the improvement in compliance rate:

- Introduction of the regional training workshops on completion of reporting templates by extractive companies;
- Increased visitations and follow ups with those extractive companies that had not submitted their reporting templates by the due dates provided by MWEITI Secretariat
- Official written communication from the MSG to one reporting Government Entity on the need for compliance;
- Availability of financial resources from Chuma Cha Dziko project that enabled regional workshops, increased level of visitations and follow ups by both the MWEITI Secretariat and the IA.

Source: 6th MWEITI Report

2.5 Status of Corruption in Malawi and Government efforts

The GoM recognises corruption as one of the impediments to the achievement of national development aspirations. It derails social and economic development efforts, resulting in poor service delivery. The Government of Malawi has supported the fight against corruption in several ways including the establishment of the Anti-Corruption Bureau (ACB) and putting in place a comprehensive set of policies and legislation aimed at providing a framework for fighting corruption. Malawi's legal framework is aligned to international standards and in compliance with the United Nations Convention Against Corruption (UNCAC). Despite the Government's concerted efforts to fight corruption, Malawi is still perceived as a corrupt country. According to the most recent Corruption Perception Index (CPI) published by Transparency International (TI), on 30 January 2023, Malawi has slightly moved from 35 to 34 on the TI 2022 CPI, but maintained position 110 out of 180 countries assessed¹³. The assessment means that despite several efforts to fight corruption, there is still scope for improvement. Realizing the need to step up efforts to fight against corruption in the extractive sector, ACB has facilitated the formation of Institutional Integrity Committees (IICs) in the Departments of Mining, Geological Survey, Forestry, and Fisheries and capacitating of the same.

The NACS II recognizes that corruption is also rampant in the private sector where companies contend with corruption and bribery in almost all operations. In a very competitive business environment, such as that prevailing in Malawi, where the government is the biggest buyer of goods and services, it is likely for businesses to pay bribes to be granted licences and permits to bid for government contracts. There is a perception that, once awarded the necessary permits and licences, the licensee is likely to pay more bribes to win government contracts, a practice that leads to unfair awarding of contracts, poor service delivery and a waste of resources by both the public and private sector. It is for this reason, that in April 2023, the ACB facilitated the formation of a Private Sector Coalition Against Corruption (PSCAC). It is expected that private sector companies in the extractive sector will become members of the coalition.

2.6 Corruption related Risks in the Extractive Sector Across the Value Chain

The corruption risks in Malawian extractive sector presented in tables 1 to 4 below are based on the extractive sector value chain for the sub-sectors of mining/oil and gas, forestry, fisheries and transport.

Table 1: Mining/Oil and Gas

AREAS IN THE EXTRACTIVE SECTOR VALUE CHAIN	CORRUPTION RISKS	UNDERLYING CAUSES	EITI REQUIREMENTS
Allocation of Licenses	Bribery, collusion, political capture, undue influence, favouritism, extortion	<ul style="list-style-type: none">• Abuse of powers• Lack of awareness of licensing process	Requirement 2.2 and 2.3 on license allocations and awards

¹³ Transparency International CPI 2022.

AREAS IN THE EXTRACTIVE SECTOR VALUE CHAIN	CORRUPTION RISKS	UNDERLYING CAUSES	EITI REQUIREMENTS
		<ul style="list-style-type: none"> • Bureaucratic licensing process • Concealed conflict of interest • Inadequate systems that are partially computerised • Weak corruption detection mechanisms 	
Mining Development Agreement	Political capture, non-compliance with laws on fiscal regimes, conflicts of interest	<ul style="list-style-type: none"> • Weak enforcement of procedures of contracts • Weak oversight of MDA holders in terms of production • Absence of Corruption Prevention policies in licensing departments¹⁴ • Concealed conflict of interest • A company uses a third-party intermediary to gain an advantage in the award 	<p>Requirement 2.4 on the full disclosure of contractual terms</p> <p>(Negotiations conducted by reps of relevant stakeholders)</p>
Beneficial Ownership	Conflicts of interest, illicit financial flows, shell companies, money laundering	<ul style="list-style-type: none"> • Weak enforcement procedures • Partial disclosure of ownership that allow politically exposed persons to have a stake in the business • Undeclared conflict of interest 	Requirement 2.5 on names and details of beneficial owners, legal owners and politically exposed persons (PEPs)
State-owned enterprises	Abuse of authority, conflict of interest, misappropriation of funds, favouritism in contracting and regulation	<ul style="list-style-type: none"> • State owned companies subject to influence by politically exposed persons • Lack of transparency in 	Requirements 2.6, 4.5 and 6.2 on revenue retention, financial flows and quasi-fiscal spending

¹⁴ Policy being developed

AREAS IN THE EXTRACTIVE SECTOR VALUE CHAIN	CORRUPTION RISKS	UNDERLYING CAUSES	EITI REQUIREMENTS
		procurement processes • Lack of transparency in recruitment processes	
Commodity trading	Bribery, conflicts of interest, misappropriation, inappropriate trading benchmarks, unbalanced trading terms, unqualified buyers, price manipulation, undervaluation of production and exports	• Artificially low prices for germ stones • Transfer pricing • Ease of smuggling of germ stones • Concealed consignments • Weak regulation of artisanal mining • Purchase of gold from entities that are not formalised/danger of purchasing smuggled gold from other countries	Requirements 3.2, 3.3 and 4.2 on buyers, commodities, and prices and volumes of sales
Revenue collection and payment flows	Misappropriation, bribery, money laundering, false invoicing, tax understatement and evasion, unfavourable tax exemptions	• Inadequate sensitisation on corruption reporting • Inadequate whistle blower protection • Weak internal controls • Weak revenue collection capacity • Weak enforcement on royalty collections • Weak interagency coordination and collaboration	Requirement 2.1 on legal framework; Requirement 3 on production and export data; Requirement 4 on the various types of payments
Revenue allocation and subnational payments and flows	Misappropriation, diversion of funds, opaque transfer mechanisms, political capture	• Political interests compromise public finance management • Weak control systems • Irregular audits	Requirement 4.6 and 5.2 on subnational payments and transfers, sharing formulas and allocated vs actual transfers; Requirement 5.1 and 5.3 on budgets and revenue management and expenditures

AREAS IN THE EXTRACTIVE SECTOR VALUE CHAIN	CORRUPTION RISKS	UNDERLYING CAUSES	EITI REQUIREMENTS
Social and environmental expenditures	Non-compliance with laws or contractual commitments on social and environmental expenditures, kick-backs, bribery, misappropriation of social and environmental funds	<ul style="list-style-type: none"> • Delays in approvals of ESIA • Inadequate capacity to undertake environmental impact assessment studies not undertaken as required • Lack of enforcement of recommendations of environmental impact assessment • Non-disclosure of Community Development Agreements 	Requirement 6 on social and economic spending

Table 2: Oil and Gas

AREAS IN THE EXTRACTIVE SECTOR VALUE CHAIN	CORRUPTION RISKS	UNDERLYING CAUSES	EITI REQUIREMENTS
Allocation of Licenses	Bribery, collusion, political capture, undue influence, favouritism, extortion	<ul style="list-style-type: none"> • Abuse of powers • Lack of awareness of licensing process • Bureaucratic licensing process • Concealed conflict of interest • Inadequate systems that are partially computerised • Weak corruption detection mechanisms 	Requirement 2.2 and 2.3 on license allocations and awards
Production Sharing Agreements	Political capture, non-compliance with laws on fiscal regimes, conflicts of interest	<ul style="list-style-type: none"> • Weak enforcement of procedures of contracts • Weak oversight of PSA holders in terms of production 	Requirement 2.4 on the full disclosure of contractual terms (Negotiations conducted by reps of relevant stakeholders)

AREAS IN THE EXTRACTIVE SECTOR VALUE CHAIN	CORRUPTION RISKS	UNDERLYING CAUSES	EITI REQUIREMENTS
		<ul style="list-style-type: none"> • Absence of Corruption Prevention policies in licensing departments¹⁵ • Concealed conflict of interest • A company uses a third-party intermediary to gain an advantage in the award 	
Beneficial Ownership	Conflicts of interest, illicit financial flows, shell companies, money laundering	<ul style="list-style-type: none"> • Weak enforcement procedures • Partial disclosure of ownership that allow politically exposed persons to have a stake in the business • Undeclared conflict of interest 	Requirement 2.5 on names and details of beneficial owners, legal owners and politically exposed persons (PEPs)
State-owned enterprises	Abuse of authority, conflict of interest, misappropriation of funds, favouritism in contracting and regulation	<ul style="list-style-type: none"> • State owned companies subject to influence by politically exposed persons • Lack of transparency in procurement processes • Lack of transparency in recruitment processes 	Requirements 2.6, 4.5 and 6.2 on revenue retention, financial flows and quasi-fiscal spending
Commodity trading	Bribery, conflicts of interest, misappropriation, inappropriate trading benchmarks, unbalanced trading terms, unqualified buyers, price manipulation, undervaluation of production and exports	<ul style="list-style-type: none"> • Artificially low prices for germ stones • Transfer pricing • Ease of smuggling of germ stones • Concealed consignments • Weak regulation of artisanal mining 	Requirements 3.2, 3.3 and 4.2 on buyers, commodities, and prices and volumes of sales

¹⁵ Policy being developed

AREAS IN THE EXTRACTIVE SECTOR VALUE CHAIN	CORRUPTION RISKS	UNDERLYING CAUSES	EITI REQUIREMENTS
Revenue collection and payment flows	Misappropriation, bribery, money laundering, false invoicing, tax understatement and evasion, unfavourable tax exemptions	<ul style="list-style-type: none"> • Inadequate sensitisation on corruption reporting • Inadequate whistle blower protection • Weak internal controls • Weak revenue collection capacity • Weak enforcement on royalty collections • Weak interagency coordination and collaboration 	Requirement 2.1 on legal framework; Requirement 3 on production and export data; Requirement 4 on the various types of payments
Revenue allocation and subnational payments and flows	Misappropriation, diversion of funds, opaque transfer mechanisms, political capture	<ul style="list-style-type: none"> • Political interests compromise public finance management • Weak control systems • Irregular audits 	Requirement 4.6 and 5.2 on subnational payments and transfers, sharing formulas and allocated vs actual transfers; Requirement 5.1 and 5.3 on budgets and revenue management and expenditures
Social and environmental expenditures	Non-compliance with laws or contractual commitments on social and environmental expenditures, kick-backs, bribery, misappropriation of social and environmental funds	<ul style="list-style-type: none"> • Delays in approvals of ESIA • Inadequate capacity to undertake environmental impact assessment studies not undertaken as required • Lack of enforcement of recommendations of environmental impact assessment • Non-disclosure of Community Development Agreements 	Requirement 6 on social and economic spending

Table 3: Forestry

AREAS IN THE EXTRACTIVE SECTOR VALUE CHAIN	CORRUPTION RISKS	UNDERLYING CAUSES	EITI REQUIREMENTS
Allocation of Licenses/Permits	Bribery, collusion, political capture, undue influence, favouritism	<ul style="list-style-type: none"> • Space for discretion by the Director of Forestry • Individuals rather than committees responsible for licensing/permit decisions • Opacity in license/permit allocation and revenue generation activities • Lengthy bureaucratic licensing process • Undeclared conflict of interest • Weak enforcement of standard operating procedures • Weak whistle blower arrangements on license/permits processes • Limited public access to information • Weak corruption reporting mechanisms, including weak Institutional Integrity Committee • High levels of poverty 	Requirement 2.2 and 2.3 on license allocations and awards
Concession Agreements	Political capture, non-compliance with laws on fiscal regimes, conflicts of interest	<ul style="list-style-type: none"> • Weak enforcement of procedures of contracts • Lack of transparency in the 	Requirement 2.4 on the full disclosure of contractual terms

AREAS IN THE EXTRACTIVE SECTOR VALUE CHAIN	CORRUPTION RISKS	UNDERLYING CAUSES	EITI REQUIREMENTS
		contracting process <ul style="list-style-type: none"> • Weak oversight of permit holders in terms of production • Absence of Corruption Prevention policies • Undeclared conflict of interest • Secrecy on contents of awards • Inadequate media attention on forestry issues and lack of media capacity 	
Beneficial Ownership	Conflicts of interest, illicit financial flows, shell companies, money laundering	<ul style="list-style-type: none"> • Weak enforcement procedures • Partial disclosure of ownership that allow politically exposed persons to have a stake in the business • Undeclared conflict of interest (Trust?) 	Requirement 2.5 on names and details of beneficial owners, legal owners and politically exposed persons (PEPs)
Revenue collection and payment flows	Misappropriation, bribery, money laundering, false invoicing, tax understatement or avoidance, unfavourable tax exemptions	<ul style="list-style-type: none"> • Export permit system is porous - elaborate • Opacity in revenue collection • Weak interagency coordination and collaboration • Weak internal controls • Weak revenue collection capacity • Low salaries for junior officers • Coercion from higher ranking officials • Complicit by officials in the Forestry, police, road traffic and 	Requirement 2.1 on legal framework; Requirement 3 on production and export data; Requirement 4 on the various types of payments

AREAS IN THE EXTRACTIVE SECTOR VALUE CHAIN	CORRUPTION RISKS	UNDERLYING CAUSES	EITI REQUIREMENTS
		safety services, and revenue authority	
Social and environmental expenditures	Non-compliance with laws or contractual commitments on social and environmental expenditures, kick-backs, bribery, misappropriation of social and environmental funds	<ul style="list-style-type: none"> • Inadequate funding for conservation efforts 	Requirement 6 on social and economic spending

Of particular concern is the illicit charcoal trade, which is driving Malawi’s rates of deforestation to catastrophic levels. Supply chains are becoming increasingly controlled by illicit trafficking syndicates and facilitated by a network of corrupt and greedy individuals employed across multiple government agencies. Recent commitments made by the Department of Forestry to hold the perpetrators to account are encouraging, as they form part of a progressive multi-disciplinary model which it is hoped will emulate successes similar to that seen within the wildlife sector.

According to a report by the Malawi Parliamentary Conservation Caucus titled ‘The Role of Corruption in enabling Wildlife and Forest Crime in Malawi’, illegal logging of hardwoods and round woods in Lengwe National Park, Chikwawa is a major contributor to the high deforestation rate in Malawi, which is reported to be the highest rate of deforestation in the SADC. Much of the illicit activity went unchecked for years, however in 2016, various members of a syndicate trading in high value Mopane trees were convicted in Malawi’s largest ever recorded illegal logging case. In addition, the report notes the lack of enforcement in the timber trade in Malawi as a major concern and in 2019, Malawi successfully applied to include Mulanje Cedar (*Widdringtonia whytei*) and African Mukula (*Pterocarpus tinctorius*) on Appendix II of CITES to provide additional protection to these species that are threatened by trade. The report also notes that the current trade in edible endemic orchids is also poorly understood and monitored; illegal harvesting and trade to Zambia may represent a threat to several species. The report concludes that the sophisticated level of crime in Lengwe National Park resulting in clearly visible and large-scale destruction of forest through use of heavy machinery over a sustained length of time, would be impossible without the involvement of corrupt officials.

There is also prevalence of land issues (boundary issues) around Forest Reserves which, in a number of recent cases, have resulted in gazetted land being “unofficially/seemingly officially” de-gazetted and converted to private land. Standard and transparent gazetting procedures must be enforced to address corruption in the Department of Forestry which may be tied to political influence (both from politicians and from Traditional Leaders).

Table 4: Fisheries

AREAS IN THE EXTRACTIVE SECTOR VALUE CHAIN	CORRUPTION RISKS	UNDERLYING CAUSES	EITI REQUIREMENTS
Allocation of Licenses/Permits	Bribery, undue influence, favouritism	<ul style="list-style-type: none"> • Space for discretion by the Director of Fisheries • Individuals rather than committees responsible for permit/licensing decisions • Opacity in license/permit allocation • Inadequate corruption reporting mechanisms, including absence of Institutional Integrity Committee • Undeclared conflict of interest • Inadequate media attention on fisheries issues and lack of media capacity 	Requirement 2.2 and 2.3 on license allocations and awards
Beneficial Ownership	Conflicts of interest, illicit financial flows, shell companies, money laundering	<ul style="list-style-type: none"> • Weak enforcement procedures • Partial disclosure of ownership that allow politically exposed persons to have 	Requirement 2.5 on names and details of beneficial owners, legal owners and politically exposed persons (PEPs)

AREAS IN THE EXTRACTIVE SECTOR VALUE CHAIN	CORRUPTION RISKS	UNDERLYING CAUSES	EITI REQUIREMENTS
		<ul style="list-style-type: none"> • a stake in the business • Undeclared conflict of interest 	
Revenue collection and payment flows	Misappropriation, bribery, money laundering, false invoicing, tax understatement or avoidance, unfavourable tax exemptions,	<ul style="list-style-type: none"> • Export permit system is porous • Fraudulent origin permits • Weak internal controls • Weak revenue collection capacity • Coercion from higher ranking officials • Low salaries for junior officers • Weak inter agency coordination and collaboration 	Requirement 2.1 on legal framework; Requirement 3 on production and export data; Requirement 4 on the various types of payments
Social and environmental expenditures	Non-compliance with laws or contractual commitments on social and environmental expenditures, kick-backs, bribery, misappropriation of social and environmental funds	<ul style="list-style-type: none"> • Weak monitoring capacity of environmental compliance 	Requirement 6 on social and economic spending

Table 5: Transport

AREAS IN THE EXTRACTIVE SECTOR VALUE CHAIN	CORRUPTION RISKS	UNDERLYING CAUSES	EITI REQUIREMENTS
Award of Concession Agreement	Bribery, undue influence	<ul style="list-style-type: none"> • Involvement of politicians during negotiations • Undeclared conflict of interest 	Requirement 2.2 and 2.3 on license allocations and awards
Beneficial Ownership	Conflicts of interest, illicit financial flows, shell companies, money laundering	<ul style="list-style-type: none"> • Weak enforcement procedures • Partial disclosure of ownership that allow politically exposed persons to have a stake in the business • Undeclared conflict of interest 	Requirement 2.5 on names and details of beneficial owners, legal owners and politically exposed persons (PEPs)
Revenue collection and payment flows	Misappropriation, bribery, money laundering, false invoicing, tax understatement or avoidance, unfavourable tax exemptions	<ul style="list-style-type: none"> • Weak monitoring systems of revenue flows • Weak revenue collection capacity 	Requirement 2.1 on legal framework; Requirement 3 on production and export data; Requirement 4 on the various types of payments
Social and environmental expenditures	Non-compliance with laws or contractual commitments on social and environmental expenditures, kick-backs, bribery, misappropriation of social and environmental funds	<ul style="list-style-type: none"> • Weak monitoring capacity of environmental compliance 	Requirement 6 on social and economic spending

2.7 Key Emerging Corruption related Issues in the Extractive Sector

From the preceding situational analysis, there are a number of key emerging corruption related issues in the extractive sector, which are highlighted below.

1. Allocation of licenses/permits/concessions is fraught with a number of corruption risks that include bureaucratic delays, involvement of politically exposed persons, the lack of transparency and inadequate use of technology, as well as broad discretionary powers at the level of Director in the departments of Forestry and Fisheries. This is exacerbated by gaps in the legislation and weaknesses in internal corruption prevention measures in agencies that award licenses/permits/concessions that include failure by some officers to declare their assets in accordance with the Public Officers (Declaration of Assets, Liabilities and Business Interests) Act of 2013, which may mask their business interests in enterprises in the extractive sector.
2. There is a lack of a well structured process for negotiating Mining Development Agreements (MDA)/permits/concessions is poses a corruption risk(s), in terms of transparency and accountability, which may lead to government collecting less than its fair share of revenues from the extractive sector especially mining and hydrocarbons. However, there are steps being taken to develop a model MDA.
3. There is inadequate monitoring of production levels in the extractive sector due to constraints in funding and skills of staff in the various MDAs, leading to under declarations of production and their attendant values. In addition, there is a lack of capacity to monitor prices for commodities on the international markets so as to inform an understanding of the values of such commodities.
4. Current Beneficial Ownership Disclosures (BoD) do not meet international benchmarks such as the EITI standard and requirements as there is partial disclosure of beneficial owners of enterprises. However, there are indications that the country is taking steps to align with international disclosure standards as the Companies (Beneficial Ownership) Regulations published in December 2022 seek to improve transparency and accountability in the ownership structures of companies operating in Malawi. The regulations require all companies to disclose their beneficial ownership information to the Registrar of Companies, in a bid to fight against corruption, money laundering and other illicit activities. Notwithstanding the development on beneficial ownership, there will be a need for disclosures to be extended to relationships between public sector officials and owners of private sector companies to ascertain their influence in award of licenses, permits and contracts as they are reports of collusion between owners of companies and politically exposed persons, as well as with key public servants.

5. The measures to prevent illicit flows of finances are inadequate resulting in some entities in the extractive sector not honoring their obligations in annual fees, royalties¹⁶ and concessions due to capacity constraints and instances of false invoicing, bribery and corruption. The collection of tax revenue from the extractive sector is also less than optimal as many eligible entities are not contributing their fair share of revenue. This is compounded by inadequate auditing capacity by the National Audit Office (NAO) to undertake specialized audits. There is also rampant smuggling of precious stones such as gold, rubbies resulting in loss of revenue.
6. There is Inadequate attention to localities where natural resources are extracted leading to sentiments of being 'short changed' by local communities. The benefits from exploitation of natural resources are not evident in communities where mining is taking place. There is a lack of transparency on how proceeds from mining ventures and other extractive ventures are benefiting the country. This is exacerbated by perceptions of inordinate collusion between traditional leaders and potential investors and inadequate civic education among the citizenry of operations of key agencies in the extractive sector. To counter such perceptions among communities where natural resources are extracted and to promote transparency and accountability in resource management, the Mines and Minerals Act (MMA) of 2023 provides for Community Development Agreements (CDAs) under the large scale mining category. There are also provisions for Corporate Social Responsibility (CSR), although, this is not mandatory.
7. Natural resources extraction causes irreparable damage to the environment and therefore the need for impact mitigating measures.

¹⁶ Royalties are now to be collected by MRA as per MM Act.

3.0 CHAPTER THREE: VISION, GOALS, OBJECTIVES AND GUIDING PRINCIPLES OF THE STRATEGY

3.1 Vision

‘An extractive sector that is free from Corruption’

3.2 Goal and Strategic Objectives

The overall goal of the extractive sector anti-corruption strategy is ‘to reduce the prevalence of corruption in the sector’.

The strategy will aim to achieve the overall Goal through the following Strategic Objectives:

1. To improve the license/permit and concessions award processes and internal measures to combat corruption.
2. To strengthen the negotiating framework on Mining Development Agreements (MDA) for fair revenue sharing.
3. To strengthen the management and monitoring arrangements of the of the minerals production volumes, payments/revenue, export volumes and export proceeds.
4. To improve compliance with disclosure of beneficial ownership requirements.
5. To strengthen capacity of revenue collection agencies in corruption prevention and management.
6. To strengthen mineral resource proceeds sharing between mining entities and local communities.
7. To strengthen environmental protection efforts related to extractive sector activities.

3.3 Guiding Principles

The implementation of the MWEITI ACS will be guided by the following principles:

1. *Professionalism*: skilled and trained state and non-state actors engaged in the fight against corruption;
2. *Efficiency and Effectiveness*: timely delivery of public goods and services;
3. *Accountability*: stakeholders being responsible for their actions and inactions;
4. *Transparency*: public services transacted openly to realise fairness and honesty;
5. *Integrity*: moral uprightness in conducting public business;
6. *Equity*: fair treatment to everyone accessing public services; and
7. *Inclusivity*: promotion of participation of all including the marginalised and vulnerable members of the community in the fight against corruption.

4.0 CHAPTER FOUR: PRIORITY STRATEGIC INTERVENTIONS

4.1 Overview

The MSG, comprising of the Government, Private sector and Civil Society aims through this anti-corruption strategy to implement measures to combat corruption in entities and communities working in the extractive sector of Malawi. The objective is not only to ensure sustainable extraction of the country's natural resources, but also to promote inclusive wealth creation and reduction of poverty. The MWEITI ACS is anchored on the National Anti-Corruption Strategy, whose implementation is coordinated by the ACB and the DRMS that is championed by the RPD of the MoFEA. The NACS II has three mutually reinforcing strategic goals of promoting improved service delivery, strengthening the rule of law and promoting a culture of integrity that will guide anti-corruption efforts in the extractive sector, given that all these areas are in need of attention in the sector. As the efforts at fighting corruption are designed in part to safeguard the country's proceeds from the extractive sector, the DRMS will serve as a complementary strategy to the MWEITI ACS.

This section sets out the priorities of the MWEITI ACS, which are reflected in the form of strategic objectives, strategies and key activities.

4.2 Strategic Priorities

4.2.1 Strategic Objective # 1: To improve the license/permit and concessions award processes and internal measures to combat corruption

In order to achieve the strategic objective, the following strategies (associated risks included to link problem to solution) and activities will be implemented:

Corruption Risks	Strategies	Key Activities
1. Lack of transparency in the licensing and permits process	1. Strengthen transparency and accountability mechanisms in the licensing and permits processes	1.1 Sign MoU on BoD between RGD and the DoM to facilitate the request/sharing/use of information about the beneficial owners of companies as part of due diligence in award and renewal of licences. 1.2 Publish regular bulletins on licensing and permits status 1.3 Publish beneficial owners of companies in the bidding process
2. Legislation provides discretionary	2. Strengthen legislation to eliminate discretionary powers in the licensing and permits processes	2.1 Review legislation to eliminate discretionary powers and eliminate

Corruption Risks	Strategies	Key Activities
powers which pose corruptin risks		politically exposed persons from the processes 2.2 Develop monitoring mechanisms to check abuse of the licensing and permits processes
3. There is a lack of set benchmenrks for processing which leads to delays, which creates for corruption	3. Reduce the turn-around time for award of licenses/permits/concessions	3.1 Develop benchmarks and standards for award of licenses and permits 3.2 Publish benchmarks and standards for award of licenses and permits 3.3 Digitalise license/permit processes
4. Departments such as Fisheries have yet to establish IICs and reporting procedures on corruption not clear to some officers	4. Strengthen corruption prevention measures in all licensing departments	4.1 Develop Anti-Corruption Prevention Policies and measures 4.2 Sensitise and officers public and private officials on the anti-corruption policies and measures 4.3 Undertake corruption risk assessments 4.4 Conduct capacity building exercises in corruption prevention

4.2.2 Strategic Objective # 2: Strengthen the framework for negotiating Mining Development Agreements (MDA) for fair revenue sharing

In order to achieve the strategic objective, the following strategies (associated risks included to link problem to solution) and activities will be implemented:

Corruption Risks	Strategies	Key Activities
1. Country lacks capacity to develop negotiating frameworks for MDAs that can enhance transparency and accountability in the	1. Study negotiating frameworks of best practice countries in mining Build capacity of all officers engaged in negotiating MDAs	1.1 Undertake study tours to countries with extensive experience and best practices in mining development 1.2 Facilitate orientation of all staff engaged in MDA negotiation to the negotiating framework and

Corruption Risks	Strategies	Key Activities
negotiating processes		tools with focus on project economics, legal, fiscal and practical considerations for accountability and anticorruption in contract negotiation
2. The country lacks well structured MDA negotiating frameworks and tools	2. Develop negotiation frameworks	2.1 Update MDA Model and negotiation tools based on needs and best practice

4.2.3 Strategic Objective # 3: To strengthen the management and monitoring arrangements of the of the minerals production volumes, payments/revenue, export volumes and export proceeds

In order to achieve the strategic objective, the following strategies (associated risks included to link problem to solution) and activities will be implemented:

Corruption Risks	Strategies	Key Activities
1. There is a lack of monitoring framework of license/MDA/permit processes. There is also a lack incentives to encourage compliance.	1. Promote adherence to conditions of the licence/MDAs/permit and concessions	1.1 Develop monitoring framework 1.2 Implement performance enhancing incentives that encourages companies to accurately report production and payments 1.3 Sensitise public on the conditions in license/permit/MDA/ concession and incentives for those that are compliant

Corruption Risks	Strategies	Key Activities
		1.4 Impose penalties on non-compliant parties
2. Undeclared production volumes is a source of loss of revenue	2. Strengthen monitoring of licensee operations	2.1 Regularly conduct inspections of activities of licensed entities 2.2 Regularly publish reports on inspections of contracted entities, production volumes, payments/revenue and export proceeds
3. There is a lack of transparency in award processes for licenses/MDAs/permit/concessions	3. Promote transparency in award of licenses/MDAs/permits/concessions and their contents	3.1 Publish awards as per provisions of the law 3.2 Publish mining contracts as per provisions of the law
4. Inspections not regularly undertaken due to capacity constraints	4. Strengthen monitoring of licensee operations	4.1 Regularly conduct inspections of activities of licensed entities with a view of digitising the processes 4.2 Establish inter-agency monitoring mechanisms 4.3 Regularly publish reports on inspections of contracted entities

Corruption Risks	Strategies	Key Activities
4. Lack of compliance with the law on declarations among public servants	4. Promote compliance with laws and regulations related to declarations of assets by public officers	4.1 Maintain an updated register of officers that have declared their assets 4.2 Sensitise officers on importance of declaring their assets 4.3 Sanction officers that have not declared their assets 4.4 Conduct life style audits for officers whose assets do not match known income sources

4.2.4 Strategic Objective # 4: To improve compliance with disclosure of beneficial ownership requirements

In order to achieve the strategic objective, the following strategies (associated risks included to link problem to solution) and activities will be implemented:

Corruption Risks	Strategies	Key Activities
1. Inadequate level of disclosure of beneficial owners in the license/permit and concession award/bidding and renewal processes	1. Strengthen enforcement with BoD regulations in the license/permit concession award/bidding/ renewal processes	1.1 Align license/permit processes and contract bidding processes with requirements of BoD Regulations of 2022 1.2 Publish list of companies that have complied with BoD Regulations of 2022 in the extractive sector 1.3 Impose penalties on non-compliant parties 1.4 Conduct periodic training and sensitization on BOD and BO regulations 2022 in collaboration with RGD

Corruption Risks	Strategies	Key Activities
2. Inadequate sharing of BoD among key law enforcement agencies	2. Promote sharing of BoD data among key law enforcement, revenue collecting bodies and financial institutions	2.1 Share BoD data among key law enforcement, revenue collecting bodies and financial institutions 2.2 Report suspicious BoD data to ACB, FIA and PPDA 2.3 Regularly update BoD data
3. Inadequate monitoring of BoD RGD, MRA and NAO	3. Strengthen monitoring of BoD by entities such as the Registrar of Companies, revenue collecting bodies and the National Audit Office	3.1 Regularly conduct inspections of BoD data 3.2 Publish reports of inspections of BoD data 3.3 Develop BO register specifically for the Extractive sector

4.2.5 Strategic Objective # 5: To strengthen capacity of revenue collection agencies in corruption prevention and management

In order to achieve the strategic objective, the following strategies (associated risks included to link problem to solution) and activities will be implemented:

Corruption Risks	Strategies	Key Activities
1. Inadequate detection of illicit financial flows	1. Improve detection of illicit financial flows	1.1 Register all operators in precious minerals 1.2 Inspect and verify production figures for precious minerals 1.3 Maintain sales figures for precious minerals 1.4 Training of stakeholders on detection like transfer pricing, tax evasion, etc
2. Audit capacity is weak and irregular	2. Strengthen audit and financial intelligence capacity in relevant bodies	2.1 Conduct specialised training in auditing extractive sector processes and proceeds 2.2 Conduct regular audits of the extractive sector
3. Anti-corruption in the extractive are inadequate	3. Strengthen anti-corruption measures in extractive sector entities	3.1 Sensitise staff and operators in the extractive sector to corruption measures 3.2 Formalise relations between the extractive sector entities

Corruption Risks	Strategies	Key Activities
		with the Private Sector Anti-Corruption Coalition
4. Surveillance of illicit exports of extractive materials is weak at point of exit	4. Strengthen surveillance at points of exit in the country to check illicit exports	4.1 Train law enforcement and revenue collecting officers on how to detect illegal exports of extractive sector materials 4.2 Regularly publish extractive sector materials exported
5. Inadequate follow up of extractive samples set outside the country	5. Following up on the extractive sector samples extracted and exported	5.1 Provide updates of mineral sample types, volumes, value, purpose and destination exported, how it is transported 5.2 Conduct follow ups on the results and what happens to the samples 5.3 Publish the report frequently or as need be

4.2.6 Strategic Objective # 6: To strengthen mineral resource proceeds sharing between mining entities and local communities.

In order to achieve the strategic objective, the following strategies (associated risks included to link problem to solution) and activities will be implemented:

Corruption Risks	Strategies	Key Activities
1. Currently, communities are not receiving their fair share from mining activities	1. Promote a win-win arrangement between companies extracting resources and communities in their area of operation	1.1 Build capacity of community members involved in negotiating Community Development Agreements. 1.2 Sign Community Development Agreements 1.3 Monitor compliance with Community Development Agreements 1.4 Provide reports to the communities on extractive sector activities
2. Currently, local councils are not meaningfully	2. Strengthen the involvement of local councils in all	2.1 Central government ministries and agencies to involve local councils and

Corruption Risks	Strategies	Key Activities
involved in extractive sector activities, especially mining	extraction sector activities in their locality	community representatives in all extractive sector activities that require local participation 2.2 Undertake local inspections by council officials of extractive sector activities 2.3 Promote multi-stakeholders group (MSG) arrangements at district levels to discuss extractive sector issues
3. Understanding of mining activities among communities is weak	3. Promote civic education on extraction sector activities across the country including benefits and measures to fight corruption	3.1 Local councils to share reports with communities on extractive sector activities taking place in their locality 3.2 Locals councils to facilitate good relations between extractive sector companies and local communities 3.3 Engage media or private expert to investigate and report on alleged corruption activities 3.4 Make MWEITI a point of first reporting of corruption matters in the extractive sector for faster response

4.2.7 Strategic Objective # 7: To strengthen environmental management efforts related to extractive sector activities

In order to achieve the strategic objective, the following strategies (associated risks included to link problem to solution) and activities will be implemented:

Corruption Risks	Strategies	Key Activities
1. Enforcement of legislation on environmental protection is weak	1. Strengthen the enforcement of existing legislation on environmental protection and conservation	1.1 Monitor compliance with environmental impact assessment results 1.2 Impose penalties on non-compliant parties

Corruption Risks	Strategies	Key Activities
<p>2. The extraction of natural resources, especially forestry and fish products, as well as practices of artisanal miners is not sustainable</p>	<p>2. Promote sustainable extraction of natural resources</p>	<p>2.1 Develop regulations for Artisanal miners 2.2 Monitor compliance with artisanal mining regulations 2.3 Develop a Code of Ethics and Conduct for Artisanal miners 2.4 Sanction errant artisanal miners 2.5 Formalisation of artisanal miners into cooperatives 2.6 Training of artisanal miners in sustainable mining methods 2.7 Training of artisanal miners in value addition of raw products 2.8 Develop a marketing platform for extractive products</p>

5.0 CHAPTER FIVE: KEY SUCCESS FACTORS

5.1 Overview

There are factors that are key to the successful implementation of the MWEITI ACS. Some of these factors already exist, while others will need to be secured or nurtured during the life of the strategy. The factors on which the successful implementation of the MWEITI ACS will rest are set out below.

5.1.1 Political Support

- i) A strategy of this magnitude requires sustained political will and support for it to succeed. In this connection, the Minister of Finance and Economic Affairs is expected to provide political leadership for the Extractive Industries Transparency Initiative in Malawi and through him to sustain Government support at the highest levels.
- ii) Parliamentary support will be nurtured and sustained through regular reporting by MWEITI at any of its relevant Committees.
- iii) Malawi will continue to be an active member of the Open Government Initiative as EITI is one of the pillars of OGP.
- iv) Malawi will sustain its membership of the international Extractive Industries Transparency Initiative (EITI), which is a global platform that promotes transparency and accountability in the extractive sector.
- v) The governance architecture in place in the form of the Multi-Stakeholder Group comprising of Government, Private companies and Civil Society, established to oversee extractive sector activities needs to be nurtured and sustained.
- vi) Extractive sector reforms will continue to facilitate an enabling environment that attracts increased direct investments.

5.1.2 Technical Support

- i) Sustained technical support from the Anti-Corruption Bureau will be required to ensure success of anti-corruption initiatives in the extractive sector.
- ii) Some sectors of the extractive sector such as mining are still in their infancy and will therefore require sustained technical support in many areas for intended results to be achieved.
- iii) Continued independent advisory services through which annual MWEITI reports are produced are necessary to enhance transparency and accountability in the extractive sector.
- iv) MWEITI may facilitate training of journalists in investigative journalism and for community awareness on anti-corruption measures in the extractive sector.

5.1.3 Government Funding

- i) MDAs in the extractive sector will make available a portion of 1% of their ORT funding towards Institutional Integrity Committee activities.
- ii) Local councils in areas where extractive sector activities are taking place will make available a portion of 1% of their ORT funding for sensitising communities on anti-corruption interventions in the extractive sector.

5.1.4 Cooperating Partner Support

- i) EITI Secretariat support remains pivotal to continued reforms in the extractive sector. In this regard, continued technical support from the EITI Secretariat, as well as adherence to the EITI Standard and its requirements and validation process are necessary for the continued success of activities in the extractive sector.
- ii) Support from multilateral and bilateral agencies remains crucial to support on-going reforms in the extractive sector, especially as it relates to revenue management.

5.1.5 Citizen participation

- i) Citizens are expected to be actively involved in all extractive ventures to ensure sustainability.
- ii) Awareness of citizens of mining activities and contracts agreed between parties is key to harmonious relations with mining investors.

6.0 CHAPTER SIX: MAJOR RISKS TO MWEITI ACS AND MITIGATION MEASURES

6.1 Overview

A number of major risks have been identified that could compromise implementation if not adequately addressed. As a way of mitigating against the risks, measures are set out in table 5 below to contain the risks.

Table 5: Major Corruption Risks and Mitigation Measures

Major Risks to the Implementation of the MWEITI ACS	Risk Mitigating Strategies
Natural disasters such as Cyclones	<ul style="list-style-type: none"> • Investing in climate smart structures that are resilient to weather shocks • Intensify conservation efforts around the lakes and rivers to preserve fish • Intensify monitoring and surveillance of forest fires and wanton cutting down of forests
Continuity of political buy-in for reforms in the extractive sector	<ul style="list-style-type: none"> • Take necessary decisions to sustain changes in the sector
Unilateral actions by any of the key parties in the extractive sector, re: Government, private sector and Civil Society	<ul style="list-style-type: none"> • Develop a MWEITI MSG Handbook Manual to ensure unified actions.
Insufficient funding for implementation of the MWEITI ACS	<ul style="list-style-type: none"> • Ensure budgetary allocation for MWEITI ACS implementation • Engage Development Partners to support MWEITI ACS initiatives • MDAs in the extractive sector to use their 1% of ORT funding for anti-corruption measures
De-prioritising implementation of strategic activities can lead to a policy agreement and implementation gap	<ul style="list-style-type: none"> • There should be an actionable, timebound and costed implementation plan and associated monitoring and evaluation framework for the MSG to ensure ownership, leadership and oversight of the implementation of the strategic actions over time.
Lack of cooperation from private sector entities working in the extractive sector with planned anti-corruption initiatives	<ul style="list-style-type: none"> • Continuous engagement of the sector on benefits of anti-corruption initiatives • Leverage the Private Sector Coalition Against Corruption in enhancing private sector cooperation

<p>Low levels of awareness among the public of anti-corruption measures and how to report them</p>	<ul style="list-style-type: none"> • Continuously civic educate the public on anti-corruption initiatives in the extractive industry sector
<p>Delays in the adoption of the MWEITI draft Policy and Bill</p>	<ul style="list-style-type: none"> • Facilitate urgent adoption of MWEITI draft Policy and MWEITI bill which will create a more enabling environment for the implementation and acceptance of this strategy • Ensuring that Policy, legislation are continuously in tandem

7.0 CHAPTER SEVEN: MWEITI ACS IMPLEMENTATION ARRANGEMENTS

7.1 Overview

The MWEITI ACS will be implemented cognisance of its sector-wide nature and the investigative powers of ACB under the law. In this regard, it will seek to ensure anti-corruption activities being undertaken at central and district levels and within public and private sector entities are properly aligned to NACS II and that all stakeholders are aware of reporting arrangements for corruption. There will also be a need to ensure key case handling institutions are working in a complimentary fashion to handle cases within their respective mandates. Given the complexity of the extractive sector, the implementation of the MWEITI ACS will involve many stakeholders necessitating clear mechanisms for governance and coordination. This section sets out governance and coordination arrangements that will guide implementation and facilitation of monitoring of progress of the MWEITI ACS.

7.2 Roles of Key Stakeholders for the MWEITI ACS

The role of the key stakeholders in the implementation of the strategy is shown in table 6 below:

Table 6: Roles of Key Stakeholders for the MWEITI ACS

<ul style="list-style-type: none"> - United nations (Sustainable Development Goals) - EITI Secretariat (EITI Standard) 					
The Office of the President and Cabinet (OPC) through the Open Government Partnership (OGP) Initiative <ul style="list-style-type: none"> - Policy Guidance and strategic direction - Implementation oversight of the MWEITI ACS as MWEITI activities - Provide report to the National Integrity Committee under NACS II 		Parliament <ul style="list-style-type: none"> - Drafting legislation that supports anti-corruption activities - Review reports on MWEITI activities - Summon relevant parties in the extractive sector to respond to queries 		National Planning Commission <ul style="list-style-type: none"> - Facilitates development of the national vision - Monitors adherence to the national vision and planning framework 	
Multi-Sector Group <ul style="list-style-type: none"> - Oversees implementation of EITI, including MWEITI ACS <ul style="list-style-type: none"> - Facilitate corruption risk assessments - Serve as an observer in license award and renewal - Play an advisory role in the development of BoD regulations and facilitate capacity building on anti-corruption activities 					
MWEITI National Secretariat <ul style="list-style-type: none"> - Ensuring a coordinated approach to the implementation of the MWEITI ACS <ul style="list-style-type: none"> - Conduct monitoring and evaluation of ACS activities - Provide technical support to implementing agencies - Liaise and collaborate with integrity institutions on anti-corruption activities in the extractive sector <ul style="list-style-type: none"> - Generate periodic reports and updates for the MSG 					
Extractive Sector MDAs	Extractive Industries	Accountability Bodies		Regulatory Bodies	Civil Society Organisations
<ul style="list-style-type: none"> - Provide policy and strategic direction - Award licenses/contracts/concessions - Monitor and evaluate implementation of licenses and contracts - Conduct inspections - Provide data to MWEITI NS on exploration/mining activities 	<ul style="list-style-type: none"> - Extract licensed materials as per environmental impact assessment - Fulfil Mining Development Agreements/Community Development Agreements/Corporate Social Responsibility - Provide data to MWEITI on exploration/mining activities - Publish an anti-corruption policy that sets out how they manage corruption risks, as well as engage in rigorous due diligence processes to strengthen the integrity of the EITI process. 	<ul style="list-style-type: none"> - Conduct investigations into alleged corrupt activities, maladministration and human rights violations - Undertake life style audits and detection of illicit financial flows 		<ul style="list-style-type: none"> - Formulate regulations that affect the extractive sector - Monitor adherence to regulations - Penalise errant players in the extractive sector 	<ul style="list-style-type: none"> - Hold duty bearers in the extractive sector accountable for violations of ethical and legal standards - Conduct civic education campaigns
Ministry of Mining, Department of Forestry, Department of Fisheries, Ministry of Transport	Mining industry, forestry industry, fisheries industry and transport	National Audit Office, Anti-Corruption Bureau, Financial Intelligence Authority, Office of the Ombudsman, Malawi Human Rights Commission, Office of the Director of Public Officers' Declarations		Reserve Bank of Malawi, Public Procurement and Disposal of Assets Authority,	CONGOMA, Natural Resources Justice Network, Media,
Key Collaborating Institutions					
<ul style="list-style-type: none"> - Provides technical support - Validation of EITI processes 	<ul style="list-style-type: none"> - Technical and Financial Support 	<ul style="list-style-type: none"> - Collects revenue for Government 	<ul style="list-style-type: none"> - Registers business entities - Promote transparency in beneficial ownership data 	<ul style="list-style-type: none"> - Represents industry sector players 	
EITI International Secretariat (Oslo), Cooperating Partners	Development Partners	Malawi Revenue Authority, TEVETA	Registrar General Department	Malawi Chamber of Mines and Energy	

7.3 MWEITI Theory of Change

The Theory of Change of the MWEITI ACS, recognises the vision that the country has committed itself towards, which is one that is corruption free. In this regard, all activities under this strategy will aim to ensure that the extractive sector in Malawi is corrupt free in order to foster sustained socio-economic development of the country. This will entail promoting a culture that is intolerant to corruption through the adoption of patriotic behaviour by all citizens involved in the extractive sector.

7.4 Assumptions

The successful implementation of MWEITI ACS will depend on a number of assumptions over the period of the strategy:

- The identified strategic objectives and interventions will be implemented and monitored;
- All stakeholders will join their efforts to collaborate in the fight against corruption;
- Law enforcement agencies will work in a coordinated fashion to fight against corruption;
- Prudent management of public funds will become a norm;
- Unethical or corrupt practices will not be tolerated;
- Investment in ICT infrastructure and digital access to services will be promoted and implemented nationwide as corruption thrives where systems are inefficient and service delivery is poor;
- Timely and accurate data will be fed into the M&E system.

8.0 CHAPTER EIGHT: MWEITI ACS MONITORING AND EVALUATION FRAMEWORK

8.1 Overview

Monitoring and Evaluation (M&E) are necessary to ensure a successful implementation of the MWEITI ACS. Therefore, an M&E Plan will form the basis for a systematic measurement of progress of achievement of the strategic objectives of the MWEITI ACS. The M&E Plan will provide an overview of the envisaged activities and facilitate collection of data to inform decisions on MWEITI ACS activities; track progress of implementation of various MWEITI ACS activities; assess strategies, systems, and processes to identify and correct deficiencies/weaknesses in implementation of MWEITI ACS; and to promote collaboration among implementing agencies by sharing implementation reports.

8.2 The Monitoring and Evaluation Structure

The MWEITI National Secretariat housed in the RPD of the MoFEA has the responsibility of ensuring a coordinated approach to the implementation of the MWEITI ACS under the strategic guidance of the MSG. In this regard, the Secretariat will have a dedicated Monitoring and Evaluation Officer that will report to the National Coordinator and be responsible for performing the following activities:

- i) conduct monitoring and evaluation activities;
- ii) advise implementing agencies on monitoring requirements
- iii) develop data collection instruments and tools;
- iv) provide technical support to implementing agencies;
- v) generate periodic reports and updates; and
- vi) serve as the Secretary to the Monitoring and Evaluation Committees of the MSG periodic review meetings.

Quarterly inter-agency meeting hosted by OPC/MWEITI MSG will be held to review progress supported by the MWEITI Secretariat.

8.3 Specific Activities

During the implementation of the MWEITI ACS, the Monitoring and Evaluation Officer, will design and share reporting templates, track monitoring of MWEITI ACS implementation and report on the same to the Monitoring and Evaluation Committee of the MSG, which will review data to ensure quality and then present reports to the MSG through the National Coordinator. Following meetings of MSG, dissemination of key decisions that tackle issues of corruption will be widely publicised for increased stakeholder participation and action.

8.4 Monitoring and Evaluation

The M&E plan and tools will be used to generate information and data that will allow the measurement of changes that may occur because of the implementation of the MWEITI ACS. To guarantee efficiency and effectiveness, baselines will be drawn to provide a basis for measurements for impact and causality analysis. Evaluation will be conducted to measure progress, annually, mid- year and end year. In addition thematic studies are likely to be

undertaken to inform decisions on various aspects of the MWEITI ACS. The evaluations and studies undertaken over the years will inform the formulation of the next or review of the MWEITI ACS.

ANNEX 1: IMPLEMENTATION PLAN

Strategic Objective # 1: To improve the license/permit and concessions award processes and internal measures to combat corruption

Strategic Objective	Strategies	Activities/Measure s	Responsible Body		Time Frame				
			Lead	Collobrating	Y 1	Y 2	Y 3	Y 4	Y 5
To improve the license/permit and concessions award processes and internal measures to combat corruption	Strengthen transparency and accountability mechanisms in the licensing and permits processes	Sign MoU on BoD betw een RGD and the DoM to facilitate the request/sharing/us e of information about the beneficial owners of companies as part of due diligence in award and renewal of licenses	RGD	DoM	Yellow				
		Publish quarterly bulletins on licensing and permits status	MWEIT I MSG	MoM/DoF/DF	Yellow	Yellow	Yellow	Yellow	Yellow
		Publish beneficial owners of companies in the bidding process	PPDA	MoM/DoF/DF	Red	Red	Red	Red	Red
	Strengthen legislation to eliminate discretionary powers in the licensing and permits processes	Review legislation to eliminate discretionary powers and	MWEIT I MSG	MoM/DoF/DF		Green	Green	Green	Green

Strategic Objective	Strategies	Activities/Measure s	Responsible Body		Time Frame				
			Lead	Collaborating	Y 1	Y 2	Y 3	Y 4	Y 5
		eliminate politically exposed people from the processes							
		Develop monitoring mechanisms to check abuse of the licensing and permits processes	MWEIT I MSG	MoM/DoF/DF					
	Reduce the turn-around time for award of licenses/permits/concessions	Develop benchmarks and standards for award of licenses and permits	MWEIT I MSG	MoM/DoF/DF					
		Publish benchmarks and standards for award of licenses and permits	MWEIT I MSG	MoM/DoF/DF					
		Digitalise license/permit processes	MWEIT I MSG	MoM/DoF/DF					
		Publish awards	MWEIT I MSG	MoM/DoF/DF					

Strategic Objective	Strategies	Activities/Measure s	Responsible Body		Time Frame				
			Lead	Collobrating	Y 1	Y 2	Y 3	Y 4	Y 5
	Promote transparency in award of licenses/MDAs/permits/concessions and their contents	Publish contents of contracts							
	Strengthen corruption prevention measures in all licensing departments	Develop Anti-Corruption Prevention Policies	MWEIT I MSG	MoM/DoF/DF					
			ACB	MoM/DoF/DF					
		Sensitise officers public and private officials on the anti-corruption measures	ACB	MoM/DoF/DF					
		Undertake corruption risk assessments at varuous stages of the value chain	ACB	MoM/DoF/DF/Ministry of Transport					
		Conduct capacity building exercises in corruption prevention	ACB	MoM/DoF/DF/Ministry of Transport					
		Promote compliance with laws and regulations related to declarations of assets by public officers	Promote compliance with laws and regulations	ODPOD	MoM/DoF/DF/Ministry of Transport				

Strategic Objective	Strategies	Activities/Measures	Responsible Body		Time Frame					
			Lead	Collaborating	Y1	Y2	Y3	Y4	Y5	
		related to declarations of assets by public officers								
		Sensitise officers on importance of declaring their assets	ODPOD	MoM/DoF/DF/Ministry of Transport						
		Sanction officers that have not declared their assets	ODPOD	MoM/DoF/DF/Ministry of Transport						
		Conduct life style audits for officers whose assets do not match known income sources	ACB	FIA/MoM/DoF/Df/Ministry of Transport						

Strategic Objective # 2: To strengthen the negotiating framework on Mining Development Agreements (MDA) for fair revenue sharing

Strategic Objective	Strategies	Activities/Measures	Responsible Body		Time Frame				
			Lead	Collaborating	Y1	Y2	Y3	Y4	Y5
	Study negotiating frameworks of best practice countries in mining	Undertake study tours to countries with extensive experience and best practices in mining development	MWEITI Secretariat	MoM					

Strategic Objective	Strategies	Activities/Measures	Responsible Body		Time Frame				
			Lead	Collaborating	Y1	Y2	Y3	Y4	Y5
	Develop negotiation frameworks	Update MDA Model and negoation tools based on best practice	MWEITI Secretriat	MoM					
Strengthen capacity for negotiation of Mining Development Agreements (MDAs) for fair revenue sharing	Build capacity of all officers engaged in negotiating MDAs	Facilitate training/orientation of all staff engaged in MDA negotiation to the framework and tools with focus on project economics, legal, fiscal and practical considerations for accountability and anti-corruption in contract negotiation	MoM	DoM/MWEITI MSG					

Strategic Objective # 3: To strengthen the management and monitoring arrangements of the minerals production volumes, payments/revenue, export volumes and export proceeds

Strategic Objective	Strategies	Activities/Measures	Responsible Body		Time Frame				
			Lead	Collaborating	Y 1	Y 2	Y 3	Y 4	Y 5
To strengthen the management and monitoring arrangements of the minerals production volumes, payments/revenu	Promote adherence to conditions of the licence/Mining Development Agreement/per	Develop monitoring framework	MWEITI MSG	MoM/DoF/DF/Ministry of Transport					
		Implement performance enhancing incentives that encourage	MoM.DoF/DF/Ministry of Transport	Extractive Industries					

Strategic Objective	Strategies	Activities/Measures	Responsible Body		Time Frame				
			Lead	Collaborating	Y 1	Y 2	Y 3	Y 4	Y 5
Increase export volumes and export proceeds	Limit and concessions	companies to accurately report production and payments							
		Sensitise public on the conditions in license/permit/Mining Development Agreements/concession and incentives for those that are compliant	MWEITI MSG	MoM/DoF/DF/Ministry of Transport/Extractive industries					
		Impose penalties on non-compliant parties	MoM/DoF/DF/Ministry of Transport	Extractive Industries					
	Strengthen monitoring of licensee operations	Regularly conduct inspections of activities of licensed entities with a view of digitising the processes	MoM/DoF/DF/Ministry of Transport	Extractive Industries					
		Regularly publish reports on inspections of contracted entities, production volumes,	MWEITI MSG/MoM/DoF/DF/Ministry of Transport	Extractive Industries					

Strategic Objective	Strategies	Activities/Measures	Responsible Body		Time Frame					
			Lead	Collaborating	Y 1	Y 2	Y 3	Y 4	Y 5	
		payment/revenue, export volumes and export proceeds								
	Promote compliance with laws and regulations related to declarations of assets by public officers	Maintain an updated register of officers that have declared their assets	ODPOD	/MoM/DoF/DF/Ministry of Transport						
		Sensitise officers on importance of declaring their assets	ODPOD	/MoM/DoF/DF/Ministry of Transport						
		Santion officer that have not declared their assets	ODPOD	/MoM/DoF/DF/Ministry of Transport						
		Conduct life style audits for officers whose assets do not match known income sources	ACB	FIA						

Strategic Objective # 4: Improve compliance with disclosure of beneficial ownership requirements

Strategic Objective	Strategies	Activities/Measures	Responsible Body		Time Frame				
			Lead	Collaborating	Y1	Y2	Y3	Y4	Y5
Improve compliance with disclosure of beneficial ownership requirements	Strengthen enforcement with BoD regulations in the license/permit concession bidding processes	Align license/permit processes and contract bidding processes with requirements of BoD Regulations of 2022	Registrar General	MoM/DoF/DF /PPDA					
		Publish list of companies that have complied with BoD Regulations of 2022 in the extractive sector	Registrar General	MoM/DoF/DF /PPDA					
		Impose penalties on non-compliant parties	Registrar General	MoM/DoF/DF /PPDA					
		Conduct periodic training and sensitisation on BOD and BO Regulations 2022 in collaboration with RGD	Registrar General	MWEITI MSG					
	Promote sharing of BoD data among key law enforcement, revenue collecting	Share BoD data among key law enforcement, revenue collecting bodies and financial institutions	Registrar General	MoM/DoF/DF / /PPDA/MRA/FIA					

Strategic Objective	Strategies	Activities/Measures	Responsible Body		Time Frame				
			Lead	Collaborating	Y1	Y2	Y3	Y4	Y5
	bodies and financial institutions	Report suspicious BoD data to ACB, FIA and PPDA	PPDA	MoM/DoF/DF /Registrar General/ACB/FIA					
		Regularly update BoD data	Registrar General	MoM/DoF/DF/Extractive Industries					
	Strengthen monitoring of BoD by entities such as the Registrar of Companies, revenue collecting bodies and the National Audit Office	Regularly conduct inspections of BoD data	Registrar General	PPDA/Extractive Industries					
		Publish reports of inspections of BoD data	Registrar General	PPDA					
		Develop BO register specifically for the Extractive sector	MWEITI MSG	RGD/MoM.DoF/DF/Ministry of Transport/Extractive Industries					

Strategic Objective # 5: Strengthen capacity of revenue collection agencies in corruption prevention and management

Strategic Objective	Strategies	Activities/Measures	Responsible Body		Time Frame				
			Lead	Collaborating	Y1	Y2	Y3	Y4	Y5
Strengthen capacity of revenue collection agencies	Improve detection of illicit financial flows	Register all dealers in precious minerals	RBM	FIA/MRA/DoM					
		Inspect and verify production figures for precious minerals	DoM	FIA/MRA/MPS/DOF/ACB					

Strategic Objective	Strategies	Activities/Measures	Responsible Body		Time Frame				
			Lead	Collaborating	Y1	Y2	Y3	Y4	Y5
		Maintain sales figures for precious minerals	RBM (EDF)	/MRA					
		Training of stakeholders on detection of transfer pricing, tax evasion, etc	MRA	RBM (EDF)					
	Strengthen audit and financial intelligence capacity in relevant bodies	Conduct specialised training in auditing extractive sector processes and proceeds	MWEITI MSG	NAO/MRA					
		Conduct regular audits of the extractive sector	MRA	NAO					
	Strengthen anti-corruption measures in extractive sector industries	Sensitise staff and operators in the extractive sector to corruption measures	ACB	Extractive Industries					
		Formalise relations between the extractive sector entities with the Private Sector Anti-Corruption Coalition	ACB	Extractive Industries					

Strategic Objective	Strategies	Activities/Measures	Responsible Body		Time Frame				
			Lead	Collaborating	Y1	Y2	Y3	Y4	Y5
	Strengthen surveillance at points of exit in the country to check illicit exports	Train law enforcement and revenue collecting officers on how to detect extractive sector materials exported to other countries	MWEITI MSG	IMMIGRATION/MPS/MRA					
		Regularly publish extractive sector materials exported	RBM (EDF)	MWEITI MSG/MoM					
	Following up on the extractive sector samples extracted	Provide updates of mineral sample types, volumes, value, purpose and destination exported, how it is transported	MoM	MWEITI MSG					
		Conduct follow ups on the results and what happens to the samples	MoM	MWEITI MSG					
		Publish the report periodically or as need be	MoM	MWEITI MSG					

Strategic Objective # 6: Strengthen the mineral resource proceeds sharing between Government, mining entities and local communities

Strategic Objective	Strategies	Activities/Measures	Responsible Body		Time Frame				
			Lead	Collaborating	Y1	Y2	Y3	Y4	Y5
Strengthen the mineral resource proceeds sharing between Government, mining entities and local communities	Promote a win-win arrangement between companies extracting resources and communities in their area of operation	Build capacity of communities to negotiate CDAs	MWEITI MSG	MoM/Local Councils					
		Sign Community Development Agreements	Mining Company/Community	Local Councils/ MoM/DoF/DF					
		Monitor compliance with Community Development Agreements obligations for companies utilising MWEITI reports and other sources	MoM	Local Councils					
		Provide reports to the communities on extractive industry activities	Locals Councils	MoM/Mining Company					
	Strengthen the involvement of local councils in all extraction industries	Central government ministries and agencies to involve local councils and community representatives in all extractive industry activities that	Extractive Sector MDAs	Local Councils					

Strategic Objective	Strategies	Activities/Measures	Responsible Body		Time Frame				
			Lead	Collaborating	Y1	Y2	Y3	Y4	Y5
	activities in their locality	require local participation							
		Undertake local inspections by council officials of extractive industry activities	Local Councils	Extractive industries					
		Promote multi stakeholders group (MSG) arrangements at district levels to discuss extractive sector issues	MWEITI MSG	Local Councils/CSOs/extractive industries					
	Promote civic education on extraction industries activities across the country including benefits and measures to fight corruption	Local councils to share reports with communities on extractive sector activities taking place in their locality	Local Councils	Communities					
		Locals councils to facilitate good relations between extractive sector companies and local communities	Local Councils	Communities					

Strategic Objective	Strategies	Activities/Measures	Responsible Body		Time Frame				
			Lead	Collaborating	Y1	Y2	Y3	Y4	Y5
		Engage media or private experts to investigate and report on anti-corruption activities	MWEITI MSG	Media					
		Make MWEITI a point of first reporting of corruption matters in the extractive sector for faster response	MWEITI MSG	ACB					

Strategic Objective # 7: Strengthen environmental protection efforts related to extractive industries activities

Strategic Objective	Strategies	Activities/Measures	Responsible Body		Time Frame				
			Lead	Collaborating	Y1	Y2	Y3	Y4	Y5
Strengthen environmental protection efforts related to extractive industries activities	Strengthen the enforcement of existing legislation on environmental protection and conservation	Monitor compliance with environmental impact assessment results	ERA	NAO/MoM/DoF/DF/Ministry of Transport	Yellow	Yellow	Yellow	Yellow	Yellow
		Impose penalties on non-compliant parties	ERA	MoM/DoF/DF/Ministry of Transport	Red	Red	Red	Red	Red
	Promote sustainable extraction of natural resources	Develop regulations for Artisanal miners	DoM	Artisinal Miners/Local Councils	Green	Green	White	White	White
		Monitor compliance with artisanal mining regulations	DoM	Artisinal Miners/Local Councils	White	White	Blue	Blue	Blue
		Develop a Code of Ethics and Conduct for Artisanal miners	DoM	Artisinal Miners/Local Councils	Red	White	White	White	White
		Sanction errant artisanal miners	DoM	Artisinal Miners/Local Councils	White	Green	Green	Green	Green
		Formalisation of artisanal miners into cooperatives	DoM	Artisinal Miners/Local Councils	Yellow	Yellow	Yellow	Yellow	Yellow

Strategic Objective	Strategies	Activities/Measures	Responsible Body		Time Frame				
			Lead	Collaborating	Y1	Y2	Y3	Y4	Y5
		Training of artisanal miners in sustainable mining methods	DoM	Artisinal Miners/Local Councils					
		Training of artisanal miners in value addition of raw products	DoM/MoTI	Artisinal Miners/Local Councils					
		Develop a marketing platform for extractive products	DoM/MoTI	Artisinal Miners/Local Councils					

ANNEX 2: MONITORING AND EVALUATION PLAN

Strategic Outcome/Output	Performance Indicators	Indicator Definition	Baseline	Targets					Means of Verification	Frequency	Data Collection Instruments /Strategy	Responsibility for Data Collection
			2021/22	23/24	24/25	25/26	26/27	27/28				
STRATEGIC OUTCOME OVERALL: CORRUPTION FREE EXTRACTIVE SECTOR												
Strategic Outcome	Outcome Indicators											
Corruption Free Extractive Sector	Corruption prevalence Public trust, asset recovery, government revenue	Measures perceptions on corruption	TI 34	T1 33	T1 32	T1 31	T1 30	T1 29	Transparency International Index World Bank Governance Indicators, EITI Validation results	Annually	Independent evaluation report of corruption in the extractive sector in 2029	Transparency International MWEITI MSG National Statistics Office
STRATEGIC OBJECTIVE # 1: IMPROVE THE LICENSE/PERMIT AND CONCESSION AWARD PROCESSES AND INTERNAL MEASURES TO COMBANT CORRUPTION												
Expected Output	Output Indicators											
1.1 Strengthened transparency and accountability mechanisms	Number of bulletins published on licensing/permit status	Frequency of bulletins	No consistent pattern of bulletins	4	4	4	4	4	MSG Reports /Annual Activity Progress Reports	Quarterly	MSG Quarterly meeting	MWEITI MSG and Secretariat

Strategic Outcome/Output	Performance Indicators	Indicator Definition	Baseline	Targets					Means of Verification	Frequency	Data Collection Instruments /Strategy	Responsibility for Data Collection
			2021/22	23/24	24/25	25/26	26/27	27/28				
in the licensing and permits processes	Proportion of bidders publishing beneficial owners in their bids	Compliance with Beneficial Ownership Regulations	Not happening at present	50 %	60 %	70 %	80 %	90 %	MSG Reports Annual Activity Progress Reports /	Quarterly	MSG Quarterly meeting	MWEITI MSG and Secretariat
1.2 Strengthened legislation to eliminate discretionary powers in the licensing and permits processes	Reviewed legislation to eliminate discretionary powers	Revised laws to address existence of discretionary powers	2 Laws in Forestry and Fisheries legislation	2	2	2	2	0	Forestry Amendment Act/Fisheries Amendment Act	Ongoing	Gazette	Departments of Forestry/Dept of Fisheries
	Monitoring mechanisms to check abuse of the licensing and permits processes developed	Refers to responsiveness of M&E mechanism to abuse of licensing/permit processes	50%	100 %	100 %	100 %	100 %	100 %	MSG Reports	Quarterly	MSG Quarterly meeting	MWEITI MSG and Secretariat
1.3 Reduction in turn-around time for award of licenses/permits	Benchmarks and standards for award of licenses and permits	Number of licenses/permits/concessions awarded in line with	50%	60 %	70 %	80 %	90 %	100 %	MSG Report/Independent Adminis	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat

Strategic Outcome/Output	Performance Indicators	Indicator Definition	Baseline	Targets					Means of Verification	Frequency	Data Collection Instruments /Strategy	Responsibility for Data Collection
			2021/22	23/24	24/25	25/26	26/27	27/28				
mits/concessions	permits developed	provisions of the legislation/ standards set							trator Report			
	Number of extractive industry MDAs with Benchmarks and standards for award of licenses and permits published	Reflects best practice benchmark and standards for licensing and permits in the extractive	Na	4	4	4	4	4	MSG Report/Independent Advisory Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
	Number of MDAs with License/permit processes digitalised	Measure modernization of license/permit processes	Na	4	4	4	4	4	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
1.4 Strengthened corruption prevention measures in	Number of MDAs with anti-corruption policies	Refers to anti-corruption controls in the MDAs	Na	4	4	4	4	4	MSG Report/Independent Adminis	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat

Strategic Outcome/Output	Performance Indicators	Indicator Definition	Baseline	Targets					Means of Verification	Frequency	Data Collection Instruments /Strategy	Responsibility for Data Collection
			2021/22	23/24	24/25	25/26	26/27	27/28				
all licensing departments									trator Report			
	Number of officers sensitized on anti-corruption measures	Refers to degree of awareness among officers about anti-corruption measures	Na	4	4	4	4	4	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
	Number of corruption risk assessment undertaken	Reflects anti-corruption measure	Na	4	4	4	4	4	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
	Number of officers whose capacity in anti-corruption measures built	Reflects capacity in anti-corruption in the MDAs	Na	4	4	4	4	4	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
STRATEGIC OBJECTIVE # 2: TO STRENGTHEN THE NEGOTIATING FRAMEWORK ON MINING DEVELOPMENT AGREEMENTS (MDA) FOR FAIR REVENUE SHARING												
Capacity of all officers engaged	Number of officers trained in	Reflects capacity in	Na	30	30	30	30	30	MSG Report/Independent	Annually	MWEITI AGM/Joint	MWEITI MSG and Secretariat

Strategic Outcome/Output	Performance Indicators	Indicator Definition	Baseline	Targets					Means of Verification	Frequency	Data Collection Instruments /Strategy	Responsibility for Data Collection
			2021/22	23/24	24/25	25/26	26/27	27/28				
in negotiation built	MDA negotiation	MDA negotiation							dent Administrator Report		Annual Review	
Negotiation Frameworks developed	Study tours undertaken to best practice mining countries	Reflects capacity in MDA negotiation	Na	1	-	-	-	1	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
STRATEGIC OBJECTIVE # 3: TO STRENGTHEN THE MANAGEMENT AND MONITORING ARRANGEMENTS OF THE MINERALS PRODUCTION VOLUMES, PAYMENTS/REVENUE, EXPORT VOLUMES AND EXPORT PROCEEDS												
Expected Output	Output Indicators											
1.1 Adherence to conditions of the licence/MDAs/permit and concessions promoted	Monitoring Framework developed	Refers to framework for measuring progress in MDAs including MWEITI Sec	Na	5	5	5	5	5	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
	Number of sensitisation meetings with the public on the conditions in license/perm	Refers to initiatives to raise awareness among the public	Na	4	4	4	4	4	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat

Strategic Outcome/Output	Performance Indicators	Indicator Definition	Baseline	Targets					Means of Verification	Frequency	Data Collection Instruments /Strategy	Responsibility for Data Collection
			2021/22	23/24	24/25	25/26	26/27	27/28				
	it/MDA/concession											
	Number of parties on whom penalties have been imposed for non-compliance	Refers to the level of delinquency/compliance among mining entities	Nas						MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
1.2 Transparency in award of licenses/MDAs/permits/concessions and their contents promoted	Number of awards published	Refers to level of publicity	Na	100%	100%	100%	100%	100%	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
	Number of contracts with published contents	Refers of openness in the award of contracts	Na	100%	100%	100%	100%	100%	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
1.3 Strengthened monitoring of licensee operations	Number of inspections of activities of licensed entities conducted	Refers to rigor in checking compliance with regulations	Na	4	4	4	4	4	MSG Report/Independent Administrator	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat

Strategic Outcome/Output	Performance Indicators	Indicator Definition	Baseline	Targets					Means of Verification	Frequency	Data Collection Instruments /Strategy	Responsibility for Data Collection
			2021/22	23/24	24/25	25/26	26/27	27/28				
		and standards							trator Report			
	Number of times reports on inspections on contracted entities are undertaken	Refers to rigor in checking compliance with regulations and standards	Na	4	4	4	4	4	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
1.4 Compliance with laws and regulations related to declarations of assets by public officers promoted	Number of officers that comply with laws and regulations related to declarations of assets by public officers	Refers to measures to ascertain officer integrity	Na	100 %	100 %	100 %	100 %	100 %	MSG Report/Independent Administrator	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
	Number of officers sensitised on importance of declaring their assets	Refers to level of awareness among public officers of assets law	Na	100 %	100 %	100 %	100 %	100 %	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat

Strategic Outcome/Output	Performance Indicators	Indicator Definition	Baseline	Targets					Means of Verification	Frequency	Data Collection Instruments /Strategy	Responsibility for Data Collection
			2021/22	23/24	24/25	25/26	26/27	27/28				
	Number of officers sanctioned for non-compliance with assets law	Refers to level of personal compliance by officers to asset law	Na	0%	0%	0%	0%	0%	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
	Number of officers subjected to life style audits	Refers to measure to match level of income and expenditure/assets	Na	0%	0%	0%	0%	0%	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
STRATEGIC OBJECTIVE # 4: IMPROVE COMPLIANCE WITH DISCLOSURE OF BENEFICIAL OWNERSHIP REQUIREMENTS												
Expected Output	Output Indicators											
1.1 Enforcement with BoD regulations in the license/permit concession bidding processes strengthened	Number of MDAs that have aligned license/permit processes and contract bidding processes with requirements of BoD	Refers to measures aimed at ensuring alignment between license/permit processes with the BoD regulations	Na	4	4	4	4	4	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat

Strategic Outcome/Output	Performance Indicators	Indicator Definition	Baseline	Targets					Means of Verification	Frequency	Data Collection Instruments /Strategy	Responsibility for Data Collection
			2021/22	23/24	24/25	25/26	26/27	27/28				
	Regulations of 2022											
	Number of companies that have complied with BoD Regulations of 2022 in the extractive industries sector	Measures compliance to BoD regulations among mining entities	Na	50 %	60 %	70 %	80 %	90 %	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
	Numbers of errant entities to BoD regulations sanctioned	Measures compliance to BoD regulations	Na	0%	0%	0%	0%	0%	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
	Number of sensitisation meetings conducted on BOD	Refers to capacity enhancement sessions in BOD	Na	2	2	2	2	2	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat

Strategic Outcome/Output	Performance Indicators	Indicator Definition	Baseline	Targets					Means of Verification	Frequency	Data Collection Instruments /Strategy	Responsibility for Data Collection
			2021/22	23/24	24/25	25/26	26/27	27/28				
1.2 Sharing of BoD data among key law enforcement, revenue collecting bodies and financial institutions promoted	Number key law enforcement , revenue collecting bodies and financial institutions that share BoD data	Refers to level data sharing among law enforcement agencies/revenue collection entities and financial institutions	Nas	50 %	60 %	60 %	70 %	80 %	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
	Suspicious BoD data reported to ACB, FIA and PPDA	Refers to measure integrity of BoD data	Na	0%	0%	0%	0%	0%	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
	Number of times BoD data is updated	Ascertain regularity of updating of BoD data	Na	4	4	4	4	4	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
1.3 Monitoring of BoD by entities such as the	Number of times inspections of BoD data	Ascertain regularity of	Na	4	4	4	4	4	MSG Report/Independent	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat

Strategic Outcome/Output	Performance Indicators	Indicator Definition	Baseline	Targets					Means of Verification	Frequency	Data Collection Instruments /Strategy	Responsibility for Data Collection
			2021/22	23/24	24/25	25/26	26/27	27/28				
Registrar of Companies, revenue collecting bodies and the National Audit Office strengthened	are conducted	inspections of BoD data							Administrator Report			
STRATEGIC OBJECTIVE # 5: STRENGTHEN CAPACITY OF REVENUE COLLECTION AGENCIES IN CORRUPTION PREVENTION AND MANAGEMENT												
Expected Output	Output Indicators											
1.1 Improved detection of illicit financial flows	Number of dealers in precious minerals registered	Ascertain reliability of financial data	Na	50 %	60 %	70 %	80 %	90 %	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
	Number of entities with MoUs on sharing illicit financial flows data	Ascertain level of collaboration between law enforcement agencies/financial institutions	Na	60 %	70 %	80 %	90 %	100 %	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat

Strategic Outcome/Output	Performance Indicators	Indicator Definition	Baseline	Targets					Means of Verification	Frequency	Data Collection Instruments /Strategy	Responsibility for Data Collection
			2021/22	23/24	24/25	25/26	26/27	27/28				
1.2 Audit and financial intelligence capacity in relevant bodies strengthened	Number of officers in MRA/NAO trained in specialised auditing of extractive sector processes and proceeds	Ascertain specialized audit capacity in the extractive industry sector	Na	4	4	4	4	4	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
	Number of audits of the extractive sector conducted	Ascertain level of compliance /assurance	Na	1	1	1	1	1	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
1.3 Surveillance at points of exit in the country to check illicit exports strengthened	Number of trained law enforcement and revenue collecting officers on detection of illegal extractive sector	Refers to level of surveillance of extractive materials at borders	Na	50 %	60 %	70 %	80 %	90 %	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat

Strategic Outcome/Output	Performance Indicators	Indicator Definition	Baseline	Targets					Means of Verification	Frequency	Data Collection Instruments /Strategy	Responsibility for Data Collection
			2021/22	23/24	24/25	25/26	26/27	27/28				
	materials exports											
	Number of times reports published of extractive sector materials exported	Ascertain regularity of reports	Na	4	4	4	4	4	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
1.4 Follow ups o samples extracted	Updates reported on samples extracted	Safeguard samples	Na	100 %	100 %	100 %	100 %	100 %	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
STRATEGIC OBJECTIVE # 6: STRENGTHEN THE MINERAL PROCEEDS SHARING BETWEEN GOVERNMENT, MINING ENTITIES AND LOCAL COMMUNITIES												
Expected Output	Outputs Indicators											
1.1 A win-win arrangement between companies extracting resources and communities in their area	Number of mining companies that have signed Community Development Agreements and meet	Ascertains level of compliance with social obligations towards the community	Na	100 %	100 %	100 %	100 %	100 %	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat

Strategic Outcome/Output	Performance Indicators	Indicator Definition	Baseline	Targets					Means of Verification	Frequency	Data Collection Instruments /Strategy	Responsibility for Data Collection
			2021/22	23/24	24/25	25/26	26/27	27/28				
of operation promoted	their Corporate Social Responsibility obligations											
	Number of inspections conducted on compliance of companies with Community Development Agreements and Corporate Social Responsibility obligations for companies	Ascertain compliance with agreed social obligations	Na	100 %	100 %	100 %	100 %	100 %	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
	Number of reports provided to the	Ascertain level of transparency in	Na	4	4	4	4	4	MSG Report/Independent	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat

Strategic Outcome/Output	Performance Indicators	Indicator Definition	Baseline	Targets					Means of Verification	Frequency	Data Collection Instruments /Strategy	Responsibility for Data Collection
			2021/22	23/24	24/25	25/26	26/27	27/28				
	communities on extractive industry activities	mining activities							Administrator Report			
1.2 Involvement of local councils in all extraction industries activities in their locality strengthened	Number of MDAs that involve local councils in all extractive industry activities that require local participation	Ascertain level of participation of local councils in extractive sector activities	Na	50 %	60 %	70 %	80 %	90 %	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
	Encourage formulation of multi-stakeholders (MSG) approach committee at districts levels	Create and train district multi-stakeholder groups in all major mining district	Na	3	5	5	5	5	MSG Report/Independent Advisory Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
	Inspections undertaken by council officials of extractive	Ascertain local council involvement in	Na	4	4	4	4	4	MSG Report/Independent Administrator	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat

Strategic Outcome/Output	Performance Indicators	Indicator Definition	Baseline	Targets					Means of Verification	Frequency	Data Collection Instruments /Strategy	Responsibility for Data Collection
			2021/22	23/24	24/25	25/26	26/27	27/28				
	industry activities	extractive sector							trator Report			
1.3 Civic education on extraction industries activities across the country including benefits and measures to fight corruption Promoted	Number of local councils that share reports with communities on extractive sector activities taking place in their locality	Ascertain level of openness and transparency	Na	28	28	28	28	28	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
	Number of locals councils that facilitate good relations between extractive sector companies and local communities	Ascertain relationships between mining entities and local communities	Na	28	28	28	28	28	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat

Strategic Outcome/Output	Performance Indicators	Indicator Definition	Baseline	Targets					Means of Verification	Frequency	Data Collection Instruments /Strategy	Responsibility for Data Collection
			2021/22	23/24	24/25	25/26	26/27	27/28				
	Number of media houses/bodies conducting investigative reports on anti-corruption activities	Ascertains media coverage	Na	4	4	4	4	4	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
STRATEGIC OBJECTIVE # 7: STRENGTHEN ENVIRONMENTAL PROTECTION EFFORTS RELATED TO EXTRACTIVE INDUSTRIES ACTIVITIES												
Expected Output	Output Indicators											
1.1 Enforcement of existing legislation on environmental protection and conservation strengthened	Compliance with environmental impact assessment results monitored	Ascertains compliance with environmental laws	Na	100%	100%	100%	100%	100%	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
	Number of errant entities sanctioned	Ascertains enforcement of environmental laws	Na	0%	0%	0%	0%	0%	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat

Strategic Outcome/Output	Performance Indicators	Indicator Definition	Baseline	Targets					Means of Verification	Frequency	Data Collection Instruments /Strategy	Responsibility for Data Collection
			2021/22	23/24	24/25	25/26	26/27	27/28				
1.2 Sustainable extraction of natural resources promoted	Regulations for Artisanal miners developed	Refers to control mechanism for artisan miners	Na	1	1	1	1	1	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
	Compliance with artisanal mining regulations	Ascertain compliance with regulations	Na	50%	60%	70%	80%	90%	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
	Code of Ethics and Conduct for Artisanal miners developed	Ascertain ethical conduct	Na	1	1	1	1	1	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
	Errant artisanal miners sanctioned	Ascertain enforcement of rules/code of conduct	Na	0%	0%	0%	0%	0%	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat

Strategic Outcome/Output	Performance Indicators	Indicator Definition	Baseline	Targets					Means of Verification	Frequency	Data Collection Instruments /Strategy	Responsibility for Data Collection
			2021/22	23/24	24/25	25/26	26/27	27/28				
	Artisanal miners formalised into cooperatives	Ascertain formalization of artisanal mining	Na	50%	60%	70%	80%	90%	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
	Training of artisanal miners in sustainable mining methods conducted	Refers to capacity of artisanal miners to use modern mining methods	Na	50%	60%	70%	80%	90%	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
	Number of artisanal miners trained in value addition of raw products	Ascertain capacity of artisanal miners in value addition	Na	50%	60%	70%	80%	90%	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat
	Marketing platform for extractive products developed	Refers to existence of marketing platform for	Na	1	1	1	1	1	MSG Report/Independent Administrator Report	Annually	MWEITI Joint Annual Review	MWEITI MSG and Secretariat

Strategic Outcome/Output	Performance Indicators	Indicator Definition	Baseline	Targets					Means of Verification	Frequency	Data Collection Instruments /Strategy	Responsibility for Data Collection
			2021/22	23/24	24/25	25/26	26/27	27/28				
		artisanal miners										

APPENDIX 1: LIST OF PEOPLE CONSULTED

NAME	DESIGNATION	ORGANISATION
Ms C. Chilima	Deputy Director – RDP/National Coordinator - MWEITI	Ministry of Finance & Economic Affairs
Mr L. Mushani	Principal Economist-RPD	MWEITI Secretariat Ministry of Finance & Economic Affairs
Ms D. Kiteva	Revenue Advisor- DAI/Chuma Cha Dziko Project	Ministry of Finance & Economic Affairs
Mr M. Mkandawire	Director of Planning and Development	Karonga District Council
Snr Chief Nazombe	Traditional Authority	Phalombe
Eric Kenamu	Director of Planning and Development	Previously with Phalombe but now with Salima District Council
Snr Chief Makhanjira	Traditional Authority	Machinga
Mr J. Mutafya	Principal Corruption Prevention Officer	Anti Corruption Bureau
Mr J. Chimtolo	Assistant Registrar General	Registrar General Dept
Mr B. Msika	Acting Director of Mines	Department of Mines
Mr Y. Omari	Mining Engineer	Department of Mines
Mr M. Mkandawire	Executive Director/Chair of Publish What You Pay	Nyika Institute
Mr Kossamu Munthali	Chair of CONGOMA/Chair of NRJN and Executive Director	FOCUS
Mr L. Mwenibumba	Auditor	MRA
Mr C. Jere	Journalist/Secretary for MWEITI Media Task Force	Independent Journalist
Mr T. Kamoto	Deputy Director	Department of Forestry
Mr S. Chibanda	Financial Controller	Mkango Resources Ltd
Mr S. Mmbaka	Administration & Human Resources Manager	Shayona Cement
Ms E. Adams	Coordinator	MAWEMA
Mr E. Warden	Country Officer	EITI International Secretariat
Mr Makore	Regional Manager	EITI International Secretariat
Ms M. Majiga	Programme Officer	CEPA
Mr H. Mwalukomo	Executive Director	CEPA
Mr F. Kalowafumbi	Deputy Director of Policy	Office of the President and Cabinet – Open Government Secretariat

NAME	DESIGNATION	ORGANISATION
Mr A. Musevengana	Financial Controller	Sovereign Services Ltd
Ms J. Kazembe	Senior Deputy Director	Department of Fisheries
Mr E. Chisale	Partner	EMJ Advisory
Mr E. Kachinjika	Chair Chamber of Mines/General Manager	Mkango Resource Ltd
Mr K.Rashid	Coordinator	NRJN
Mr Maseya	Director – Special Audits	National Audit Office
Mr C. Chisime	Senior Legal Manager	Financial Intelligence Authority
Mr B. Msiska	Senior Compliance Officer	Financial Intelligence Authority
Mr B. Chataika	Senior Investigations Officer	Financial Intelligence Authority
Ms A. Mwakambo	Director of Compliance & Prevention	Ministry of Local Government
Mr D. Pangani	Deputy Director of Local Government	Ministry of Local Government
Mr J. Mtande	Acting Director of Railways	Department of Railways
Mr D. Khonje	Mining Unit Manager	Malawi Revenue Authority

APPENDIX 2: LIST OF DOCUMENTS REVIEWED

1. Malawi Vision 2063
2. The Role of Corruption in Enabling Wildlife and Forestry Crime: Review and Recommendations; Malawi Parliamentary Conservation Caucus
3. The EITI Standard, 2019: The Global Standard for the Good Governance of Oil, Gas and Mineral Resources
4. 5th MWEITI Report, 2018/2019 and 2019/2020, EMJ Advisory
5. 6th MWEITI Report, 2020/2021, EMJ Advisory
6. Malawi National Action Plan for the Open Government Partnership, 2023-2025, Office of the President and Cabinet
7. MWEITI 2015-2017 Three Years Strategic Work Plan
8. MWEITI MSG Revised Terms of Reference
9. MWEITI Annual Work Plans, 2019, 2022/2023
10. The Role of Ministry of Finance: Malawi Extractive Industries Transparency Initiative, AFROSAI Workshop Sunbird Capital Hotel, Lilongwe, 25th April, 2023
11. National Anti-Corruption Strategy II, 2019-2024, Republic of Malawi
12. Private Sector Coalition Against Corruption (PSCAC) Guide, April 2023
13. National Fisheries and Aquaculture Policy, June 2016, Department of Fisheries
14. Budget Statement, 2022/2023
15. Artisanal and Smallscale Mining Handbook for Malawi, with a regional perspective, 2019
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17. resource curse? André Standing, October, 2017
18. The Continental Level Africa Mining Vision
19. Annual Economic Report, 2022, Ministry of Finance and Economic Affairs
20. Validation of Malawi (2022). Final Assessment of progress in implementing EITI Standard
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22. Problems for People in Malawi, Mining and Human Rights in Malawi, 2016
23. Combating Corruption in the Extractive Industry in Africa, Annie Barbara Chikwanha, 2016
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26. MWEITI Scoping Study (Minerals, Oil and Gas, Forestry), 2016
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28. Forestry (Amendment) Act, 2019
29. Malawi Mines and Mineral Act, 2019
30. Malawi Fisheries and Conservation and Management Act, 1997
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32. Mines and Mineral Act, 2023
33. National Forestry Act, 1997.
34. National Aquaculture Strategic Plan (2021-2031)
35. A Study on Livelihoods, governance and illegality: Law Enforcement, Illegality and the forest dependent poor in Malawi, Forest Governance Learning Group Malawi, 2004, Bright Sibale and Gracian Banda
36. MWEITI Bill, 2023

37. MWEITI Draft Policy
38. National Energy Policy, 2018, GoM
39. Petroleum (Exploration and Production) No.2
40. National Petroleum (Exploration and Production) Policy, 2023, GoM
41. A Users Guide to Measuring Corruption, UNDP, 2008
42. Twelve Red Flags, Corruption Risks in the Award of Extractive Sector Licenses and Contracts, National Resource Governance Institute, April 2017
43. Corruption in the Extractive Value Chain, Typology of Risks, Mitigation Measures and Incentives
44. Beneficial Ownership Screening: Practical Measures to Reduce Risks in Extractives Licensing, National Resource Governance Institute, 2018
45. Addressing Risks Through EITI Implementation, Guidance Note, 2021
46. ACB Strategic Plan (2020-2024)
47. Domestic Revenue Mobilisation Strategy
48. Government of Malawi Policy Framework Document
49. Petroleum Exploration and Production Act 1983 and Regulations
50. Strategic Plan (2022-2027), Ministry of Mining