



REPUBLIC OF MALAWI

**Ministry of Local
Government, Unity and
Culture**

**Implementation of the
New Urban Agenda:
National Update Report-
2025**



August, 2025

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LIST OF ACRONYMS

AfDB	Africa Development Bank
AIP	Affordable Input Program
APAM	Association of people with Albinism
ATM	Agriculture, Tourism, and Mining strategy
BCC	Blantyre City Council
CCODE	Centre for Community Organization and Development
CDF	Constituency Development Fund
CLTS	Community-Led Total Sanitation
COSOMA	Copyright Society of Malawi
CSDC	Community Skills Development Centre
CSO	Civil Society Organizations
CTC	Community Technical College
DoDMA	Department of Disaster Management Affairs
DRM	Disaster Risk Management
ECF	Extended Credit Facility
EIA	Environmental Impact Assessments
EPDC	Education Policy and Data Centre
EVs	Electric Vehicles
GDP	Gross Domestic Product
GEF	Global Environment Facility
GHG	Green House Gas
HIDCO	Housing Investment and Development Cooperative Society LTD
HOSF	Home Ownership Scheme Fund
IAS	Invasive Alien Species
IGUTP	International Guidelines on Urban and Territorial Planning
IOM	International Organization for Migration
IUCN	International Union for Conservation of Nature
LAPAs	Local Adaptation Plans of Action
LCC	Lilongwe City Council

LECI	Lilongwe Ecological Corridor Initiative
LIFS	Land Information Management Systems
MACRA	Malawi Communications Regulations Authority
MALGA	Malawi Local Government Association
MAREP	Malawi Rural Electrification Programme
MBS	Malawi Bureau of Standards
MCC	Mzuzu City Council
MDWCP	Malawi Decent Work Country Programme
MEAP	Malawi Electricity Access Project
MEPA	Malawi Environment Protection Authority
MIP-1	Implementation Plan-1
MIPP	Malawi Institute of Physical Planners
MSUDP	Malawi Sustainable Urban Development Programme
MTL	Malawi Telecommunication Limited
MUFIS	Malawi Union for Informal Sector
NBS	Nature-Based Solutions
NBSAP	National Biodiversity Strategy and Action Plan
NEEF	National Economic Empowerment Fund
NEET	Not in Education Employment or Training
NFBP	National Fiber Backbone Project
NFWCS	National Framework for Water and Climate Services
NHSC	National Housing Savings Cooperative
NISSAP	National Invasive Species Strategy and Action Plan
NLEP	National Labour and Employment Policy
NLGFC	National Local Government Finance Committee
NMT	Non-Monitory Transaction
NPDP	National Physical Development Plan
NRS	National Resilience Strategy
NSO	National Statistics Office

NSPP	National Social Protection Policy
NTC	National Technical College
NTF	Nigerian Trust Fund
NUA	National Urban Agenda
NUO	National Urban Observatory
ODF	Open Defecation Fund
OFID	OPEC, Fund for International Development
OSR	Own Source Revenue
PPP	Public-Private Partnership
ReMoP	Revenue Mobilization Project
SADC	Southern African Development Community
SCTP	Social Cash Transfer Program
SDG	Sustainable Development Goals
SLWSP	The Salima–Lilongwe Water Supply Project
SMEs	Small and Medium-Sized Enterprises
SSRLP	Social Support for Resilient Livelihood Project
SULSDEC	Sustainable Land and Shelter Development Consultants
SVTP	Shire Valley Transformation Program
TEVET	Technical Entrepreneurial and Vocational Education and Training
UDF	Urban Development Fund
UDP	Urban Development Planning
UNCDF	United Nations Capital Development Fund
UNDP	United Nation Development Programme
UNICEF	United Nations International Children’s Emergency Fund
USF	Universal Service Fund
WHO	World Health Organization
ZCC	Zomba City Council

Foreword

This report presents progress for Malawi on the implementation of the New Urban Agenda since the first report for which was submitted in 2021. The preparation of this report is an indicator of Malawi's commitment to sustainable urban development. It provides the achievements, challenges, and lessons learned during the 2022-2025 implementation period. It is anticipated that stakeholders, within the country and abroad, can get a comprehensive picture of Malawi's contribution to the global urban development agenda through this report.

Between 2022 and 2025, Malawi was faced with multifaceted issues, including recovery from the COVID-19 pandemic, series of tropical cyclones rapid urbanisation, and a pressing demand for sustainable infrastructure and affordable housing. This coincided with a period of government transition, which provides an opportunity to emphasise the importance of cross-period policies and strategies in sustainable urban development.

Malawi2063 identifies urbanization as one of the three key pillars, alongside agricultural productivity and industrialization, for achieving development aspirations. The vision emphasises leveraging urbanisation to create world-class urban centres, anchored in local economies, and promoting economic activities in sectors like agriculture, tourism, mining, and industry. This pillar focuses on promoting sustainable and inclusive urban development, with particular emphasis on developing secondary cities to drive economic growth and improve living standards.

The synergy between the Malawi Vision2063 and NUA is a strategic basis to ensure that the growth of urban areas in Malawi is not only rapid, but equitable, resilient to crises, and able to accommodate the needs of all groups of society, including future generations. This report highlights Malawi's steadfast support for various UN-Habitat *General Assembly* resolutions, including addressing poverty, inequality, and improved access to basic services within urban areas, promoting inclusive economies and resilient urban environments, and improving urban governance and spatial planning.

As we look towards the future, this report serves as a retrospective evaluation of our progress and a strategic roadmap map for the journey ahead towards achieving the NUA 2036 vision.

The report will serve as a valuable reference and inspire further collaboration among all stakeholders to create more liveable cities and urban centres for all. With a spirit of collaboration, we can work towards building vibrant and world class cities and urban areas in the country that are inclusive, safe, resilient, liveable, and sustainable for both current and future generations.

I would like to thank all the stakeholders who contributed to the preparation of this report and for their continued efforts towards sustainable urban development in Malawi. Special thanks to the members of the National Habitat Committee and all stakeholders who contributed to the content of this report. May collective dedication and collaboration lead the country towards a brighter and a more sustainable future.

Hon. Richard Chimwendo Banda, MP
MINISTER OF LOCAL GOVERNMENT, UNITY AND CULTURE

Executive Summary

As the lead institution for urban development in Malawi, the Ministry of Local Government, Unity and Culture, in collaboration with the National Habitat Committee and the UN-Habitat Project Office, lead the preparation of this second national report on the implementation of the New Urban Agenda (NUA) for the 2022–2025 cycle.

A task team was established to guide the process, which involved developing a data collection tool based on indicators relevant to Malawi's context, collecting and analyzing both primary and secondary data, and preparing the final report. This consultative process provided valuable insight into how the NUA is being implemented across Malawi's urban areas. It highlighted trends, progress, key challenges, and ongoing interventions aligned with resolutions of the UN-Habitat General Assembly.

Despite notable progress, the preparation of this report faced several challenges, particularly in accessing timely and disaggregated data. Institutional restructuring and limited availability of city-level statistics hindered the full aggregation of some indicators. Nonetheless, efforts were made to ensure the report remains comprehensive, objective, and in line with the UN-Habitat guidelines.

This second NUA report reflects significant improvements over the 2021 report. It covers 66 indicators, against the 28 indicators in the previous reporting cycle, demonstrating a bit of improvement in the availability of data, and stronger sectoral engagement. The report is structured around the four thematic areas of the NUA:

1. Sustainable Urban Development for Social Inclusion and Ending Poverty

Malawi is advancing inclusive urban development by prioritizing the empowerment of vulnerable groups, including women, children, youth, the elderly, persons with disabilities, and migrants. These efforts are designed to promote equity, reduce poverty, and enhance social cohesion in urban areas.

Access to adequate, affordable, and secure housing remains a central goal. Malawi recognises housing as a key pillar of social inclusion and is working to ensure that all urban residents live in safe and dignified conditions. Basic services such as potable water, sanitation, health, and education are being expanded to improve the quality of life and well being of city residents, especially the urban poor

2. Sustainable and Inclusive Urban Prosperity and Opportunities for All

To drive economic inclusion, Malawi is promoting a diverse urban economy that creates opportunities for all. Urban productivity is being supported through improved infrastructure, efficient land use, and a business friendly environment.

Efforts are underway to foster youth employment and entrepreneurship, with programs like the Graduate Internship Program and skills development initiatives that aim to reduce urban

unemployment and stimulate innovation. Investment in transport infrastructure especially modern roads, is improving connectivity and supporting economic activity in growing urban centers.

3. Environmentally Sustainable and Resilient Urban Development

Recognizing the impact of climate change, Malawi is taking steps to build climate-resilient cities. This includes investing in resilient infrastructure, promoting renewable energy, reducing emissions, and adopting sustainable land-use practices.

Urban biodiversity is also being preserved through the protection of green spaces and ecosystems within cities. Waste management, especially in informal settlements, is being improved to ensure cleaner and healthier urban environments. These actions contribute to both environmental sustainability and the resilience of urban communities.

4. Effective Implementation of the New Urban Agenda

Strong governance and effective planning are essential to the implementation of the NUA. Malawi is strengthening urban governance structures at the local level by promoting citizen participation, transparency, and accountability in decision-making processes.

Urban planning is being enhanced to ensure orderly development, reduce urban sprawl, and integrate informal settlements. The country is actively managing the expansion of urban areas to ensure sustainability and inclusivity.

The National Urban Policy (NUP) continues to guide Malawi's urban development, providing a clear framework for sustainable urban growth. Complementary initiatives such as the 10,000 Affordable Housing Project and the regularization of informal settlements are contributing to improved living conditions and urban integration.

Legal and institutional reforms are being pursued to support land use planning and service delivery. Innovations in revenue generation at the local level are helping to finance municipal infrastructure and services.

5. Cross-Cutting Initiatives and International Engagement

Malawi is leveraging partnerships with development partners and UN agencies to implement urban development programs including planning and building resilient cities, slum upgrading, and social protection schemes like the Social Cash Transfer Program (SCTP). These programs play a critical role in addressing urban poverty and inequality.

The government is increasing access to housing finance, including through the National Economic Empowerment Fund (NEEF), to support low- and middle-income households in securing homeownership.

Malawi's active participation in global urban development forums, has enriched its national approach through the sharing of experiences and best practices.

Conclusion

Malawi has made progress in implementing the New Urban Agenda since 2021 although challenges remain, especially in data availability and institutional capacity. The country continues to take bold and coordinated steps to create safe, inclusive, resilient, and sustainable cities. With continued investment in infrastructure, housing, environmental protection, and governance reforms, Malawi is well-positioned to deliver on its urban development goals and contribute meaningfully to the global urban agenda.

CHAPTER ONE

INTRODUCTION

1.0 Background Information

Malawi is a land linked country bordered by Tanzania in the North, Zambia in the west and Mozambique in the southern part. It became independent in 1964 and later became democratic in 1994. According to the National Population and Housing Census (2018), the country had 17.6 million people and projected to have risen to 22 million people by 2025.

Malawi's economy has remained predominantly agriculturally based since independence, with a few agro-based and manufacturing industries playing as an integral part of the economy. Agriculture and agro-based activities account for about 60.6percent of the Gross Domestic Product (GDP) and 60percent of trade-based foreign exchange earnings while manufacturing and trade contributes 10.5percent and 10.8percent respectively. The contributions to the GDP, from other sectors as indicated in Figure 1.

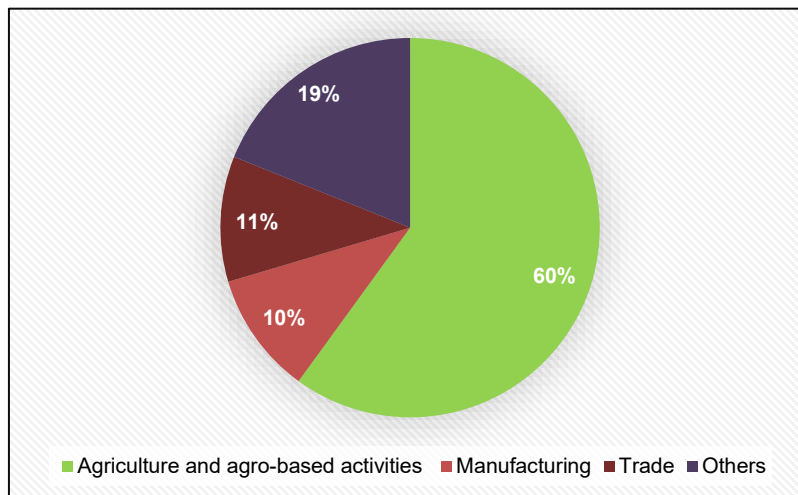


Figure 1: Share of GDP for Malawi

1.1. Urbanisation Demographics

Malawi is one of the most rapidly urbanizing countries in the world, at 4.1percent per annum in 2021, according to the World Bank. The share of national population residing in urban areas has progressively increased from 6.4 percent at independence in 1964 to 10.1 per cent in 1987

and estimated at 18 per cent in 2021. Projections by the NSO indicate that 30percent of the population will be urban-based by 2030 and 50percent by 2050 as illustrated in Figure 2.

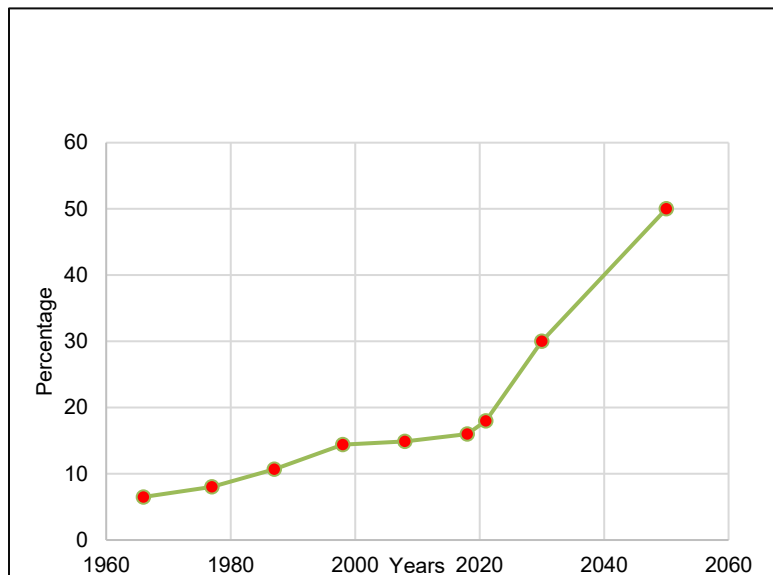
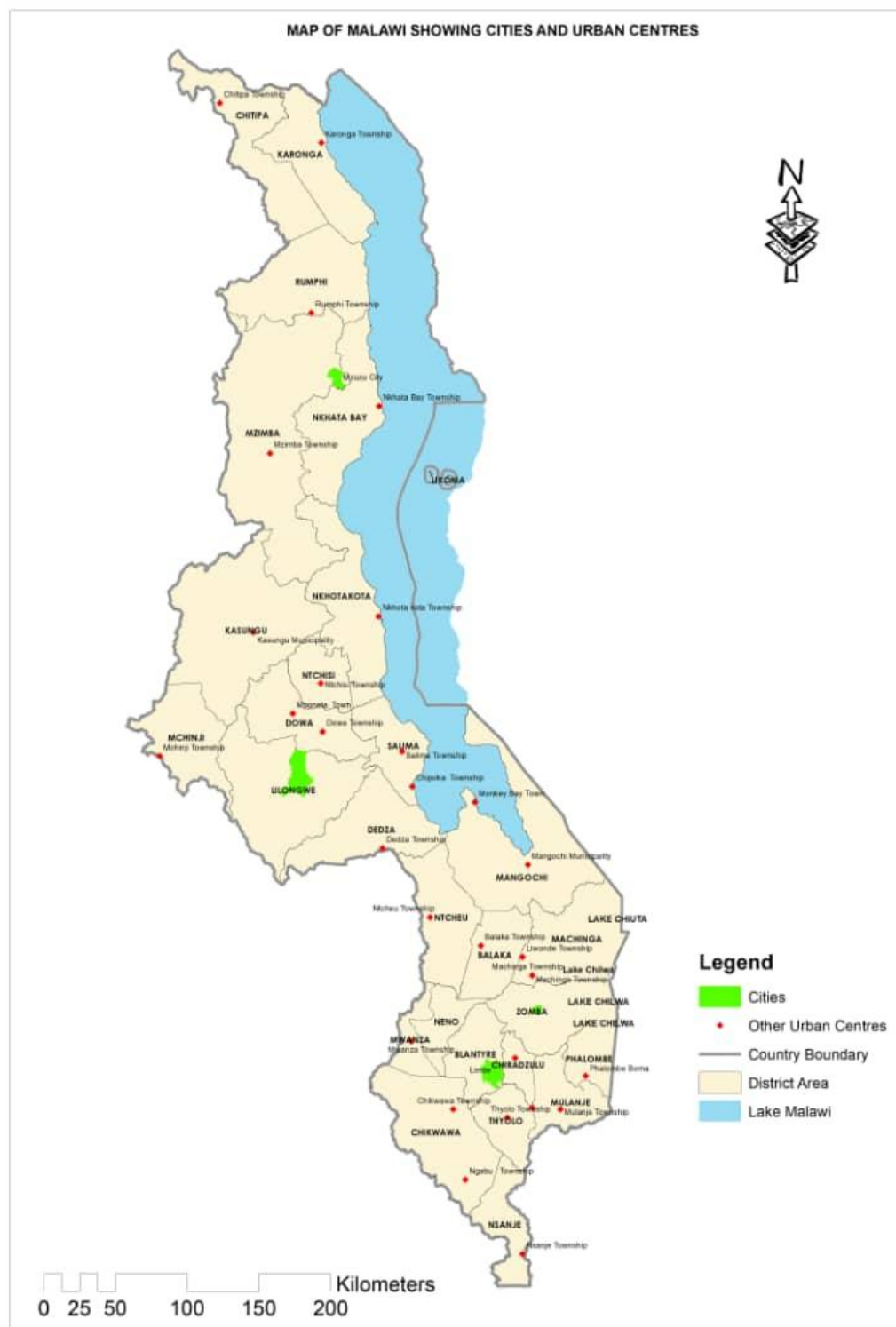


Figure 2: Share of Urban Population to total population

This rate puts Malawi as one of the fastest urbanising countries in the world. Notwithstanding its multiple benefits, rapid urbanisation has led to multiple challenges in urban centres in Malawi, including poor housing, urban poverty, inadequate access to potable water and sanitation facilities, unsustainable waste management systems, proliferation of slums and urban sprawl among others.

The major drivers of urbanization are increase in rural-urban migration and immigration. Urban population is mainly concentrated in four major cities of Blantyre, Lilongwe, Mzuzu and Zomba. This constitutes 15percent of an estimated national population. The rest of urban population resides in district headquarters and other smaller towns indicated in Figure 3.



1.2. Methodology of Preparing the Report

This report was prepared through consultative process by a special Task Team which was constituted comprised members from Ministry of Local Government, Unity and Culture; Department of Economic Planning and Development; Ministry of Lands, Centre for Community Organisation and Development(CCODE), Habitat for Humanity – Malawi, Malawi Housing Corporation, National Statistics Office, Local Authorities, Environmental Affairs Department, Department of Disaster Management Affairs, The Academia and UN-Habitat Country project Office- Malawi.

The Task team developed a data collection tool based on indicators relevant for Malawi which was isolated from a comprehensive set of Indicators compiled by UN-Habitat. This was followed by primary and secondary data collection and analysis, leading to the drafting of the report. Relevant data was sourced from line Ministries, Departments and Agencies as well as Non-Governmental Organisations (NGOs) and the Private Sector. The data was analysed accordingly and the information was presented in form of texts, tables, maps and figures in order to come up with this complete report. The draft report was circulated and validated among all other members of the Malawi National Habitat Committee before finalisation.

1.3. Organisation of the Report

The first Chapter introduces the report by highlighting the processes and the stakeholders involved in its production. The rest of the report is organised as follows: Chapter Two- Sustainable urban development for social inclusion and ending poverty; Chapter Three- Sustainable and inclusive urban prosperity and opportunities for all; Chapter Four- Environmentally sustainable and resilient urban development; Chapter Five- Effective implementation; and Chapter Six- is Conclusion and Strategic way forward.

CHAPTER TWO

SUSTAINABLE URBAN DEVELOPMENT FOR SOCIAL INCLUSION AND ENDING POVERTY

This chapter presents progress of the 2022 NUA report, by analyzing changes in key indicators, challenges, and drivers of progress. It is showcasing illustrative actions and best practices that have advanced the principles of the New Urban Agenda in the country. It highlights efforts made by the government at all levels, in partnership with stakeholders, to eradicate poverty, ensure access to adequate housing, and provide basic services including potable water, sanitation, waste collection, internet, and public transport.

2.1. Inequality, Social Inclusion and Empowerment of Vulnerable Groups

The country faces significant challenges in poverty in all its forms, reducing inequality in urban areas, achieving social inclusion and empowerment of vulnerable groups such as women, youth, older persons and persons with disabilities and migrants and ensuring access to public spaces such as streets, sidewalks, and cycling lanes, among others.

2.1.1. Population below the international poverty line.

Malawi's poverty landscape is complex, with a significant portion of the population living below the international poverty line of \$2.15 per day. Despite the country making concerted efforts at reducing poverty, it remains a substantial challenge. The World Bank reported that 70percent of Malawi's population lived below the international poverty line in 2020. A breakdown of the poverty rates reveals that rural areas are disproportionately most affected, with 74percent of the population living below the poverty line, compared to 55percent in urban areas. This disparity highlights the need for targeted interventions to address the unique challenges faced by rural settings.

The country has made the following key initiatives to move the large population above the international poverty line:

(a) Social Cash Transfer Program (SCTP) and public works;

Social cash transfer programs and public works under the Malawi Social Support for Resilient Livelihoods Project (SSRLP) have expanded coverage, especially in urban and peri-urban areas. Public Works have availed temporary employment opportunities for vulnerable individuals, particularly women and youth.

The exact number of urban household beneficiaries for Social Cash Transfer in 2022, 2023, 2024, and 2025 is not explicitly specified in the provided data. However, does include urban areas in its coverage. The program is a national initiative, and while it primarily targets poor and vulnerable households, it doesn't specify separate figures for urban and rural beneficiaries. The program's overall reach is reported in terms of the total number of beneficiary households and individuals, with figures fluctuating slightly year-to-year. In 2022, the program reached 297,138 households, translating to over 1.4 million individuals by 2023, supported over 303,000 households. In 2024, the number of beneficiaries increased to 348,774 households. In 2025, the program is designed to support 291,290 households, with a total of 1,165,160 household members as illustrated in Figure 4

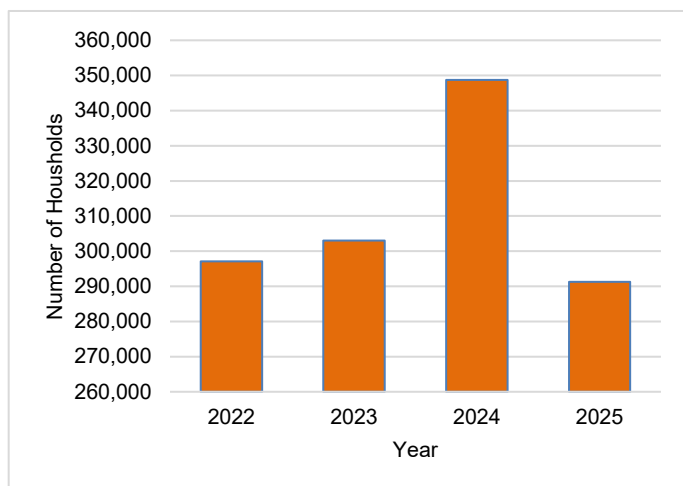


Figure 4: Number of household beneficiaries of mtukula pakhomu

The programme, locally known as *Mtukula pa Khomo* has demonstrated measurable impacts including:

- (i) a modest reduction in the Gini coefficient, signalling a slight improvement in income equality.
- (ii) 23percent increase in food consumption among beneficiaries
- (iii) Improved health-seeking behaviours and household resilience and
- (iv) Economic multiplier effects of \$2.49 for every \$1 invested (World Bank 2024 Malawi Economic Monitor)

(b) Women's Economic Empowerment Programme and skills development

The Women's Economic Empowerment (WEE) Programme in the country, coordinated by the Ministry of Gender, Community Development, and Social Welfare (MoGCDSW), focuses on enhancing women's socio-economic standing through various initiatives like Savings and Loans Groups (SLGs) and skills development.

(i) Savings and Loans Groups (SLGs)

These groups provide women with access to savings and credit, facilitating the establishment and expansion of small businesses. Over 200 Village Savings and Loan Associations (VSLAs) have been established with approximately 4,200 members, predominantly women.

(ii) Skills Development

The program aims to equip women with vocational and entrepreneurial skills to boost their economic productivity and self-reliance. Over 23,700 youth, 72percent of them women, have been trained across 30 job roles in 13 sectors, with over 700 employers. 75percent of these individuals secured jobs, and 60percent maintained employment for over three months.

(c)Enactment Disability Act (2023),

The enactment and implementation of inclusive policies, such as the Disability Act (2023), have increased social visibility and support for people with disabilities, though access to services remains unequal in urban informal settlements.

(d) Implementation of the National Social Protection Policy (NSSP) 2024-2029

The Launch of the National Social Protection Policy (NSSP) 2024-2029 seeks to address poverty and vulnerability in the country. The policy aims to enhance coordination of various programs and targets vulnerable populations more effectively.

2.1.2. Migration and mobility policies.

Malawi has demonstrated notable progress in strengthening its migration management framework, marking a significant milestone in its efforts to promote safe, orderly, and regular migration through:

(a) The development and launch of the National Migration Policy

The development and launch of the National Migration Policy in 2019 was a crucial step towards establishing a comprehensive framework for managing migration. This policy provides a foundation for enhancing border management and control, improving migration data collection and analysis, promoting migrant protection and assistance, and fostering international cooperation and partnerships.

The International Organization for Migration's (IOM) acknowledgement of the country's progress in strengthening its migration management framework is substantiated by concrete actions. These include expanding the Migrant Information and Data Analysis System's (MIDAS) border management system to more locations, piloting a Border Pass System at Chiponde, and enhancing security in Nkhata Bay. IOM provided the Department of Immigration with equipment to detect fraudulent documents. These initiatives demonstrate Malawi's commitment to improving its migration management, despite ongoing challenges.

(b) Cooperation with neighbouring countries

The government has strengthened cooperation with neighbouring countries to address migration challenges. For example, Malawi is a member of the Southern African Development Community (SADC) and has signed a number of regional agreements on migration.

i. International Formal Labour Agreements

In April 2024, Malawi and Israel formalized a two-year agreement for the government-to-government recruitment of Malawian workers, primarily in agriculture, with an initial target of 3,000 workers. Israel is also planning a broader initiative, potentially involving up to 10,000 workers across various sectors like farming, construction, elder care, and tourism from 2024 to 2026.

ii. Refugees and Asylum Seekers

As of October 31, 2024, Dzaleka Refugee Camp in Dowa District, hosted 56,212 individuals, including 35,620 refugees, 20,588 asylum seekers, and 4 individuals classified as "other of concern." The majority of refugees are from the Democratic Republic of Congo (DRC), with 36,469 individuals, followed by Burundi, Rwanda, and smaller populations from Somalia and Ethiopia as indicated in table 1.

Country	Number of Refugees and Asylum seekers
Burundi	12291
DRC	36469
Ethiopia	183
Rwanda	7019
Somalia	173

Table 1: Origins of refugees and asylum seekers at Dzaleka refugee camp.

The camp, originally designed for 10,000–12,000 people, is overcrowded due to a persistent influx of refugees, leading to public health risks and challenges in water and sanitation. The average monthly arrival rate is 200 individuals, with 150 newborns. By the end of 2025, the population is projected to reach 59,564, and by 2026, 63,028 individuals. Efforts are underway to decongest the camp, including expanding nearby sites and establishing a new settlement in Kayilizi, Chitipa District.

2.1.3 Public Open Spaces.

Public open spaces play a crucial role in promoting physical activity, reducing air pollution, and enhancing mental health and well-being. They also provide opportunities for social interaction, community engagement, and cultural development.

Malawi's rapid urbanisation has created significant pressure on public open spaces in its cities. The urban areas have limited public open spaces, with an average share of built-up areas

dedicated to open spaces estimated to be around 5percent. This is significantly lower than the recommended standard of 15percent to 20percent by the WHO.

Malawi has initiated efforts to increase public open spaces in urban areas, including the development of parks and gardens. For example, in line with the Lilongwe City Master Plan 2030, one of the newly developed residential estates in the city has approximately 2.5percent of the total land of the estate dedicated to public open spaces.

The launch of the Greening Lilongwe Campaign aimed at restoring degraded open spaces and riverine buffer zones in Lilongwe City.

Avenue tree planting is a new initiative aimed at systematic planting of trees along major roads in urban areas to create green corridors

2.1.4 Bike lanes and sidewalks

The importance of dedicated bike lanes and sidewalks cannot be overstated. They play a crucial role in promoting sustainable transportation, pedestrian safety, and environmental sustainability. By providing a safe and dedicated space for cyclists and pedestrians, bike lanes and sidewalks can help reduce the risk of accidents and injuries, decrease air pollution, and encourage physical activity.

Malawi's urban areas have limited dedicated bike lanes and sidewalks, with only about 2percent of road length having dedicated formal bike lanes and 10percent having dedicated sidewalks. This falls short of the WHO recommended standard of 20percent to 30percent.

Efforts and interventions increase bike and sidewalk streets include:

(a) Development of Improved New Highways

In the recent years the country has initiated efforts to promote sustainable transportation, including the development of dedicated bike lanes and sidewalks especially in the recent highways constructed in all cities as shown in figure 5.



Figure 5: Part of the newly improved Kamuzu Procession Highway in Lilongwe.

(b) Millennium Challenge Compact on Transport and Land (2024-2029)

Millennium Challenge Compact on Transport and Land (2024-2029) for road upgrades with a focus on safety, incorporating non-motorized transport (NMT) infrastructure such as bike lanes and sidewalks.

(c) Strengthened road safety regulations

The government has strengthened road safety regulations to protect pedestrians and cyclists. For example, the country has introduced a new traffic law that requires drivers to protect pedestrians and cyclists.

2.2 Access to Adequate Housing

Malawi acknowledges adequate housing as a fundamental human right essential for ensuring a decent standard of living. Adequate housing encompasses not only the physical structure but also affordability, proper design, access to basic services, and security of tenure. As urbanization accelerates and population growth continues, the country is grappling with a widening gap between the demand and supply of decent housing, particularly in urban areas.

Currently, a significant proportion of urban residents live in informal settlements and slums, characterized by substandard housing and limited access to basic infrastructure. The government, alongside various stakeholders, has implemented multiple strategies to address this growing challenge. To increase access to Adequate Housing, the country is making some strides in the following areas:

2.2.1. Land Tenure Security

Malawi has made efforts to improve land tenure security, but there is still a long way to go. The government through the Ministry of Lands, has developed legal frameworks and programs to provide land tenure security and innovative land use.

The Land (Amendment) Act 2022 represents a shift towards greater state control over land resources and more equitable land distribution with a focus on recognition and protection of customary land rights as well as conversion of customary land to leasehold land.

The Customary Land Act of 2016 provides for the administration and management of customary land, including recognition of customary land rights.

A Sectional Titles Act 2024, regulates the ownership rights in multiunit developments such as flats and condominiums. The Act works towards innovative land use and ensuring tenure security in securing property rights. This is a departure from the previous arrangement where titles were only granted to land.

Through implementation of these legal frameworks the country has witnessed increase in security of tenure through:

- (i) Recruitment of Land Registrars and clerks by the Ministry of Lands deployed in all the districts and urban centres to carry out land management functions.
- (ii) Regularization of over 35 informal settlements since 2020, with titles issued to more than 10,000 households. This process includes upgrades of basic services and public infrastructure. Some of the notable areas that have undergone regularisation are Kameza, Chigumula and Chimwankhunda in Blantyre City, Area 49, Area 27 and Area 21 in Lilongwe City, Mchengautuwa, Chibavi and Chibanja in Mzuzu City.

(a) Establishment and Operationalisation of the Urban Land Management Portal

The Urban Land Management Portal, a digital land registration system is being piloted in Blantyre and Lilongwe to improve transparency and reduce land disputes.

2.2.2. Slum, informal settlements, and inadequate housing

The housing sector is characterized by a mix of permanent, semi-permanent, and traditional housing units. According to a 2018 housing report by NSO, nearly 45 percent of the country's houses are permanent structures, while 23 percent are semi-permanent, and 32 percent are

traditional or made of mud. Most households live in traditional or mud-made houses, which can be prone to collapse during the rainy season. On the other hand, permanent structures account for almost half of the country's housing units, indicating a growing trend towards more durable and modern housing. It's worth noting that the demand for decent housing is high, particularly in urban areas where over 80percent of households reside in informal settlements (UN-Habitat, 2022).

To reduce the number of households living in informal settlements and substandard housing, the government and other institutions have launched several housing projects including:

(a) Lilongwe Urban Resilience Project

The Lilongwe Urban Resilience Project funded by the World Bank aims to upgrade slums by providing decent housing and basic services to 20,000 households. As of April 2025, 3,687 plots were regularized in informal settlements. These efforts collectively aim to improve living conditions and expand access to decent housing across the country.

(b) Civil Society Organisations' initiatives

Habitat for Humanity-Malawi in collaboration with Lilongwe City Council has supported 402 households with security of land tenure through land regularization processes in Lilongwe between 2023 and 2024.

Humanitarian institutions including Habitat for Humanity Malawi, Malawi Red Cross Society, and Catholic Relief Services have constructed nearly 5,000 affordable housing units in Chikwawa, Blantyre and Chiradzulu Districts for flood victims. This process includes upgrades of basic services and public infrastructure

2.2.3. Annual budget allocations addressing slum deprivations in Informal settlements

The country has made efforts to address slum deprivations, with the major cities allocating budgets to tackle these issues. According to UN-Habitat,

- (a) The city of Lilongwe had allocated funds and secured investments for slum upgrading initiatives. A specific project, with a funding goal of US\$26,902,901, involved a public-private partnership approach. The project had received some investment, including US\$10,000 from CCODE and land contributions from the government. The government

also committed US\$6,000,000 to the project in the 2021-22 financial year. This included provision of basic services such as potable water, sanitation, and electricity.

- (b) Blantyre City Council's budget for the 2025/2026 financial year is K44.6 billion (approximately \$28.8 million USD). While the council acknowledges the significant need for slum upgrading, with 75percent of the population residing in informal settlements, there is no fixed amount allocated specifically for this purpose within the overall budget. council has, however, initiated a participatory process where they discuss investment priorities with Communities once they get organised.

2.2.4 Access to Adequate and Affordable Housing

Adequate housing guarantees the right to legal security of tenure, availability of services and infrastructure, affordability, habitability, accessibility for disadvantaged groups, suitable location in relation to employment and essential services, and cultural adequacy.

The government's housing initiatives have also encouraged Public-Private Partnerships (PPPs) and collaborations with companies like Sustainable Land and Housing Development Solutions Company (SULSDEC). SULSDEC plays a key role in making land ownership more accessible by selling planned, serviced plots in major urban areas at affordable prices, targeting middle-income earners who struggle with high land costs in Malawi's competitive real estate market.

(a) 10,000 Housing Project for Security Personnel

The government, through the Department of Housing, in the Ministry of Lands is undertaking a project to construct 10,000 housing units, primarily for its security forces in Defence Force, Malawi Police Service, Prison Service, and the Department of Immigration. The project is being implemented in three phases. Phase one involved the construction of 1,028 units, while phase two involved 4,300 units, and phase three will see 4,672 units built. The Ministry has already completed over 4,000 which were handed over to the security institutions in April 2025.

(b) Construction of Houses for Persons with Albinism Project

Construction of Houses for Persons with Albinism Project is another initiative, spearheaded by the Ministry of Lands, in partnership with councils and the Association of People with Albinism (APAM). The project aims to provide safe and secure housing for people with

albinism, addressing concerns about attacks and discrimination. As of late 2024, the government had already constructed 67 houses across various districts, with plans to build 100 houses over a five-year period.

(c) Malawi Housing Corporation Initiative

The Malawi Housing Corporation, using a loan from a local bank, constructed 384 houses and developed 899 serviced plots in Blantyre, Lilongwe, Mzuzu, and Zomba between 2022 and 2024.

(d) Reviewed National Housing Policy

The National Housing Policy which is under review has strategies for, enhancing incentives for private sector involvement and encourages innovative construction technologies such as modular housing and climate-resilient designs.

2.2.5 Access to Sustainable Housing Finance

Despite growing demand for houses, the country faces significant challenges in terms of providing affordable housing finance, especially for low-income groups. This is due to the short loan tenure of approximately 10 years, need of collateral in the form of formal land titles and high interest rates. However, the country has some interventions and efforts to increase access to sustainable housing and finance including.

(a) Land Titles

The current Land policies and the Land Act (Amended) 2022 has increased the number of those with formal land titles and hence enabling more local residents to access housing loans as collaterals. The digitalisation of the Land Titling registries has improved access of collateral documents by financial Institutions.

(b) Home Ownership Scheme Fund (HOSF)

Since its inception in 2004, the fund has benefited over 7,000 civil servants, providing low-interest loans of 6.5percent for home construction and purchase.

(c) Expansion of Microfinance Services

Institutions such as Select Financial Services and the CCODE are offering housing loans with simplified collateral requirements. For example, in 2023, Select Financial Services disbursed over MWK 2.4 billion (approx. USD 1.4 million) in housing loans.

(d) Newly Established Housing Cooperatives

- (i) National Housing Savings Cooperative (NHSC), was launched in 2023. This cooperative supports low-income households in saving for homeownership. It has already attracted 10,000 members, helping them access affordable housing through structured savings.
- (ii) Tamanga Housing Cooperative was established by the Centre for Community Organisation and development (CCODE). This cooperative focuses on low-income earners in urban areas. With 320 members, it facilitates affordable housing solutions through collective savings and community-driven construction projects.
- (iii) Housing Investment and Development Cooperative Society LTD (HIDCO), established in 2018, HIDCO members have easy access to plot acquisition and house development loans payable in 24 months.

2.3 Access to Basic Services

In urban areas in the country, access to basic services like water, sanitation, and electricity has seen improvements, yet significant disparities persist, particularly between urban and rural areas. While urban areas generally have better access, challenges remain, including inadequate infrastructure, underfunded facilities, and unreliable service delivery, disproportionately affecting vulnerable populations.

2.3.1 Potable Water Services

While the country has expanded access to improved drinking water sources, particularly in urban areas, significant disparities remain in safely managed drinking water services, particularly when considering factors like water quality and reliability. 87 percent of the urban population have access to improved water sources compared to 63 percent in rural areas. However, even in urban areas, challenges persist with water supply reliability and sanitation, with only 46percent of the population using safely managed sanitation services. These figures demonstrate that while urban areas in the country, have better access to improved water

sources, there are still significant challenges in providing safely managed drinking water. Addressing these gaps is essential to achieving Sustainable Development Goal (SDG) 6 and safeguarding the health and livelihoods of all Malawians. Key interventions and efforts to achieve access to safe drinking in the country include:

(a) Expanded piped water systems

The government, with support from the World Bank, expanded piped water systems in peri-urban Blantyre and Lilongwe under the Malawi Water Project (2022–2025). This project increased the proportion of the population with access to safely managed drinking water from 37percent in 2021) to 42 percent in 2024 with urban coverage at 87percent and rural areas lagging at 32percent (WHO/UNICEF JMP, 2023).

(b) Water Point Construction

Over 5,000 new boreholes and water points were installed between 2021 and 2024, benefiting more than 1.5 million people (Malawi Water Sector Performance Report, 2024).

2.3.2 Public Transport

Efficient and affordable public transport is vital for economic mobility, social inclusion, and sustainable urban development. While as the major cities of Lilongwe and Blantyre have seen some improvements in transport infrastructure, the rural and peri-urban areas still face significant challenges, including limited connectivity, high costs, and unreliable services. Informal minibuses dominate the sector, often operating without proper regulation, leading to safety concerns and inefficiencies. Expanding equitable access to safe, reliable, and affordable public transport remains crucial for reducing poverty, enhancing access to jobs and services, and supporting Malawi's long-term growth. Key efforts to ensure efficient and affordable public transport include:

(a) Expansion of Road Infrastructure & Public Transport Routes Road Upgrades

The Malawi government, with support from the World Bank and African Development Bank (AfDB), rehabilitated over 500 km of major roads, including the M1 (Lilongwe–Mzuzu) and M5 (Blantyre–Mulanje) corridors, improving public transport connectivity (Ministry of Transport, Malawi, 2024).

2.3.3 Internet Broadband Subscriptions

Progress in expanding fixed broadband internet subscriptions between 2021 and 2025 was noted, driven by infrastructure investments, policy reforms, and public-private partnerships. However, growth remains concentrated in urban areas, with rural access lagging. Key interventions in expanding internet broadband subscription include

(a) fibre-optic expansion

Driven by fibre-optic expansion, the country experienced an increase in fixed broadband penetration and rose from ~30,000 in 2021 to over 100,000 by 2025.

(b) National Fiber Backbone Expansion

The Government, extended the National Fiber Backbone Project (NFBP) to all 28 districts by 2024, improving connectivity (World Bank, 2024).

(c) Private Sector and Public-Private Partnerships (PPPs)

The PPPs by several companies also led to increase in Internet Broadband Subscriptions. These include:

(i) Telecom Investments

Companies like Malawi Telecommunications Limited (MTL) and Nyasa Mobile expanded fibre-to-the-home (FTTH) services, covering major cities (Lilongwe, Blantyre, Mzuzu) by 2024 (MACRA, 2024).

(ii)Liquid Intelligent Technologies deployed 1,200+ km of additional fibre, boosting enterprise and residential broadband (Liquid Malawi, 2023).

(d) Affordability and Policy Reforms

There have been Affordability and Policy Reforms that have encouraged the expansion in Internet Broadband Subscriptions such as

(i) Reduction in Broadband Costs whereby average monthly fixed broadband prices dropped by 40percent (from \$80 to \$50) due to increased competition (ITU, 2024).

(ii) Universal Service Fund (USF) Projects funded 15 new ICT hubs in rural districts to promote internet access (MACRA, 2025).

2.3.4 Access to Basic Services (Water, Sanitation, Electricity)

Since the last assessment, Malawi has seen incremental progress in expanding access to water, sanitation, and electricity, though critical gaps persist, particularly in rural and underserved communities. Urban areas continue to benefit from relatively better infrastructure, with modest improvements in piped water coverage and grid electricity connections. However, rural populations still face significant challenges, including inconsistent water supply, inadequate sanitation facilities, and low electrification rates. Efforts to address these disparities through policy reforms, donor-supported projects, and community-led initiatives have shown some promise including:

(a) The National Water Policy (2024)

The Policy recognizes the critical role of water in development and the challenges posed by urbanization. It emphasizes on the need for sustainable water resources management, efficient water utilization, and strong governance structures to ensure equitable access to safe water for all, including urban population. Specific initiatives in the implementation of the policy include:

- (i) The Salima–Lilongwe Water Supply Project (SLWSP) by Lilongwe Water Board to make significant progress, with ongoing construction activities at four key sites namely the water treatment plant at Lifuwu in Salima, and pump stations at Katengeza, Mvera, and Chezi in Dowa District. These developments mark crucial milestones toward delivering reliable and sustainable water supply to the communities of Salima, Dowa, and Lilongwe as indicated in Figure 6.



Figure 6: Picture depicting progress of the Salima - Lilongwe water project.

(ii) Mpira-Balaka Water Supply Project

This project, funded by the government and the World Bank, aims to improve water access in Ntcheu, Balaka, Neno, and Mwanza districts.

(iii) UNICEF Water and sanitation Programme (WASH)

UNICEF is working to improve access to safe water and sanitation in informal settlements, particularly in Mzuzu and Karonga urban centres.

(iv) National Framework for Water and Climate Services (NFWCS):

This framework provides a roadmap for improving water and climate services, with a total budget of USD 63,413,706.01 for the period 2024-2028.

(v) Catchment Management Committees

These committees, established under the Water Resources Act, advise on water resources management within specific catchment areas.

(b) National Electrification

Electricity access increased from 12percent in 2014 to about 19percent in 2023 (World Bank, 2023).

(c) Rural Electrification

The Malawi Rural Electrification Programme (MAREP) connected over 900 trading centers to the grid since 2014 (Malawi Energy Regulatory Authority, 2023).

(d) Renewable Energy Projects

The World Bank-funded Malawi Electricity Access Project (MEAP) aims to connect 1 million households by 2025, including off-grid solar solutions (World Bank, 2022).

(e) Regional Power Interconnection

The Mozambique-Malawi Power Interconnector, completed in 2023, improved grid reliability and reduced blackouts (Southern African Power Pool, 2023).

CHAPTER THREE

SUSTAINABLE AND INCLUSIVE URBAN PROSPERITY AND OPPORTUNITIES FOR ALL MALAWIANS

Since the adoption of the New Urban Agenda in 2016, the country has made strides in addressing urban challenges and fostering inclusive urban prosperity. This chapter highlights the progress achieved by the government at all levels—national and local levels in partnership with relevant stakeholders, in implementing the agenda’s commitments to tackle inequality, unemployment, and promote urban economic growth. It reports efforts to create productive employment opportunities, strengthen the informal economy, develop technical and entrepreneurial skills, and foster an enabling environment for business and innovation. Additionally, it explores initiatives aimed at positioning urbanization as a tool for generating prosperity, including diversification of the urban economy, promotion of cultural and creative industries, support for small- and medium-sized enterprises, and development of urban-rural linkages to maximize productivity. Through this analysis, the report provides insights into Malawi’s progress, challenges, and opportunities in achieving sustainable and inclusive urban prosperity.

3.1 Inclusive Urban Economy

The Government recognises the important role inclusivity plays in urban economies in the promotion of equality, full employment, and access to opportunities. To this end, the Government, CSOs and private entities have made various efforts and strides toward these objectives, specifically in the provision of trainings and loans to urban youths, women and people with disabilities. However, both external and internal shocks have derailed the progress that has been made from 2015. For instance, the COVID-19 pandemic, tropical cyclones, the cholera outbreak and dry spells heavily impacted urban centres leading to high levels of food insecurity, loss of lives and revenues.

3.1.1 Urban Income inequality

In this country ,urban income inequality is a major challenge, with the gap between the wealthiest and poorest citizens widening. The national Gini coefficient for Malawi has shown a decreasing trend in recent years from 0.449 in 2016 to 0.39 in 2024, refer to table 2, indicating

a decrease in income inequality though not extremely high, reflecting a notable gap in income distribution, with the richest 10percent consuming significantly more than the poorest.

Year	Gini Coefficient
2019	0.385
2020	0.379
2021	-
2022	-
2023	0.38
2024	0.39
2025	0.39
2043	0.34

Table 2: Income inequality in Malawi.

Malawi's commitment to reducing urban income inequality aligns with the principles of the New Urban Agenda and the SDG number 10 on reducing inequality. Malawi is actively addressing this through the following measures.

(a) Social Protection Programs

These include initiatives like urban welfare programs, cash transfers, and subsidies for essential services, aiming to support low-income households and reduce food insecurity through food distribution.

(b) Fair Gaming Department

The establishment of a dedicated department to regulate and ensure fair practices in urban economic activities and promote competition aims to prevent monopolistic practices that worsen inequality.

(c) Economic Empowerment

The country is implementing initiatives to create more economic opportunities, particularly for small and medium-sized enterprises, through agencies like National Economic Empowerment Fund and other microfinancing institutions.

3.1.2 Informal Employment in Non-Agriculture Employment,

The country's informal employment in non-agriculture employment in urban areas accounts for approximately 69percent of the workforce. A significant proportion of urban informal employment falls into the following occupations: domestic workers, home-based workers, street vendors and market traders, waste pickers, casual workers, unregulated and unregistered businesses men, and bike taxis transporters. Informal employment is widespread due to limited formal job opportunities, weak enforcement of labour regulations, low industrialisation and a lack of awareness or incentives for formalization. Interventions and efforts to address the high rate of informal employment in non-agriculture employment Include:

(a) Formulation of Policy Frameworks

The National Labour and Employment Policy (NLEP) and the Malawi Decent Work Country Programme (MDWCP) to address informal economy issues and promote decent employment.

(i) The Malawi2063 focuses on programs for creating decent jobs, entrepreneurship opportunities, and industrialisation to move Malawi to a middle-income society.

(ii) Industrialisation Policy

The Industrialisation Policy promotes skills development and entrepreneurship in the informal economy.

(b) The Tripartite Labour Advisory Committee

The Committee often deliberates on issues like child labour, decent work for informal economy workers, and the implementation of national action plans related to labour standards.

(c) The Malawi Union for Informal Sector (MUFIS)

The Malawi Union for Informal Sector (MUFIS) organizes informal workers, improves working conditions, and provides access to services like financial support and business training.

(d) Malawi's National Job Creation Strategy (2021–2025)

The Strategy (2021–2025), which has generated over 1.5 million jobs, reflects the importance of having clear national targets, sectoral focus, and urban relevance. Embedding urban employment priorities in national plans - especially in growing sectors like construction, education, and health - ensures cities are engines of inclusive economic growth

3.1.3 Vocational and Technical Education

In Malawi, vocational and technical education (TEVET) is a key strategy for economic growth and poverty reduction, focusing on equipping youth with practical skills. Efforts to increase the number of individuals trained include:

(a) Vocational and Technical Education Programs

In 2024, 11,034 students were enrolled in vocational and technical education programs across National Technical Colleges (NTCs), Community Technical Colleges (CTCs), and Community Skills Development Centres (CSDCs). The breakdown of students by institution was: 7,834 at NTCs, 1,900 at CTCs, and 1,300 at CSDCs. Of the total enrollment, 4,066 were female representing 40 percent.

(b) Apprenticeship Program

The government increased the number of apprentices on public scholarships in Technical Colleges from 2,575 in 2023 to 7,256 in 2024 representing 181 percent increase.

(c) National Youth Service Programme

This program, under the Ministry of Youths and Sports, focuses on youth unemployment. It trained 3,628 youths in the fiscal year 2023/2024, with a target of 5,000. 1,936 of these beneficiaries were female, representing 73 percent attainment.

3.1.4 Participation of youth and adults in formal and Non-Formal Education.

In Malawi, youth participation in education shows high primary school enrolment rates, around 96percent, but significant dropout rates, particularly in secondary and tertiary education. While primary enrolment is high, completion rates are lower, with only 77percent completing primary school. There is a substantial drop-off in enrolment and completion rates between primary and

secondary school, with 67percent of children not completing primary school, 77percent not completing junior secondary, and 85percent not completing senior secondary, according to UNICEF Data. Tertiary enrolment rates are very low, with less than 1percent of young people pursuing higher education. Overall, there's a need to align skills development with labour market needs to create more opportunities for youth. To improve participation in formal and non-formal education, key interventions include:

(a) Increased Enrollment and Access

- (i) Public Universities: Initiatives to expand infrastructure and faculty at public universities are crucial to accommodate more students.
- (ii) Primary and Secondary Schools: Construction of new schools, especially in underserved areas, and expansion of existing facilities are necessary to reduce overcrowding and improve access.
- (iii) Non-Formal Education: Adult literacy programs and vocational training initiatives can provide alternative pathways to education and skills development for those outside the formal system

(b) Improving Educational Quality

- (i) Teacher Training: Investing in pre-service and in-service teacher training programs to enhance pedagogical skills and subject matter knowledge is vital.
- (ii) Curriculum Development: Reviewing and updating curricula to be relevant, inclusive, and aligned with the needs of the labor market

(c) Addressing Socioeconomic Barriers

- (i) Financial Assistance: Providing scholarships, bursaries, and other forms of financial aid can reduce the financial burden on families, enabling more students to enroll and stay in school. For example, the government has in the 2025/2026 fiscal year allocated K36 billion for Higher Education student loans and upkeep allowances.
- (ii) School Feeding Programs: Implementing school feeding programs can improve children's health and nutrition, leading to better attendance and learning outcomes

(d) Construction of 34 Secondary Schools of Excellence Project

The Government has embarked on the construction of 34 Secondary Schools of Excellence during the 2025/26 fiscal year. These schools will serve as examples for other institutions to emulate, potentially leading to a broader improvement in educational standards across the country.

(e) Skills for Vibrant Economy Project

The government is implementing the Skills for a Vibrant Economy Project (SAVE) to increase access, particularly females, to labour market-relevant skills development programs in participating institutions, targeting areas of the economy. These skills are essential for fostering entrepreneurship, improving workforce capabilities, and promoting innovation.

3.1.5 Not in Education, Employment, or Training (NEET)

In Malawi, a significant proportion of young people are categorized as Not in Education, Employment, or Training (NEET). The NEET category refers to young people aged 15-24 who are not in education, employment, or training. This NEET population is a concern due to the potential for social and economic marginalisation. In 2020, the World Bank reported that 19.41 percent of Malawian youth were NEET. While this rate has declined since 2012, the issue remains relevant due to the large number of young people the country and the challenges they face in accessing education and employment.

Urban youth face limited opportunities in formal employment and are often engaged in low-paid informal jobs. Efforts to increase youth employment initiatives include:

(a) The Jobs for Youth (J4Y) Project

The Jobs for Youth (J4Y) Project – the J4Y project is funded by the African Development Fund (ADF), as part of African Development Bank (AfDB)'s Jobs for Young People in Africa (JfYA) strategy (2016-2025). The J4Y is funded to the tune of UA8.77 million¹⁰ or approximately USD12.45 million (with 86 percent ADF loan and 14 percent ADF grant) as of 2021 J4Y project had created over 1, 000 jobs and reached out to over 3,000 youth with a business incubation programme to learn principles of business management

(b) Government Internship Programme (GIP)

There has been a noticeable increase in the number of graduates participating in the Government Internship Programme (GIP) from 1,700 in 2024 to 2,584 this year, representing a 52percent increase. This surge is part of a broader effort to empower young professionals and align with Malawi's Agenda 2063, which aims for a skilled and self-reliant workforce. The government has also increased the internship stipend to K150,000 to alleviate financial strain on interns and allow them to focus on their professional development.

3.1.6 Unemployment in Economically Marginal Work

Unemployment, underemployment and employment in economically marginal work are a major challenge for development in Malawi, as in many least developed countries. Women are especially more disadvantaged due to lower earnings than men and with two-thirds among those of working age in vulnerable employment. In 2024, the labour participation rate among the total population aged between 15 and 64 remained nearly unchanged at around 67.55 percent. Yet 2024 saw the lowest labour participation rate in Malawi with 67.55 percent

The World Bank estimated the unemployment rate in 2024 to be around 5.05percent. This is a slight increase from the 5.05 percent recorded in 2023. While this is a modest increase, it's worth noting that the rate has remained relatively stable in recent years, hovering around 5percent.

Efforts to reduce unemployment rate in economically marginal work include:

(a) Implementation of the National Job Creation Strategy (2021-2025)

The Malawi Government launched the National Job Creation Strategy (2021-2025) with the aim of reducing the levels of unemployment in the medium to long term within an environment of accelerated inclusive growth and economic development as stipulated in Malawi 2063 First Ten-Year Implementation Plan (MIP-1). Since its launch the economy has generated more than 1.5 million jobs. It should be highlighted that most of these jobs

were created in the agriculture, health, Construction, Education and Management Support Services sectors.

3.2. Urban Productivity and Prosperity

Malawi's urban areas are increasingly recognized as engines for productivity and innovation. However, structural barriers such as informality, limited infrastructure, and administrative inefficiencies continue to limit their potential.

3.2.1 Source of Revenue.

Malawi's city councils face challenges in generating sufficient own-source revenue (OSR) for urban services. While some have made progress, collection levels are often below potential. Blantyre's OSR generation has declined, while Lilongwe struggles with arrears and shortfalls in collection. Mzuzu's experience with the Revenue Mobilization Project (ReMoP) demonstrates the potential of property tax reforms to improve revenue mobilization.

Blantyre City Council (BCC): In 2022/23, BCC generated MK10.01 billion in OSR (53percent of its budget). However, it projected only 30-35percent of its 2024/25 revenue from licenses and rates, indicating a declining trend. BCC faces challenges in property valuation, revenue enforcement, and ratepayer compliance.

Lilongwe City Council (LCC): In 2022/23, LCC raised MK7.28 billion in OSR, just over 50percent of its total revenue. While projecting an ambitious MK15 billion for 2024/25, it had only collected MK6 billion by December 2024. Outstanding arrears in property rates, exceeding MK11 billion, exacerbate the shortfall.

Mzuzu City Council (MCC): In 2022/23, MCC collected MK2.5 billion (40percent of its total revenue). MCC set a similar revenue target for 2024/25, primarily from property rates and market fees: Efforts to reverse the trend include:

- (a) Facilitating digital payment options and increasing the trust of citizens in the tax administration. For example, LCC is embarking on E-Car parking billing and payment system
- (b) The automation and digital verification of demand notices and business license, increasing the speed and accuracy of billing processes.

3.2.2 Employment in Cultural and Creative Industries

In the country, the Arts, Entertainment, and Other Services industry, which is a component of the Cultural and Creative Industries, is expected to grow in 2024 and beyond, despite economic challenges. The industry saw an estimated 4.2 percent growth in 2024, driven by entertainment activities, and is projected to grow by 6.5 percent in 2025 and 4.3 percent in 2026. This growth is expected to be further boosted by increased political and entertainment activities during the upcoming election campaign period. To support this sector, the country is implementing interventions including:

(a) Copyright Society of Malawi's (COSOMA) recognition of artists through royalties on blank media levies

This refers to a system where artists are compensated for the use of their work through levies on media like blank memory cards and flash drives or discs. Malawi Revenue Authority is responsible for collecting the levy. For example, in July 2025, COSOMA distributed over MK1.5 billion to 3,524 beneficiaries to musical and literary works.

(b) Copyright Policy

Malawi's copyright policy, governed by the Copyright Act of 2016, protects original works upon creation, granting authors exclusive rights. The Copyright Society of Malawi (COSOMA) administers the Act, which includes provisions for copyright registration and enforcement. Infringement can lead to both civil and criminal penalties.

3.2.3 Employment in Manufacturing Industries.

In 2024, the manufacturing sector in the country contributed 11.5 percent to the overall GDP, with a growth rate of only 0.3 percent. The weak performance of the manufacturing sector in the country was primarily due to poor agricultural output, which is strongly linked to manufacturing, and constraints on importing raw materials due to foreign currency and fuel shortages. However, the sector is projected to recover, with growth expected to reach 3.9 percent in 2025 and 4.7 percent in 2026. To address these issues and foster growth, the government plans interventions focused on:

(a) Boosting Agricultural Productivity;

- (i) Government is investing in large-scale agricultural projects to increase crop yields and improve the supply of raw materials for manufacturing; and
- (ii) Implementing irrigation systems will help mitigate the impact of droughts and ensure a more reliable supply of agricultural produce for processing.

(b) Stabilizing Foreign Exchange;

Continued donor support is expected to help stabilize the foreign exchange market, making it easier for manufacturers to import essential raw materials.

(c) Ensuring Consistent Power and Fuel Supply

Government is working to ensure a consistent supply of electricity and fuel, which are crucial for manufacturing operations.

3.2.4 Small and Medium-Sized Enterprises (SMEs)

In the country, the wholesale and retail trade industry experienced a 0.6 percent contraction in 2024 due to reduced imports caused by foreign exchange shortages. However, the industry is projected to recover, with 4.7 percent growth in 2025 and 5.8 percent in 2026, driven by increased forex inflows from improved performance in agriculture, tourism, and mining (the ATM strategy). Key efforts and interventions to support SMEs include:

(a) Maximize Forex Inflows

Focus on strengthening the performance of the ATM to ensure robust forex inflows.

(b) Address Import Constraints

Implement measures to further ease import constraints, potentially through streamlining import processes, diversifying import sources, or attracting foreign investment.

(c) Support SME Growth

SMEs are a crucial part of the wholesale and retail trade industry. Targeted support for SMEs, such as accesses to finance, training, and market linkages, can further contribute to the industry's recovery.

3.2.5 Annual Growth Rate of Real GDP

Malawi's real GDP growth is projected to rebound to 3.2percent in 2025, up from 1.8percent in 2024, primarily due to increased irrigation, investments in agriculture, and the upcoming general elections. In 2024 the El Niño weather pattern significantly affected Malawi's agriculture sector, leading to reduced crop yields and hindering initiatives like the Affordable Inputs Programme (AIP), mega farms, and irrigation schemes. However, the country's GDP is projected to further increase to 4.2percent in 2026. The increase in the GDP of the country is due to the implementation of some efforts and interventions, including:

(a) Agriculture

Investments in irrigation, mega-farms, and NEEF agricultural loans aim to enhance agricultural productivity and support industries reliant on agriculture.

(b) Restoring Macroeconomic Stability

The World Bank suggests the implementation of planned macroeconomic and structural reforms is crucial, including fiscal consolidation, external debt restructuring, and containing domestic borrowing.

CHAPTER FOUR

ENVIRONMENTALLY SUSTAINABLE AND RESILIENT URBAN DEVELOPMENT

Environmentally Sustainable and Resilient Urban Development, aligns closely with Enabler 7 of Malawi2063, emphasizing environmental sustainability and resilience as critical components of national development. This chapter reports on the strides the country has made in implementing the New Urban Agenda in three key areas; Resilient and Adaptive Urban Development, Climate Change Mitigation in Urban Development, and Biodiversity and Ecosystem Conservation.

4.1 Resilient and Adaptive Urban Environment

The rate of urbanisation continues to grow rapidly in Malawi. The growth is currently at around 18.2percent. In recent years however, one of the major challenges faced in urban areas has been increase in the frequency and magnitude of disasters in urban areas most of which can be linked to climate change and variability and a manifestation of poor planning, limited drainage system, inadequate and unregulated waste disposal and settlement in high-risk areas. Government in collaboration with other stakeholders are implementing interventions in the following areas to ensure that urban areas are safe, and resilient from different shocks:

4.1.1 Adoption and implementation of local disaster risk reduction strategies

The country is actively working to integrate disaster risk reduction at the local level, guided by national policies and strategies. This involves community engagement, capacity development, and a multi-sectoral approach to build resilience and reduce the impact of disasters. The Department of Disaster Management Affairs (DoDMA) is at the forefront of this effort, working with various stakeholders to build community resilience and integrate DRR into development planning through the following national frameworks:

(a) National Disaster Risk Management Policy (2025)

The Policy focuses on building a resilient nation through risk-informed development, with a strong emphasis on urban areas. The policy adopts a multi-hazard and multi-sectoral approach, integrating disaster risk reduction into urban development planning and implementation. Key strategies include resilience-building in urban areas, mainstreaming disaster risk management

into sector programming, and enhancing financing mechanisms. This holistic approach aims to minimize disaster impacts, protect lives and property, and contribute to sustainable urban development.

(b) National Strategy on Disaster Risk Reduction (2018-2030)

The National Resilience Strategy (NRS) of Malawi (2018-2030) focuses on building long-term resilience to economic and environmental challenges, aiming to move the country away from reliance on humanitarian aid. It prioritizes inclusive growth, food and nutrition security, and sustainable urban development through various initiatives including resilient agriculture, risk reduction, and improved institutional coordination

(c) The National Guidelines for Community Based Early Warning Systems (2018)

The National Guidelines for Community Based Early Warning Systems (CBEWS) published in 2018, aim to standardize and improve community-led early warning systems, particularly in urban areas prone to hazards like flooding. These guidelines emphasize risk knowledge, technical monitoring, communication, and response capabilities. Specifically, urban flood early warning systems in BCC, utilizing a 10-day lead time, and the Flash Flood Guidance System managed by the Department of Climate Change and Meteorological Services, offering 10-day forecasts across all districts, exemplify this framework. Dissemination of information through weather forecasts, urgent notices, and alarms aims to enable timely community response, including evacuation planning and anticipatory actions.

(d) Disaster Risk Management Act

The 2023 Disaster Risk Management (DRM) Act establishes a comprehensive framework for addressing disaster risks, moving from reactive response to proactive risk reduction. Key aspects include creating national and local committees, appointing a commissioner, and designating high-risk areas. For urban areas, this translates to stricter development regulations, relocation planning, and enhanced early warning systems to build resilience.

In essence, the 2023 DRM Act provides a framework for urban areas in Malawi to become more resilient to disasters by:

- (i) Improving coordination and accountability through established committees and a dedicated office.

- (ii) Restricting development in high-risk zones to prevent future disaster impacts.
- (iii) Implementing early warning systems to provide timely alerts to urban residents.
- (iv) Ensuring effective and ethical response through a code of conduct for responders.
- (v) Adopting a proactive approach to risk reduction through sustainable urban planning and infrastructure improvements.

(e) Devolution Plan for Disaster Risk Management (2016)

The 2016 Devolution Plan for Disaster Risk Management (DRM) empowers local governments in Malawi to take the lead in disaster preparedness and response, shifting responsibilities from the central DoDMA to district and city councils. This devolution plan aims to create more locally driven, community-focused structures for DRM. In urban areas, this means city councils are now responsible for coordinating DRM activities within their jurisdictions, including integrating DRM into urban planning and development, and strengthening early warning systems.

The devolution plan, outlined in the 2016 document, specifically transfers key DRM functions like planning, budgeting, and operational authority to local authorities. This shift is reflected in the establishment of DRM committees and offices within these councils, tasked with coordinating all aspects of DRM, from preparedness to recovery and resilience

4.1.2 Multi hazard early warning systems

While a specific percentage of the country's urban population covered by multi-hazard early warning systems is not available, the country is actively working to improve its preparedness and response to disasters, particularly in urban areas. The country is working towards establishing a comprehensive multi-hazard early warning system, recognizing the need to improve its disaster risk knowledge, monitoring, forecasting, warning dissemination, and response capabilities. Efforts include:

(a) National Disaster Risk Management Framework

Malawi has developed a National Disaster Recovery Framework to enhance its capacity to respond to and recover from disasters, with support from development partners.

At national level, the Government has made significance strides in efforts around mainstreaming DRM into sustainable development. The Malawi2063 development blue

print recognizes the role of comprehensive DRM in ensuring the well-being of Malawians and protection of its national assets from disasters. This overarching strategic framework makes it imperative that DRM does not remain the responsibility of any single agency or organization of the government; instead, it must be the responsibility of every development organization at all levels, both within and outside the government. This is in line with what the Sendai Framework describes as the “all-of-society and all-of-State” approach. This further makes it imperative that, based on the national strategic framework on DRM, broad national systems should be established for mainstreaming DRM across every sector of development at all levels in unambiguous terms. It further advocates for the integration of “a gender, age, disability and cultural perspective in all policies and practices” and the promotion of women and youth leadership, recognizing previously untapped strengths and resilience in society.

(b) Multi-Hazard Risk Atlas for Malawi (2025)

Recognizing the increasing frequency, impacts, and severity of disasters, a comprehensive multi-hazard risk assessment was conducted in all 35 local government authorities, focusing on the current scenario and future scenarios under climate change. The risk assessment focused on droughts, floods, flash floods, strong winds, compound rapid onset weather-related hazards, and earthquakes. The assessment culminated in the Multi-Hazard Risk Atlas for Malawi, which depicts hazard maps and risk profiles for all 35 local authorities in Malawi, including urban centres. The atlas further reveals that droughts and floods remain the most significant hazards affecting economic development of the country.

4.1.3 Budget for Climate Change Mitigation and Adaptation

The country is highly vulnerable to climate change and its financial sector faces increased climate-related financial risks. While the exact proportion of local government budgets specifically allocated to climate change mitigation and adaptation is not explicitly stated, the focus on channelling finance towards local initiatives suggests a strong emphasis on decentralizing climate action and empowering local governments. Efforts to integrate climate considerations into local government budgets are also evident in:

(a) Development of Local Adaptation Plans of Action (LAPAs), which involve participatory approaches to identify and address climate risks at the local level. These plans are crucial for

tailoring adaptation strategies to specific local contexts and ensuring that resources are directed towards the most pressing needs.

(b) Malawi is actively mobilizing resources for climate finance, although the majority of this finance currently comes from international sources. Between 2019 and 2020, the country mobilized approximately US\$512 million per year in climate finance. The country's efforts to increase domestic resource mobilization, particularly from the private sector, are ongoing.

4.1.4 Deaths due to Air Pollution

In the country, both household and ambient air pollution contribute significantly to mortality rates. A 2016 report indicated a mortality rate of 115.00 per 100,000 population attributed to household and ambient air pollution, according to CEIC Data. Furthermore, approximately 63percent of child deaths from acute lower respiratory infections were linked to household air pollution. Efforts to reduce deaths caused by air pollution include:

(a) Continued public awareness

There is continued efforts to raise public awareness about the health impacts of air pollution and promote behavioural changes such as use of charcoal stoves indoors.

(b) Transition to clean energy

The Government is promoting the use of clean and renewable energy against the use of polluting fuels for cooking and heating.

4.1.5 Exposed to climate threats

The urban population faces significant exposure to climate-related threats, including flooding, droughts, and heatwaves, exacerbated by rapid urbanization, inadequate infrastructure, and poverty. Efforts to address these challenges include:

(a) Urban planning and infrastructure

The Government is improving urban planning, by incorporating disaster resilience by including drainage systems, waste management, and housing to reduce vulnerability. For example, Regional Climate Resilience Program, where Secondary Cities such as

Bangula, Monkey Bay, Chipoka and Liwonde are being planned to incorporate issues of disaster risks management.

4.2. Climate Change Mitigation

Climate change mitigation requires a concerted effort by all stakeholders to reduce greenhouse gas emissions and enhance the resilience of natural and human systems to environmental shifts. This process includes transitioning to renewable energy sources, improving energy efficiency, promoting sustainable land use, and protecting carbon sinks like forests and water bodies. By implementing both technological innovations and policy measures, societies can limit global warming and minimize the adverse impacts of climate change on ecosystems, economies, and communities.

4.2.1. Fine Particulate Matter

In the country, annual mean levels of fine particulate matter ($PM_{2.5}$ and PM_{10}) in cities, when weighted by population, show varying concentrations depending on the specific city and time of year. For example, Blantyre has shown concentrations of $PM_{2.5}$ ranging from $4.6 \mu g/m^3$ to $34 \mu g/m^3$. Currently, Lilongwe, has a $PM_{2.5}$ concentration of $12.4 \mu g/m^3$, which is 2.5 times higher compared to the standards of the World Health Organisation. Various initiatives, strategies, policies and programs have been put in place to improve and control air quality.

4.2.1.1. Developing National Frameworks and Policies

(a) National Environmental Policy (2004)

These policy documents have established air quality and climate objectives: developing a monitoring database, promoting clean energy, enforcing air emissions regulations, managing bushfires, reducing transportation and industrial pollutants, and enhancing carbon sinks.

(b) Environment Management Act (2017)

The Act adopts the "polluter pays" principle, requiring licenses for pollutant emissions into the atmosphere. Various initiatives, strategies, and programs have been put in place to improve and control air quality

(i) First-ever nationwide PM_{2.5} monitoring network

In 2024–2025, Malawi launched the Malawi Initiative for Clean Air Solutions, backed by EPIC (University of Chicago), Clean Air One Atmosphere, ANGA, Mzuzu University, Malawi University of Business and Applied Sciences (MUBAS), and government agencies. This initiative led to the installation of one reference-grade PM_{2.5} monitor and approximately 50 low-cost sensors across five major urban areas of Blantyre, Lilongwe, Zomba, Salima, and Mzuzu. This network filled a critical gap, prior to this, Malawi lacked any continuous regulatory-grade air quality station.

(ii) Ground-breaking air quality research

In BCC between the years 2020 to 2022 studies were conducted with extensive PM_{2.5} sampling across industrial, residential, hospital, market, school, and Central Business District zones. These consistently found levels significantly above WHO limits, especially during the dry, windy season (June–October). Validation of low-cost sensors in rural Malawi demonstrated their reliability under tropical conditions, supporting wider data-driven efforts.

(iii) Documented health impacts & public awareness

Rural cooking studies in Malawi measured PM_{2.5} exposures over 700 µg/m³, linking them to increased respiratory and cardiovascular issues, and demonstrating the health burden of solid fuel use. Media coverage and NGO attention have led to greater recognition of air pollution as a public health concern, highlighting its contribution to respiratory illness, low birth weight, and chronic disease—especially for women and children.

4.2.1.2. Policy integration & institutional capacity building

Although Malawi's baseline air quality standards (annual PM_{2.5} maximum of 8 µg/m³) were set in 2005, recent initiatives have transformed monitoring from theoretical to actionable. Collaborative efforts between government, public and non-state actors now include establishment of the Malawi Environment Protection Authority (MEPA), Air quality standards by the Malawi Bureau of Standards (MBS) and research institutions like Mzuzu University and the MUBAS tying scientific monitoring directly to policymaking and environmental management infrastructure.

4.2.2. Access to Renewable Energy

Renewable energy sources account for a significant portion of the total final energy consumption. Specifically, in 2022, renewable energy represented 62.9percent of the total final energy consumption. This includes both modern renewables and traditional biomass, which is still a significant part of Malawi's energy mix, particularly for cooking and heating. Efforts to diversify the energy mix and increase renewable energy use in the country include:

(a) Solar power projects

The Salima Solar Power Plant is a key initiative to increase solar energy capacity and contribute to the goal of achieving 30percent of the country's energy from renewables by 2030. The plant which will add nearly 50 megawatts into the national grid was launched in November, 2023 and the first phase is scheduled to be commissioned by December 2025.

(b) National Energy Compact

The National Energy Compact aims to increase the share of renewable energy, including hydropower, in the energy mix by 2030, as outlined by the World Bank.

(c) Electrification targets

The Government aims to achieve over 60percent access to electricity by 2030 through various strategies, including grid expansion, mini-grids, and solar home systems.

(d) Addressing challenges

The country is also working to overcome barriers to renewable energy adoption, such as poverty, lack of political will, and inadequate approaches to energy development.

4.2.3. Green House Gases

The country's latest national greenhouse gas inventory data estimated total greenhouse (GHG) emissions at 9.33 million tonnes of carbon dioxide equivalent (tCO₂e) for 2021 indicating a relatively low per capita CO₂e emission of 0.7 tonnes per person, ranking it 187th out of 191 countries, indicating a significant contribution to mitigating climate change compared to many other nations. Despite this progress, the country continues to actively work towards further reducing its carbon footprint through various initiatives. The key initiatives that are helping Malawi in its efforts to combat climate change include:

(a) Accelerating Electric Mobility Adoption

The Government has set ambitious goals to transition to electric vehicles (EVs) in order to reduce its reliance on fossil fuel imports for the transport sector. This move not only promises to offer clean and affordable transportation options to the citizens but also aims to decrease the country's carbon emissions. Funding for this initiative has been secured from the World Bank, and technical studies are being conducted by global consultants to assess and scale the e-mobility market in Malawi.

(b) Sustainable Architecture in Malawi

The country is also making significant progress in sustainable architecture through the construction of green buildings. These eco-friendly constructions prioritize minimizing environmental impact and preserving natural resources, contributing to a greener future for the country. Innovative technologies such as DURABRIC and LC3 are revolutionizing sustainable construction practices in Malawi, offering promising solutions for eco-friendly infrastructure.

(c) Afforestation and Reforestation

To combat deforestation and enhance carbon sequestration, Malawi is actively involved in afforestation and reforestation initiatives. These efforts aim to restore degraded landscapes, preserve biodiversity, and mitigate climate impacts. Measures include lowering rates of forest degradation from unsustainable fuelwood harvesting, afforestation, agroforestry, and riparian restoration. These initiatives align with the Reducing emissions from Deforestation and Forest Degradation (REDD+) strategy and are crucial in the country's efforts to combat climate change.

4.2.4. Recycling Initiatives

In Malawi, the recycling rate is quite low, with estimates suggesting that less than 4percent of waste is recycled. While some sources indicate that around 20percent of plastic waste is recycled, this still leaves a significant amount of waste that ends up in landfills or pollutes the environment. The country generates over 75,000 tons of plastic waste annually, highlighting the scale of the challenge. Efforts have been to mainly address plastic pollution such as:

(a) Ban on thin plastics

The ban on thin plastics has been a key step in reducing the amount of plastic waste generated and discarded. Government is promoting and encouraging the use of more sustainable alternatives to single-use plastics.

(b) Enforcement

The Malawi Environmental Protection Authority (MEPA) is working to enforce the ban and penalize those who violate the regulations.

(c) Community awareness

Efforts are being made to raise awareness among the public about the importance of reducing plastic consumption and properly disposing of plastic waste.

(d) Recycling initiatives

While the recycling rate is low, there are ongoing efforts to improve waste management and promote recycling, including the establishment of recycling plants and the use of plastic waste for construction materials.

4.2.5. Traffic Congestion

Traffic congestion, particularly in urban areas, causes significant delays for commuters which in turn increase Greenhouse Gas emissions. Efforts which have been made to reduce traffic congestion and therefore contribute to decrease in greenhouse gas emissions include:

(a) Road widening Initiatives

Expanding roads like Kenyatta Drive (Saulos Chilima Highway) and Mzimba Street to six lanes increases road capacity, allowing more vehicles to pass through at once, thereby reducing congestion.

(b) Construction of Interchanges

Constructing interchanges, and modern roundabouts in the capital City has helped to eliminate traffic delays and reduced bottlenecks by allowing traffic to flow smoothly through the intersections as shown in Figure 7.



Figure 7: Kamuzu Central Hospital Interchange.

(c) Smart Traffic Management Systems

Integrating traffic lights with management systems allows for real-time adjustments to traffic flow, optimizing signal timing based on traffic volume and reducing unnecessary delays.

4.2.6. Energy Consumption

While specific, quantifiable data on the percentage reduction in annual final energy consumption in Malawian homes using smart monitoring systems is limited, studies suggest a potential for significant energy savings. Research using the Smart Energy Utilization Model indicates that smart meters, combined with advanced analytics, can lead to a 15 percent reduction in overall energy consumption and a 10 percent decrease in peak-hour usage. Additionally, increased user awareness and engagement with energy-saving behaviours, facilitated by real-time feedback, can further contribute to these reductions. Efforts and Initiatives to reduce percentage in annual final energy consumption in homes using smart monitoring systems include:

(a) Increase Smart Meter Adoption

While the potential is clear, the widespread adoption of smart meters is still ongoing there are efforts to increase the adoption rate.

(b) Government Initiatives

The Government is working on energy sector development plans, including increased access to electricity and promoting renewable energy sources.

4.3. Biodiversity and Ecosystem Conservation

Urban biodiversity and ecosystem conservation face challenges due to rapid urbanization, which leads to habitat loss and fragmentation.

4.3.1 Land under protected areas

The greatest diversity of species in Malawi is in protected areas, comprising 87 forest reserves, five national parks and four wildlife reserves that cover a total of 1.8 million hectares representing 21 percent of the country's total area as indicated in Figure 8.

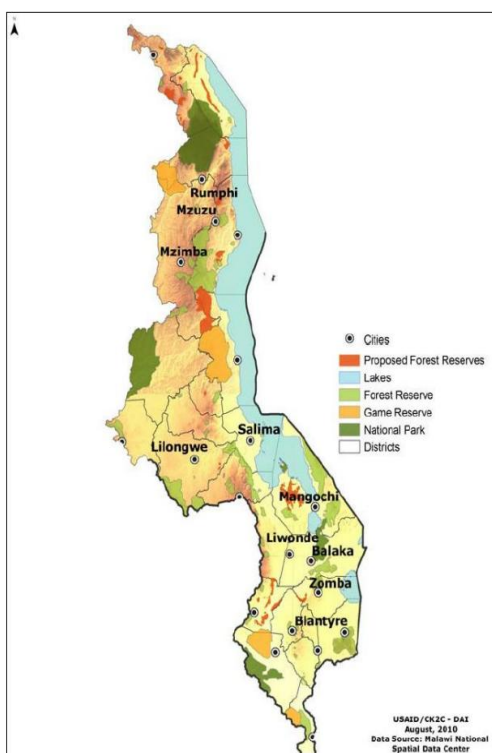


Figure 8: Land under protected areas in Malawi.

Aquatic ecosystems, on the other hand, cover 20 percent of the total land area of Malawi. They are a habitat to several species of amphibians, reptiles and water plants. The highest diversity and endemism of aquatic life is found in Lake Malawi, with over 1,000 species of fish. The country is implementing several efforts to manage the protected areas as follows;

(a) Implementation of the National Biodiversity Strategy and Action Plan (NBSAP)

The country is implementing the National Biodiversity Strategy and Action Plan (NBSAP) for the management of biodiversity. The current NBSAP is from 2015 and is expiring in 2025. The document is already under review so that it is aligned to the Kunming Montreal Global Biodiversity Framework of the CBD, the Malawi2063 Agenda and other biodiversity related national policies and strategies and takes into consideration emerging biodiversity issues.

The NBSAP highlights several urban-related issues that affect biodiversity and sustainable development including:

(i) Rapid urbanization and habitat loss

Urban population growth—especially in the Malawian cities of Lilongwe, Blantyre, Zomba, and Mzuzu has accelerated habitat conversion, ecosystem degradation, and a loss of green spaces, wetlands, and riparian zones important for biodiversity. Infrastructure and housing expansion often occurs with limited planning, spreading into sensitive zones and fragmenting habitats.

(ii) Informal settlements and inadequate services

The rise of informal urban settlements homes to 60–75 percent of urban residents comes with insecure land tenure, poor housing quality, overcrowding, limited waste disposal, and weak sanitation infrastructure. Such growth amplifies environmental stress, contributes to pollution, and burdens municipal budgets.

(iii) Pollution and waste management

Rapid growth rate in urbanisation has led to poor waste management practices, causing terrestrial and aquatic pollution—including air, soil, and water pollution—detrimental for biodiversity and human health. Existing Environmental Management Acts address pollution, but enforcement and capacity gaps persist in urban zones.

(b) Planning and management of urban green spaces and formal protected areas

In the Malawian cities of Lilongwe, Blantyre, Zomba, and Mzuzu, the planning has included significant green zones parks, sanctuaries, riparian corridors zoned for conservation or recreation within city limits.

In the Lilongwe Master Plan for up to 2030 for instance, maintains up to 22,000 hectares of land for reserved for wildlife sanctuaries, recreation, greenery, agriculture, and forestry within the city. Urban biodiversity surveys also map city-wide habitats and wildlife corridors in Lilongwe.

(c) Production of ecosystem maps

The Ministry of Natural Resources and Climate Change in collaboration with the Malawi University of Science and Technology has conducted spatial assessments that have produced maps depicting ecosystem types, level of protection and degradation as indicated in Figure 9 and Figure 10 below.

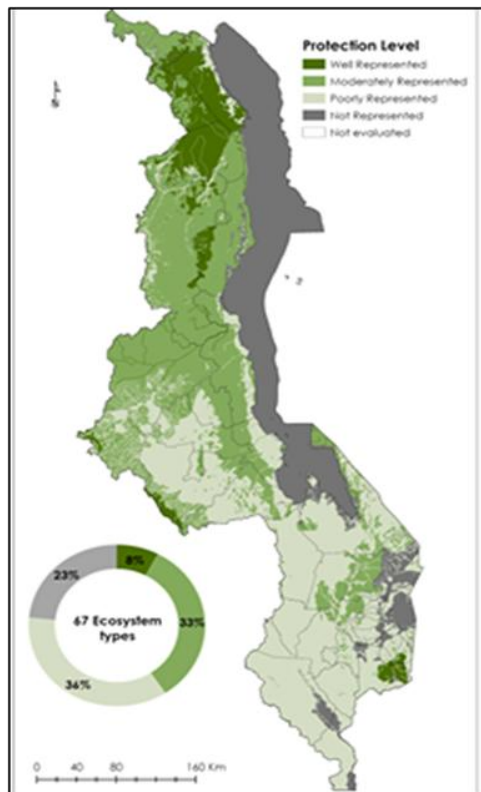


Figure 9: Spatial distribution of Ecosystems.

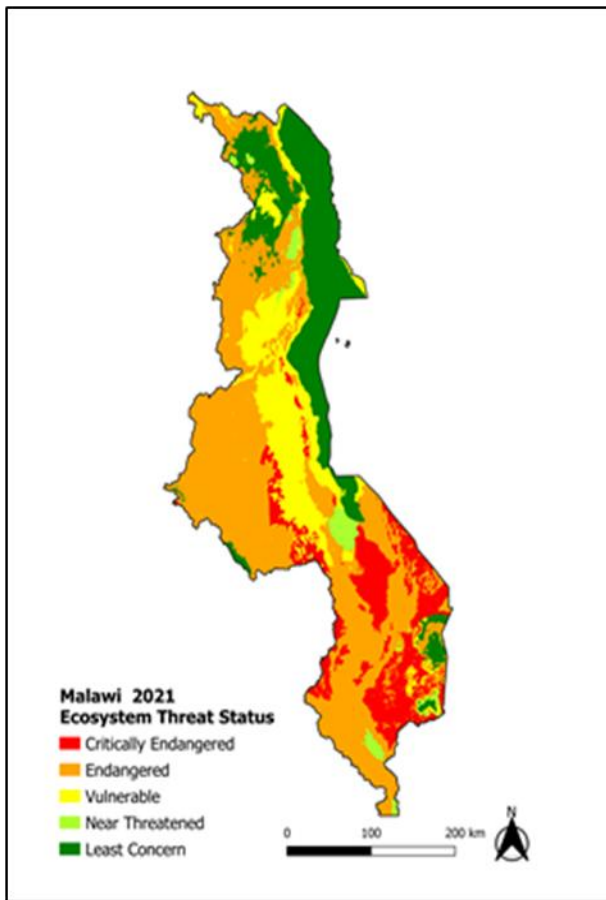


Figure 10: Status of Ecosystem threats.

(d) Genetic Resource Conservation measures

The country is actively engaged in genetic resource conservation, recognizing the importance of preserving the unique genetic diversity of plant species. These efforts aim to maintain the viability of native plants and ensure their availability for future generations. Some of Malawi's biodiversity is conserved in gene banks and botanical gardens located in urban areas such as the National Plant Genetic Resource Centre, Agricultural Research Stations, National Herbarium and Botanical Gardens, Academic Institutions and the Forestry Research Institute of Malawi. The Malawi Genetic Resource Centre gene banks has over 4,613 accessions from 32 species and of these 4,097 are seed samples and 516 are vegetative materials collected from all the districts of Malawi.

(e) Prevention of invasive alien species

Invasive Alien Species (IAS) are listed among the threats to biodiversity conservation. The Water hyacinth (*Pontederia/Eichhornia crassipes*) is an example of an invasive species common including in urban areas. The plant has become a major challenge in several Malawian urban water bodies especially in urban locations along the Shire River.

Government recognizes the threat posed by IAS and implements management strategies to mitigate their impact. These efforts include monitoring and control measures to prevent the spread of invasive species, which can outcompete native species and disrupt ecosystems. Malawi implemented the Invasive Alien Species Management Project (2018 - 2023) which among other key achievements, produced a National Invasive Species Strategy and Action Plan (NISSAP), an Invasive Alien Species Communication Strategy, a field guide for rapid identification and conducted trials on best practices for management of IAS. These tools help urban planners, environmental officers, and citizens quickly recognize and manage IAS in city settings.

(f) Strengthened partnerships

Government continues to strengthen its collaboration with partners in the management of its natural resources. Collaboration with organizations like the African Parks Network has assisted to boost wildlife protection.

(g) Revision of the Environment Management Act-EMA (2017)

Malawi enacted the EMA of 2017 which instituted the MEPA. The MEPA is the principal agency for the protection and sustainable management and utilization of the environment and natural resources. In line with the mandate MEPA performs a number of regulatory functions including environmental assessments, access and benefit sharing of biological resources, and waste transfer and storage.

(h) Implementation of the Urban Natural Assets for Africa Project: Lilongwe Ecological Corridor Initiative (LECI)

Between 2019 to 2020, LCC collaborated with ICLEI Africa to map urban biodiversity hotspots, identify priority areas, and develop monitoring and enforcement schedules for these zones. The country launched in partnership with Lilongwe Wildlife Trust, IUCN, and UNDP, LECI to establish a continuous green-blue corridor along the Lingadzi and Lilongwe rivers. The phases under implementation and so far, implemented under the project include:

(i) Phase 1-Project Greenheart

This phase includes relocating markets, restoring riverine habitats, establishing a city riverine park called the Eden Park, planting thousands of trees, and deploying nature-based solutions to combat flooding, pollution, and biodiversity loss.

(ii) Biodiversity mapping and biodiversity indicator work – Bat species assessment

This project also involved detailed bat surveys in Lilongwe, assessing urban habitat fragmentation and bat diversity. Bats have been recognized as key biodiversity indicator species, influencing land-use planning and urban conservation strategies.

(iii) Greening Riverbanks and Nature-Based Solutions (NBS)

Through this project, in Lilongwe City, riverbank restoration on the Lingadzi River has included planting vegetation, controlling flooding and erosion, and boosting biodiversity. Community-driven projects transformed waste from riverside markets into compost, enhancing livelihoods and healthy ecosystems.

4.3.2 Domestic and industrial waste water treatment

The treatment of domestic and industrial wastewater is a critical issue that needs urgent attention. With only 6 percent of domestic wastewater being safely treated, there is a pressing need to improve the current situation to protect the environment and public health. Some of the efforts being made to address this issue, include:

(a) National Sanitation and Hygiene Strategy

The Strategy (2018-24) and under review aims to achieve universal access to sanitation and hygiene, eliminate open defecation, and promote sustainable waste management. The Strategy sets targets for rural, urban, and institutional settings, and calls for the mobilization of resources for investment in the sanitation and hygiene sub-sector. By aligning with global frameworks and national policies, this strategy provides a roadmap for improving sanitation and hygiene practices in the country.

(b) Lilongwe Water and Sanitation Project

One of the key initiatives in improving wastewater treatment in Malawi is the Lilongwe Water and Sanitation Project. This project focuses on connecting households to the sewerage network in Lilongwe City, rehabilitating and expanding the sewerage network, and targeting poor and vulnerable households for support in improving their sanitation facilities. With funding from the World Bank and the Government of Malawi, this project aims to connect 5,000 new households to sewer lines and upgrade the existing system to benefit approximately 250,000 people.

4.3.3 Municipal Solid Waste Disposal

In Malawi, a relatively small proportion of municipal solid waste is collected and managed in controlled facilities. Only about 30 percent of all waste is collected for disposal and the rest is disposed of indiscriminately. Most households dispose of their waste in rubbish pits. In most cases, households from the selected locations in the cities of Lilongwe, Blantyre and Mzuzu dump waste in a pit within the plot or by throwing waste on roadside. 42percent dispose in rubbish pits, 11.9 percent dump on the roadside and 25.4 percent dump in, empty spaces.

The Government has taken significant steps towards managing solid waste in the country through:

(a) Enacting relevant legal frameworks

Through the enactment of various laws and the establishment of the National Sanitation Policy, the country has shown a commitment to addressing sanitation concerns. These laws not only outline the public's role but also align with the EMA, ensuring that solid waste management is conducted in an environmentally responsible manner.

(b) Launch of the National Clean-up Day Campaign

National Clean Up Day Initiative of the Republic of Malawi Initiative is held on the second Friday of every month. It was launched by President of the Republic of Malawi in November 2020, with the aim of promoting good hygiene and encouraging citizens to clean their surroundings especially in urban areas. The initiative involves citizens cleaning their homes, workplaces, and community areas. The clean-up campaign runs from 2 pm to 5 pm. To ensure the success of these efforts, relevant government ministries, local government authorities, various stakeholders including Non-Governmental Organisations (NGOs), commercial companies, donors and the media have been continuously get actively involved to maintain and institutionalise the event as shown in Figure 11.



Figure 11: Hon. Abida Mia MP, Minister of Water and Sanitation, leads National Clean-up Day Campaign in Chikwawa (2023)

CHAPTER FIVE

EFFECTIVE IMPLEMENTATION

The realization of the transformative commitments set out in the New Urban Agenda will require enabling policy frameworks at the national, and local levels, integrated by participatory planning and management of urban spatial development and effective means of implementation. This chapter therefore discusses both progress on implementing these enabling frameworks as well as demonstrate how these frameworks have enabled progress in achieving the transformative commitments.

5.1. Urban Governance Structures

The country has made some progress on enabling national and local governments authorities to undertake their assigned responsibilities through:

5.1.1. Deepening Decentralization of Local Governments

Following several years of highly centralized government, the year 1993 marked a significant turning point in Malawi's political trajectory. In 1994, the country adopted a new Constitution founded on the principles of participatory democracy. As part of efforts to operationalize and consolidate democratic governance, the Government initiated comprehensive reforms grounded in a decentralized model of governance. This process involved the devolution of political and administrative authority from the central government to Local Government Authorities, thereby strengthening local governance and enhancing citizen participation in decision-making. Key strides made in the decentralisation efforts include:

(a) Review of the National Decentralization Policy (2024)

The key stride made in decentralization, is the review and implementation of the National Decentralization Policy in 2024. The Policy aims at deepening decentralization by expanding local government authority, enhancing citizen participation, and aligning with the Malawi2063, vision for development, particularly in areas like infrastructure and quality service delivery. The policy ensures that no one is left behind in decision making and development efforts as one of the principles to ending poverty in all its forms and dimensions

5.1.2. Development of the Legal and Policy Frameworks

The principal legislation guiding the implementation of the Malawi National Urban Policy is the Local Government Act of 1998. This Act provides a comprehensive legal framework for decentralization by establishing councils and defining their composition, mandates, functions, and financing mechanisms. It articulates the principles of local governance including democratic governance, accountability, transparency, and active citizen participation in local decision-making and development planning. Key efforts include:

(a) Review of the National Urban Policy (2019)

The Policy (2019) provides a comprehensive framework for guiding sustainable urban development. Designed with a five-year implementation period, spanning from April 2019 to March 2024. The—the policy aimed to create an enabling environment to promote sustainable growth and transformation of urban areas, while addressing the complex and interlinked challenges associated with rapid urbanization.

(b) Amendment of the 1998 Local Government Act

The Government is currently undertaking amendments to the Local Government Act of 2010 to address gaps related to the composition of local-level urban governance structures, including the role of block leaders, which were not adequately covered in the existing legislation.

(c) City summits

The Ministry of Local Government, Unity and Culture in collaboration with city councils organized city summits in all cities. The main objective of city summits is to create an institutionalized and regularized platform whereby civic leaders (City managers, residents, CSOs), political leaders and private sector engage each other on city management, governance and development affairs in a collective fashion. The summits also revolve around the city transformation agenda based on Malawi2063, Agenda 2063 for Africa, the United Nations New Urban Agenda and the agenda 30 for sustainable development.

5.1.3. Building the Capacity of National and Local Governments

Malawi has undertaken several capacity-building initiatives aimed at strengthening Local Governments to effectively implement local and metropolitan multi-level governance frameworks including:

(a) Review of the Urban Development Planning (UDP) Handbook

The Ministry of Local Government, Unity and Culture is currently developing the Urban Development Planning Handbook, which will serve as a comprehensive guide to the urban development planning process. This handbook is intended to be a practical resource and reference tool for all stakeholders engaged in urban development planning. It provides a structured framework for understanding planning processes, including methodologies and tools necessary for creating sustainable cities, municipalities, and towns. This is the review of the Handbook for the Development Planning System for Urban Assemblies (2013). It has outlined the framework for urban development, planning procedures, financing mechanisms, implementation modalities, as well as monitoring and evaluation processes.

(b) Training Workshops on Capacity Building

The Ministry has facilitated training workshops for councils on urban development plan formulation, emphasizing the importance of participation and collaboration with democratically elected local structures during the planning process. The National Decentralization Policy underscores the necessity of building the capacity of councils to ensure effective governance at all levels., the Ministry organized training sessions on sustainable urban development for all urban councils in Malawi's towns and cities. Furthermore, the government provided four training sessions to orient Councillors on their roles and responsibilities. Between 2019 and 2020, newly elected Members of Parliament, Ward Councillors, Ward Development Committees, and Urban and Ward-level Civil Protection Committees were established and trained.

(c) Direct Participation Structures

There is an active presence of civil society participation structures in urban planning and management, facilitating inclusive engagement in urban governance. These CSOs

include Centre for Community Organisation and Development (CCODE), Habitat for Humanity Malawi, Land Net, Urban Executive Committee, and the National Habitat Committee. These ensure meaningful public participation of the grassroots to ensure the implementation of the NUA

5.1.4. Women's full participation in Decision-Making

The Government has made progress towards ensuring women's full participation in governance and decision-making; however, further efforts remain necessary including:

(a) Increased Representation of Women in Politics

For the first time in Malawi's political history, women constituted 38percent of cabinet positions in 2020. Currently, women represent 35percent of the 193 members of the National Assembly.

(b) Electoral Reform Bill Proposals

The Ministry of Gender is collaborating closely with the Ministry of Justice to advance electoral reforms, scheduled for parliamentary deliberation in June 2021, intended to enhance women's representation in political leadership. The nomination fee for women, youth, and people with disabilities is lower than that of other candidates during elections.

5.2. Planning and Managing of Urban Spatial Development

The New Urban Agenda advocates for the localization of the International Guidelines on Urban and Territorial Planning (IGUTP) within UN Member States. Approved through Governing Council Resolution 25/6 (23 April 2015), the guidelines call upon international financial institutions, development agencies, and UN-Habitat to support member states in adapting the guidelines to their territorial and national contexts, as well as in developing relevant tools and monitoring indicators. Malawi supports the adoption and application of the IGUTP to promote the development of compact, socially inclusive, well-integrated, and connected cities and territories, thereby fostering sustainable urban development.

5.2.1. Integrated and Balanced Territorial Development Policies

The IGUTP provides strategic direction for establishing planning functions at national, regional, district, city, neighbourhood, and village levels to ensure a well-connected and balanced system of settlements. In line with these recommendations, the Government is implementing programs

to promote integrated and balanced territorial development across urban and rural areas. Key efforts include:

(a) Formulation of Urban Structure Plans for Secondary Cities

Malawi's long-term development vision, Malawi2063, is built on three pillars: agricultural productivity and commercialization, industrialization, and urbanization. Under the urbanization pillar, the vision articulates two key aspirations:

(i) to establish world-class urban centres across the country with modern socio-economic amenities, and

(ii) to develop secondary cities that enhance citizens' quality of life. The creation of secondary cities aims to establish hubs for government, industry, agriculture, tourism, and mining. Master planning processes for these cities are underway, with a draft master plan completed for Bangula and ongoing plans for other secondary cities. The cities are located in all the four regions of the country to ensure regional development and improved rural urban linkages.

(b) Development of Smart City

The planned Mvera Innovation City is envisioned as a hub for business, technology, and innovation, with a strong focus on environmental sustainability and community well-being. Land acquisition for the project is complete, and the initiative aims to transform the area into a dynamic city attracting investment, fostering economic growth, and improving residents' quality of life.

(c) Development and Operationalization of Physical Development Plans

Agriculture is a national priority under Malawi 2063. The Shire Valley Transformation Program (SVTP), implemented in Chikwawa and Nsanje districts with support from the World Bank, African Development Bank, Global Environment Facility (GEF), OPEC Fund for International Development (OFID), and Nigerian Trust Fund (NTF), exemplifies integrated development efforts. The SVTP is expected to generate significant socio-economic and environmental benefits for the Shire Valley and its surrounding areas.

The programme has supported the development and operationalization of several physical development plans including the Chikwawa District Physical Development Plan, Chikwawa Boma Urban Structure Plan, Nchalo Urban Structure Plan, Nsanje District Physical Development Plan, Ngabu urban structure plan, Bangula Secondary City Urban Structure Plan, and various village land use plans, all aimed at guiding physical and economic transformation in the region.

Additional spatial plans in progress include the Kasungu District Development Plan and the Blantyre City Urban Structure Plan which is awaiting approval.

(d) Implementation Progress of Agenda 2063

The urbanization pillar of the Malawi 2063 calls for the formulation of a National Spatial Framework and the promotion of secondary cities, world-class urban centers, and tourism hubs equipped with requisite socio-economic amenities for high-quality living.

(e) Devolution of Spatial Planning Functions

The Ministry of Lands has devolved land-related and physical planning functions to local levels to ensure participatory local planning at local level.

(f) Enactment and Operationalization of Land-Related Laws

In 2016, the Government enacted several key laws including the Physical Planning Act, Land Act, Customary Land Act, and Surveys Act, with amendments made in 2022. The national rollout of these laws has been approved and implementation is in progress. In 2024, additional legislations have been enacted namely the Sectional Titles Act, Property Valuation Act, Real Estate Management Act and Property Valuation Act. These acts are very important in the operationalisation of the NUA,

5.2.2. Housing and Urban Development Plans

Housing is a critical component of urban infrastructure and should be planned and managed in conjunction with other essential urban functions such as transport, employment, water and sanitation, waste management, and public safety. Housing serves as an anchoring element in city construction and expansion and drives sustainable and resilient territorial development through coordinated land use, infrastructure, and transport planning. As such, housing should be located and designed to minimize exposure to natural hazards.

The New Urban Agenda emphasizes the importance of adequate, affordable housing within sustainable urban development frameworks. It supports achieving Sustainable Development Goal 11, which calls for access to adequate, affordable and sustainable housing, basic services, and slum upgrading. The Government and cooperating partners have developed policies positioning housing at the centre of urban development. Key efforts include:

(a) Guidelines and Standards for Safer Housing and Construction:

Malawi remains particularly vulnerable to a wide range of natural hazards due to its unique geo-climatic conditions. The country experiences recurrent disasters including floods, severe storms, droughts, landslides, and occasional earthquakes, posing significant risks to human life, property, and sustainable development.

One of the most effective and sustainable strategies to mitigate the impact of such hazards is the promotion of resilient housing, particularly in rural and hazard-prone communities. Strengthening housing design and construction standards contributes directly to safeguarding lives and livelihoods.

In this context, the revised Safer House Construction Guidelines provide a strategic framework to support the development and dissemination of context-specific, practical solutions for building safer homes. Rooted in the 2009 guidelines developed in response to the Karonga earthquake, the updated document integrates contemporary risk reduction strategies and lessons learned from past events.

The updated guidelines are structured around four key objectives:

- (i) Multi-hazard responsiveness: Addressing the full spectrum of natural hazards affecting Malawi;
- (ii) Adaptability and sustainability: Promoting resilient design solutions that are environmentally and economically viable;
- (iii) Incremental development: Supporting phased improvements in housing quality over time;
- (iv) Inclusivity of target audiences: Tailoring guidance for diverse stakeholders including homeowners, builders, local authorities, and development partners.

The Safer House Construction Guidelines promote the use of local materials, endorse culturally appropriate construction techniques, and encourage the application of low-cost, proven technologies. By aligning disaster risk reduction with housing improvements, the guidelines serve as a critical tool for advancing resilient urban and rural development in line with the NUA and SDGs.

(b) Prototype Housing Designs

The Government has developed 19 prototype house designs, which are available to local authorities and developers free of charge. Under this arrangement, 5 designs are for urban areas.

(c) Formulation of the National Slum Upgrading and Prevention Strategy

The Ministry of Local Government, Unity and Culture, in partnership with the CCODE and Habitat for Humanity Malawi, is preparing a national strategy for slum upgrading and prevention. This strategy aims to harmonize slum upgrading initiatives, ensuring standardization and adherence to quality guidelines. It will guide both government and private sector interventions.

(d) Review of the 2019 Housing Policy

The 2019 housing policy contains coherent set of strategies to promote integrated planning of housing in urban development plans. The policy is under review, aligned to the national agenda of Malawi 2063 which envisions improved standards of living, with a specific focus on equitable access to quality housing for all Malawians.

(e) Formulation of Housing Bill

Government is in the process of developing a National Housing Bill. Once it becomes law, it is expected to establish a comprehensive legal framework to guide housing development, with a focus on promoting safe, affordable, resilient, and decent housing.

(f) Review of the 2019 National Urban Policy

The Government is reviewing its 2019 National Urban Policy to align it with national development frameworks such as Malawi 2063 and MIP-1. Changes in the

governance environment—following updates to the National Decentralization Policy (2024), the Urban Development Planning System Handbook (2024), and sectoral policies such as the Land Policy—are also informing the revision. Additionally, emerging challenges observed during the implementation of the 2019 Policy, including slum upgrading and urban resilience, will be addressed in the successor policy.

5.3. Implementation of Planned Extensions of Urban Areas

Cities in Malawi are experiencing significant pressure on land resources due to rapid urbanization and population growth. This has contributed to the widespread emergence of informal settlements, particularly in vacant and undeveloped areas within and around urban centers. Concurrently, there has been a resurgence of informal landholders who acquire land on the urban fringes. These informal actors often prepare detailed layout plans and allocate plots, primarily for residential purposes. However, such developments have led to accelerated urban sprawl, increased land prices, and unregulated growth characterized by inadequate enforcement, disorderly development patterns, and insufficient provision of basic services. In alignment with UN-Habitat's advocacy for planned urban expansion, the Government, councils, and development partners are actively engaged in defining and managing the spatial growth boundaries of cities across the country. Key efforts include:

(a) Extension of Cities Boundaries

Several cities have successfully planned and formalized the extension of their administrative boundaries. For instance, LCC has prepared and legally adopted its 2030 Land Use Plan, which proposes an expansion of city limits, particularly towards the southern and north-eastern areas as Shown in Figure 12. The Extension of the City boundary is one of the spatial development strategies that take into account the need to plan for urban expansion.

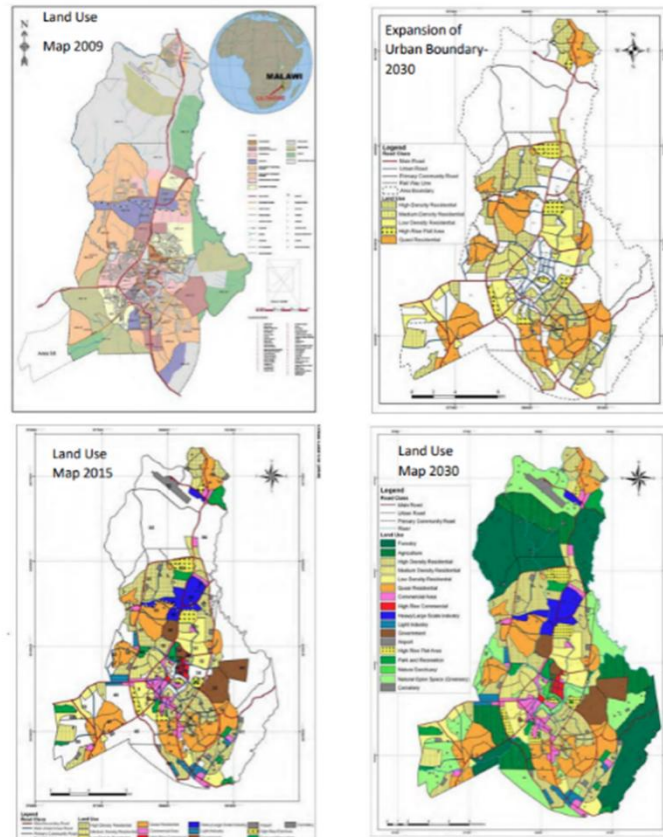


Figure 12: Extension of Lilongwe City Boundary

5.3.1 Urban renewal and regeneration of urban areas

Population growth and rapid urbanization in the country have led to the expansion of informal settlements and peri-urban areas, often lacking basic services and infrastructure in the major cities. The Malawi National Urban Policy provides a framework for sustainable urban development, including the integration of informal settlements and the development of infrastructure. There have been efforts in urban renewal and specifically in peri-urban areas. The goal of these renewal and regeneration efforts is to integrate these areas into the larger urban system by:

- (a) Construction of roads in peri-urban areas and informal settlements,

Building roads in peri-urban areas and informal settlements, such as Mtandire and Senti in Lilongwe City, is a crucial aspect of urban renewal. It improves accessibility, connectivity, and mobility within these areas, which are often characterized by poor infrastructure.

(b) Regularization and formulation of Local Plans

This involves creating and implementing local plans and layout plans that define the structure and organization of these settlements. It helps to formalize land ownership, establish building regulations, and ensure the provision of basic services like water and sanitation.

5.3.2 Improving capacity for urban planning and design

To improve capacity for urban planning and design, the Government through the Ministry of Lands has;

- (a) Decentralized all land related professionals including urban planning to councils to improve capacity for urban planning and Lands
- (b) Established Customary land committees, Customary land tribunals, District land tribunals Board of valuers, Valuation tribunal, Real estate management council and Central land boards
- (c) has recruited Land Clerks and Land Registrars, and deployed them in all councils
- (d) has increased the number of planners employed in the public sector; Approximately, 96 urban planners are in the public sector which include MDAs, Academia, Parastatal. This is on higher side as compared to the 57 planners who were in the public sector in 2021
- (e) Has trained physical planning committee in all councils in the land laws including the Physical Planning Act, and the Land Policy. The training has been extended to all established structures and land related professionals to enhance capacity and coordination
- (f) Training for urban planners at all levels of government on new land laws, LIMS, adjudication software, formulation of district led disaster land use plans, development control and enforcement for planning committees as well as operationalisation of physical development plans to build environment professionals and physical planning committees.

5.3.3 Strengthening of Small and Medium Urban Centres

The country continues to depend on agriculture as a cornerstone of its social and economic development. To transform its development trajectory, the country requires a strategic shift towards commercial agriculture that integrates with and supports industrial development. Agricultural industrialization is anticipated to play a pivotal role in job creation and in reinforcing the sustainable urbanization pillar of Malawi Vision 2063, particularly through the strengthening and establishment of small and intermediate cities and towns centered on agricultural activities. Key efforts include:

(a) Development of Secondary Cities

In 2022, the Government launched the Secondary Cities Plan as a strategic milestone towards implementing the Malawi 2063 national vision and advancing the transformative commitments of the NUA. The initiative aims to develop eight new secondary cities across all regions of the country, with a focus on strengthening small and medium urban centers as engines of inclusive economic growth, balanced territorial development, and improved service delivery. By promoting planned urban expansion, infrastructure investment, and spatial equity, the Secondary Cities Plan seeks to decongest primary cities, reduce regional disparities, and enhance urban resilience. This approach aligns with global calls to foster well-connected systems of cities that are people-centered, environmentally sustainable, and economically productive. The initiative demonstrates Malawi's commitment to building inclusive, safe, resilient, and sustainable urban settlements in line with the New Urban Agenda and the Sustainable Development Goals.

(b) Review of the National Physical Development Plan

The ongoing review of the National Physical Development Plan (NPDP) marks a significant step in Malawi's efforts to strengthen spatial planning and support the balanced growth of small and medium urban centers, in alignment with the Malawi 2063 vision and the New Urban Agenda. The NPDP serves as a national spatial framework aimed at guiding integrated and coordinated urban and rural development, promoting sustainable land use, and enhancing regional connectivity. Its revision is focused on ensuring greater alignment with current demographic trends, infrastructure needs, and climate resilience priorities, while embedding inclusive and participatory planning principles. By providing a coherent structure

for territorial development, the reviewed NPDP is expected to facilitate more equitable urbanization processes, reduce spatial inequalities, and unlock the potential of secondary cities as drivers of economic transformation and improved livelihoods. This reform reflects Malawi's commitment to evidence-based, inclusive, and forward-looking urban planning as a foundation for sustainable development.

5.4 Mobilization of Financial Resources

Urban development plans and policies are only impactful if effectively implemented. Comprehensive implementation frameworks, grounded in sound financial mobilization strategies and institutional coordination are essential for the successful realization of national urban development goals. The Government acknowledges the importance of leveraging a diverse range of tools and resources to achieve the transformative objectives of the NUA.

5.4.1 Development of Financing Frameworks for Implementing the NUA

The Government has undertaken multiple initiatives to establish financing frameworks to support implementation of the National Urban Policy and the NUA. These include:

(a) Constituency Development Fund (CDF)

The CDF in the country is a government initiative established in 2006 to channel funds to electoral constituencies for local development projects. Initially allocated K1 million (approximately US\$2,500) per constituency, the fund has significantly increased over time. The Malawi Constituency Development Fund (CDF) has indeed seen significant increases in recent years. By 2025, it has reached K220 million per constituency. This increase was recently followed by a 10percent increase to the K220 million (approximately US\$ 126,500). Before this, the amount had been doubled to K200 million per constituency. The CDF benefit all constituencies, including those in urban areas.

5.4.2 Mobilization of Endogenous Financial Resources and Expansion of Local Government Revenue Base

In collaboration with the National Habitat Committee, the Ministry of Lands is actively exploring internal financing mechanisms to support urban development initiatives aligned with the NUA. The key effort include:

(a) Formulation of the Malawi Sustainable Urban Development Programme (MSUDP)

The Ministry of Local Government, Unity and Culture has prepared the MSUDP as a dedicated instrument for operationalizing the National Urban Policy. Once funded, the Programme will support local authorities in preparing bankable projects aimed at increasing their revenue base.

5.5 Capacity Development

The Government recognizes that building the capacity of the councils to plan, finance, and manage service delivery is essential for achieving the objectives of Malawi2063, and the NUA.

5.5.1 Fostering Exchange of Urban Solutions and Mutual Learning

Malawi is committed to fostering knowledge exchange and peer learning at local, regional, and international levels. The Government facilitates training sessions and learning platforms for stakeholders in the urban development sector including:

(a) City-to-City Learning Initiatives

Peer learning is being encouraged among city, municipal, town and district authorities in the country.

(b) Participation in Urban Forums

Government supports the participation of council staff, academia, and civil society representatives in regional and international forums such as the World Urban Forum, Africa urban Forum and the Malawi Urban Forum. Notably, Malawi's delegation of 37 participants attended the 12th World Urban Forum in Cairo, Egypt in 2024.

(c) Training Programmes

Government officials attend both long-term and short-term courses on urban development and management, facilitated through national institutions and international scholarships.

(d) Establishment of a Functional National Habitat Committee

This multi-stakeholder body which plays a central role in coordinating the implementation of the New Urban Agenda. Its membership includes Ministries, Departments, Parastatals, the Private sector, Civil society organisations and the grassroots who are work with NGOs in the human settlement sector.

5.5.2 Engagement of Local Government Associations in Capacity Building

The Government supports the NUA's call to involve local government associations in national consultations, policy dialogues, and capacity-building initiatives. These include:

(a) Malawi Local Government Association (MALGA)

MALGA plays a pivotal role in supporting capacity-building efforts across local authorities. It has developed a comprehensive Local Government System Handbook and conducted orientation workshops on budgeting, planning, and governance.

5.6 Information Technology and Innovation

The country recognizes the transformative role of technology in improving governance, enhancing transparency, and facilitating citizen engagement. It is committed to utilizing digital tools and geospatial systems to improve urban planning and service delivery.

5.6.1 Digital Tools and Geospatial Systems for Urban Planning and Service Delivery

The Government is focused on utilizing technology to address the challenges and opportunities presented by urbanization. This includes

(a) Land Information Management System (LIMS)

LIMS, developed by the Ministry of Lands, aims to streamline land administration processes. It digitizes land records, improving transparency, accountability, and efficiency in land management. A dedicated department within the Ministry is responsible for its operation.

CHAPTER SIX

STRATEGIC WAY FORWARD

Implementing the New Urban Agenda in Malawi marks a pivotal move towards sustainable and inclusive urban development. This chapter explores critical strategies for realizing the transformative commitments outlined in the Agenda by 2036, emphasizing the roles of the Ministry of Local Government, Unity and Culture, the National Habitat Committee, and various stakeholders. A special task team within the National Habitat Committee should be considered to be instituted to focus on these areas to ensure systematic tracking and assessment of the NUA implementation.

6.1. Key Strategic Actions

To successfully achieve the NUA commitments by 2036, the following strategic actions are essential:

i. Political Commitment

Reinforcing political will at all levels will be crucial. Ensuring political commitment, securing robust political commitment across all tiers of government is vital for accelerating NUA implementation. This can be achieved through:

- (a) Engaging with policymakers to raise awareness about the importance of urban development and the benefits of the NUA.
- (b) Advocating and lobbying for sufficient financial and technical resources to support urban development efforts.
- (c) Building partnership and developing relationships with CSOs, the private sector, and international donors to support the implementation of urban agenda in the country.
- (d) Defining clear goals and monitoring mechanisms to establish explicit targets for urban development to effectively track progress.

- ii. Promoting accountability to ensure transparency in decision-making processes to maintain commitment and achieve results at all levels.
- iii. Prioritizing training and development initiatives to build and enhance local governance and management capacities.
- iv. Establishing national and local urban observatories to aid in systematic tracking and evaluating of the implementation of the NUA.

- v. Improving Data Collection and accessibility to enhance data collection and utilization procedures to inform urban development strategies and decisions effectively.
- vi. Fostering collaborations through partnerships among governmental, non-governmental, and community-based organizations will support a more inclusive approach to urban development.
- vii. Actively involving local communities in the planning and implementation of urban development programmes to ensure that the urban agenda resonates with their needs as articulated in their wards and neighbourhoods action plans.

6.2. Ongoing Commitment

While considerable progress has been made, continued efforts are imperative to tackle existing challenges and seize opportunities. By strengthening political will, enhancing data collection, and promoting inclusivity, Malawi can build resilient urban spaces that serve all citizens as we approach 2036.

6.3. Specific Actions to Achieve Transformational Commitments

The country is committed to executing the following critical actions to meet the transformative commitments outlined in the NUA by 2036:

- (a) Enhancing Urban Governance improve transparency, accountability, and citizen participation in local decision-making.
- (b) Revamping urban planning to ensure equitable and sustainable urban development processes.
- (c) Managing unplanned urban expansion to address urban sprawl and mushrooming of slums to promote sustainable growth.
- (d) Investing in infrastructure to enhance connectivity and support urban development through strategic infrastructure projects and interventions.
- (e) Regularizing informal Settlements to integrate informal areas into urban plans to improve living conditions.
- (f) Increasing affordable housing options to enhance access by all residents in the urban areas.

- (g) Strengthening legal frameworks to review and implement effective laws, policies and institutions for better urban management.
- (h) Prioritizing biodiversity and waste management to promote conservation and sustainable waste management practices without compromise.
- (i) Collaborating with local and International Partners to leverage support for resilient city initiatives through local and donor-funded programs and projects.
- (j) Enhancing access to housing finance to create opportunities for affordable housing development through diversified financing.
- (k) Promoting economic empowerment and foster job creation and entrepreneurship through skills training in urban areas.
- (l) Exploring innovative revenue collection mechanisms to fund urban projects and services.

6.4. Overcoming Implementation Challenges

To fulfill these commitments, addressing the most pressing aspects of implementation is crucial:

- (a) Enhancing data collection and utilization to improve current processes to enable better and evidence-based decision-making.
- (b)** Boosting coordination between agencies to strengthen collaboration among government entities and stakeholders.
- (c) Increasing public awareness and participation to engage the public in urban development initiatives to foster community support and ownership.