

Malawi: A new era begins

Newly elected President Lazarus Chakwera eyes national unity as the path to economic development with the help of significant international investment

Sworn in as President of the Republic of Malawi in June 2020, Lazarus Chakwera quickly set out his ambitious vision to improve the fortunes of his landlocked nation, one focused on five core pillars of servant leadership, uniting Malawi, prospering together, ending corruption and rule of law—popularly known among Malawians as the “Chakwera Super Hi-5.” As a pro-business leader who clearly recognizes the important contribution of foreign trade and investment on the national economy, the dynamic politician’s first months in charge have certainly been hectic, and include a series of whirlwind tours of neighboring nations in Africa’s vast southeast region.

With abundant natural resources—including an array of marine life in the enormous Lake Malawi that runs down the country’s spine—and a favorable climate for the growing of cash crops like tobacco, tea and sugar, Malawi’s agricultural activities dominate the national economy and are the leading source of employment and foreign exchange earnings. With the help of international investors and businesses, President Chakwera is confident that this vital sector, and fledgling industries, will flourish. Looking back on his election victory, President Chakwera underlines the point that although the process leading to it was protracted, the election itself was “peaceful and a clear justification of Malawi’s reputation as a beacon of democracy, anchored in respect for human rights, governance institutions, and the rule of law.”

“The smooth transition of power between me and my predecessor has fostered a peaceful environment and sustained our billing as the Warm Heart of Africa, which I have since vowed to govern by servant leadership and a philosophy called ‘Tonse’, meaning ‘all of us’,” he proudly informed members of the United Nations General Assembly (UNGA) at a well received speech in New York City in late September. During his high-profile speech to UNGA, President Chakwera noted the Sustainable Development Goals (SDGs) agenda remains a pragmatic platform for coordinated international development among member states. Malawi is optimistic about achieving many of its SDGs, which are seen as the best opportunity of addressing socioeconomic challenges in pursuit of the vision of inclusive wealth creation and self-reliance, he emphasized.

“Accordingly, as we enter the decade of action, which is the last ten years of the implementation of the agenda 2030, my government continues to work with the United Nations’ system and other development partners in all priority areas of SDG acceleration. Malawi is focused on implementing those SDGs with multiplier effects on others in order to maximize scarce resources and stakeholder participation. We are proud to have

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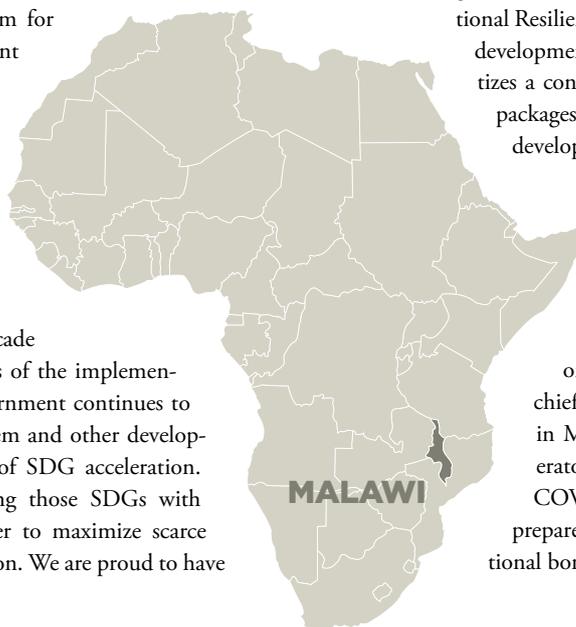


President Lazarus Chakwera won the election with 58.57 percent of the vote

undertaken the first ever Voluntary National Review (VNR) during last year’s High-Level Political Forum. The review noted our remarkable progress toward SDGs’ implementation albeit the myriad outstanding challenges.

“We are conscious of the critical importance of policy domestication in attaining the SDGs. Malawi integrated the SDGs into its national development planning framework, the Malawi Growth and Development Strategy (MGDS III). Realizing the need for enabling effective institutions, Malawi set up the National Planning Commission that is charged with domesticating SDGs through national development plans. We are also implementing public sector reforms. To break the cycle of food and nutrition insecurity, and chronic vulnerability to climate change and disasters, my administration is implementing the National Resilience Strategy for 2018-2030. The strategy bridges development and humanitarian interventions and prioritizes a continuum of more predictable livelihood support packages targeting the most vulnerable households so our development process leaves no one behind.”

As well as lending itself to agricultural activities, Malawi’s breathtaking scenery and lush landscapes make it an attractive destination for international travelers looking for post-pandemic adventure among tropical highlands and untouched nature reserves or relaxation on glorious sandy beaches. Tourism chiefs say that as domestic tourism has continued in Malawi during regional lockdowns, tourism operators across the country have established robust COVID-19 protocols, meaning they are ideally prepared to welcome foreign visitors as soon as international borders reopen fully.



President Lazarus Chakwera describes his plans for fostering Malawi's economy and investments

Committed to accountability and transparency, the new administration's vision for inclusive growth brings benefits for the country and investors

With your clear win in the 2020 elections, you have introduced a new era in Malawi. During your acceptance speech, you noted that national unity and the rule of law will be the main axes of your mandate. What measures do you plan on taking in the short term in order to implement these goals?

Following the statement I made during my presidential inauguration, I have already begun to take certain measures. I went ahead with the creation of a new ministry that brings together everything concerning national unity. I also intend to have a commission of national peace—all the policies needed for that have been set in place and accepted but Malawi has not yet followed through with it. In addition, by strengthening our institutions we will make sure that the rule of law is practiced and appreciated by everyone.

The emergence of COVID-19 has impeded our progress but, as soon as we have the space in which parliament can legislate in these areas, we will proceed. Administrative reforms will be implemented to make sure everyone follows the rule of law and national unity. As President, I rely on institutions and not on decrees, because I do not rule by decree but by law. This is something that I have championed. The five pillars of my presidency are

“The five pillars of my presidency are servant leadership, uniting Malawi, prospering together, ending corruption and, last but not least, the rule of law.”

Lazarus Chakwera, President of Malawi

servant leadership, uniting Malawi, prospering together, ending corruption and, last but not least, the rule of law. People have accepted this message with enthusiasm, as they feel that we can reset and develop Malawi's agenda in a way that includes the critical element of trust.

After years of sustained economic growth that has hovered around 5 percent, Malawi, like the rest of the world, had to adjust its forecasts for economic growth in 2020 due to the emergence of coronavirus. To what extent might the pandemic alter your priorities for development?

As part of global humanity, Malawi is no exception in having been adversely affected by COVID-19. There will be adjustments that we have to make, but we must also work in a hard and smart way in order to foster growth. We have many resources that, if we manage them well, can enable us to develop. The pandemic changes the trajectory of this development and we will have to adjust just like every other country. Nonetheless, I believe this is a temporary lapse and we need to be thinking beyond this to ask ourselves what we can do over and above the average that everybody expects in order to have growth.



Lazarus Chakwera
President



Stunning Lake Malawi is the third-largest freshwater lake in Africa

Malawi has close working relationships with multilateral organizations and international donors. Do you plan to modify these relationships in any way?

I have stated that we expect our international partners to rally behind our vision, helping us achieve our goals and turn it into reality. We look forward to sustaining our relationships with our partners and pursuing the kind of relationships that put Malawi's interests foremost, as well as making sure that the growth trajectory that we are promoting is something that they want to help us achieve. We do not want to be following someone else's interests unless Malawi benefits as well. Furthermore, I look forward to having great relations with our neighbors in terms of trade—we want to make sure that what Malawi produces can be sold to our partners close by as well as those further away.

The reduction of poverty and the improvement of the country's human capital through education will have prominent roles in your economic and social policies. Why is this important to you?

You cannot have a nation that is on a development path if its education system is not worked on and improved. This is especially true in the 21st century, where digitalization plays a crucial role as our worldwide community is one in which innovation and creativity are paramount. I want Malawi's education system to be excellent and achieve certain standards. We want equipment, well-trained teachers and our students, who are eager to learn, to also be well-equipped. From early childhood, educational centers across the country will ensure that students are provided with the necessary instruments to thrive. When you educate a nation, you have a path through which you can guarantee development.

Malawi's previous government proposed strengthening value addition through the Special Economic Zone (SEZ) Bill to regulate exports through a national export strategy. The bill proposes multiproduct SEZs



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for oil seeds, sugar cane, beverage manufacturing and agro-processing. Malawi will also prioritize exports of tea, legumes, oil seeds and minerals. Will your government continue with this policy?

This policy was a result of combined efforts among various stakeholders in the country. As a member of parliament at that time, I supported such efforts. We have all the resources you have mentioned and Malawi produces many things that, if value is added to them and export markets are found, the country can truly advance. We need to work on this. One of the biggest problems in this country has not been lack of policy, it has been the lack of implementation of such policies. There will be times where adjustments are needed but, at this stage, all we need is to have the political willingness to be able to say: “Let's implement this.”

“Many people are looking to invest in Africa and Malawi can be their ideal investment destination on the continent.”

Lazarus Chakwera, President of Malawi

While the country's infrastructure and energy capabilities have experienced a sustained improvement in recent years, investments are still needed. Will international companies be encouraged to participate in these projects?

We need to attract foreign direct investment. Private individual investments and joint ventures with established partners are welcome developments. We just need decisiveness so all of us can create more jobs for our young people, more jobs for our women—more jobs for everybody.

We want long-term investments in our economy so that it grows—in the past we have had investments that robbed the country and left it poorer. Therefore, we want to be able to agree with international investors on the goals that we need to achieve as a country, encouraging investments in areas of particular national interest.

There are substantial opportunities for investment in areas such as our tourism, mining, energy, agriculture and agro-processing industries, and in value addition. There is a place for many industries to be established in this country and they will be viable industries because Malawi can produce so much and export to the world. Investments that help us achieve our goals are more than welcome. People should be aware that our climate for investment is excellent now, thanks to political stability. Many people are looking to invest in Africa and Malawi can be their ideal investment destination on the continent.

Tourism has huge untapped potential in Malawi. What plans do you have to boost the sector?

Malawi has its wonderful lake, clear waters, tropical fish you cannot find anywhere else, plus a wealth of fauna and flora. This is beauty that has remained somewhat hidden. We want all our embassies across the globe to market Malawi more than they currently do, as we would like everyone to know that we have some of the most beautiful scenery that you can find on the planet. From the rolling hills of our northern region, to our lake and massive Mulanje Massif mountain in the south, people really need to know about these marvelous places.

Marking the beginning of your mandate, what message would you like to send to our readers to reflect your goals and ambitions?

My message is clear: let's rebuild and clear out whatever parts of our work ethic have not been optimal. Many have said that my administration is the new hope that the country has been looking for—my desire is not to disappoint those people but rather to say we can do more than we even hoped for because everything is moving in the right direction.

We will create an environment in which everyone can prosper, as opposed to today, where the gap between those who have and those who do not is too large. Small-scale businesses need to feel that gap being reduced with wealth being distributed in a more equitable way in a corrupt-free society that follows the rule of law. I want the world to know that Malawi is a country that will make Africa proud, as we can do these things given the opportunity, the time and the support. Malawi is a destination that everyone should aim to visit at least once in a lifetime.



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Inclusive, resilient and sustainable economic policies

Felix Lafiel Mlusu, Minister of Finance, welcomes foreign investors to Malawi

The Malawian economy suffered less than many in both Africa and the world in 2020. International Monetary Fund and World Bank estimates suggest it achieved positive growth of 0.6-1.3 percent, while the Sub-Saharan African region as a whole saw economic contraction of over 3 percent.

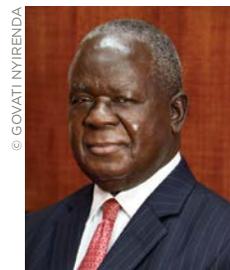
Part of the reason for this is that just over a quarter of Malawi's gross domestic product (GDP) comes from agriculture, a sector whose prices held up relatively well during the year. The country was also less exposed to the global fall in industry, which represents only 14 percent of the economy, with the main contributors being activities like manufacturing, mining, food processing, tobacco and construction.

On the other hand, there's no denying that the pandemic was a setback for a country that recorded a 4.4 percent rise in GDP to \$10.8 billion in 2019 and which had been forecast to see a further increase of 5 percent last year. However, stresses Minister of Finance Felix Lafiel Mlusu: "Post-coronavirus expectations for the economy are excellent. Malawi is the fourth-poorest country in the world and this pandemic gives us the opportunity to look at our economic and social policies from a fresh perspective. As a government, our policies will focus on laying the foundations to transform Malawi into a middle-income country within the next decade. We will be embarking on an aggressive structural and policy reform in order to achieve resilient, sustainable and inclusive economic growth."

A budget for all Malawians

Approved in October, the minister's first full budget that includes investments of \$2.89 billion reflects this approach. One priority this fiscal year is to mitigate the negative impact of the pandemic on government revenues by increasing efficiency in revenue mobilization and minimizing non-essential state spending. The government will also, for example, complete its review of the country's Public Finance Management Act in order to strengthen accounting, budgeting and other areas of fiscal control. "Our goal is to reach macroeconomic stability and decisiveness in financial management. These amendments will be carried out with the outmost transparency, following the rule of law," he states.

Education has been allocated the largest portion of Mlusu's "Budget for all Malawians" with 21.6 percent of the total expenditure. The second-biggest beneficiary is agriculture, which will receive 19.9 percent. Nearly half of this funding will go toward the flagship Affordable Inputs Program through which the country's 4.2 million smallholder farmers can access



Felix Lafiel Mlusu
Minister of Finance



Malawi's most important crops include its world-class tea

very cheap farm supplies such as fertilizer and seeds. Another important initiative is the Women and Youth Loan Program that is expected to support the creation of 200,000 new enterprises run by those demographic groups.

In order to advance Malawi's progress toward its goals, the government has established the National Planning Commission to coordinate the preparation of medium-term development strategies for the economy. It is also seeking to attract foreign direct investment (FDI) to capitalize on the substantial potential in numerous sectors including agribusiness, energy, mining, tourism and social services. "To help achieve this, we will formu-

"Our policies will focus on laying the foundations to transform Malawi into a middle-income country within the next decade."

Felix Lafiel Mlusu, Minister of Finance

late specific policies to support private-sector investment in some of those sectors. Infrastructure development is another key area that we will pay special attention to in terms of policy formulation—not just to attract FDI but also local investment. We will allocate resources to conduct various infrastructure projects that will create an enabling environment for the private sector to flourish in the country," the minister reveals.

Infrastructure projects noted in the budget for this fiscal year cover diverse areas including information and communication technology, energy, education, health and agricultural irrigation, as well as road, air and water transportation. At least some of these will be undertaken on a public-private partnership basis, says Mlusu: "Malawi has been following this model for some time now. Our Public-Private Partnership Commission, which is the board that handles this particular activity, is actively and aggressively engaging potential partners in infrastructure projects with positive results."

The minister is certain that international investors will find the country to be a highly attractive prospect: "The competitive advantages that Malawi has in an African context are that we represent a peaceful democratic country, composed of friendly and hardworking people, with versatile arable land, untapped natural resources, a beneficial tax regime and good economic policies." He concludes by asserting that "Malawi is a destination for investment in various sectors, with a lot of opportunities that have governmental support—and Malawi is ready as a destination for investment."

Open for business through wealth of FDI opportunities

Malawi's socioeconomic development drive provides openings for foreign investors in a broad range of fields

History shows that in times of crisis, the most successful investors are often those who view challenges as opportunities, rather than obstacles. The same could well be said of Malawi, with the country looking to move onto the radar of foreign enterprises seeking decent investment returns in a nation that presents many openings and plenty of untapped potential. According to the World Investment Report 2020 compiled by the respected United Nations Conference on Trade and Development, Malawi's annual foreign direct investment (FDI) inflows have hovered around \$100 million in the past few years, with investors from Asia, Oceania and Africa all present.

President Lazarus Chakwera has promised to roll out the red carpet for foreign investors and his administration has pledged to offer financial incentives, such as tax breaks, to encourage international companies to establish operations in key sectors like agriculture, agro-processing, manufacturing and tourism. As a member of the Southern African Development Community (SADC), goods made in Malawi benefit from easy access to larger and more lucrative markets throughout the wider region.

"Our challenges are more exacerbated by geographical and related disadvantages such as lack of territorial access to the sea, isolation and remoteness from world markets, and high transit and transport costs," President Chakwera acknowledges. "All these impose constraints on our trade competitiveness and overall socioeconomic development, and inhibit our full participation in global production networks and supply chains. Malawi values partnerships in achieving common goals. It is for this reason that we accepted the responsibility of chairing the SADC from August 2021."

National growth and development strategy on the right track

Given the country's relatively undeveloped infrastructure in highways, utility networks, communications systems, and health and education service provision, investment openings abound. The service sector, including banking and financial services, is also ripe for growth. The need to attract FDI in these core economic sectors is outlined in the comprehensive third Malawi Growth and Development Strategy (MGDS III), the latest in a series of medium-term national development strategies aligned to the country's long-term national development aspirations.

Launched in 2017 and due to conclude in 2022, MGDS III is seen as the final link in the chain that will elevate Malawi to the realization of its Vision 2020, its authors note. Good governance through greater transparency, accountability and strengthening of institutions is one core component of the blueprint, with several key areas placed at the heart of the ambitious socioeconomic roadmap. "Effective implementation of the five key priority areas will translate into integrated impacts, which will affect other sectors



Transport infrastructure is one key development area for Malawi

through positively reinforcing multiple loops," the report states. "For example, investments in the priority area of agriculture and climate change management will contribute to national food security, nutrition enhancement, environmental management, agro-processing, value addition, rural development, manufacturing and trade. Investment in the priority area of education and skill development will promote increased productivity, youth employment and technology adoption; investment in energy, industry and tourism development will increase employment; productivity at household, regional and national levels; export promotion; and net trade.

"Investment in transport and information and communications technology infrastructure will augment agribusiness, private sector development, education and health services, tourism development and global partnerships, as well as security enhancement. Finally, investment in health will enhance productivity among the labor force, land-use planning and human settlements, and reduce the human and economic tolls of disease, while also reducing unemployment and gender inequality."

"Malawi values partnerships in achieving common goals. It is for this reason we accepted the responsibility of chairing the SADC."

Lazarus Chakwera, President of Malawi

Described in MGDS III as the "lifeline" of the economy given its importance to all economic, social and environmental services and development, energy provision needs to increase dramatically with the support and funding of international partners from the public and private sectors. A 2019 report by U.S.-headquartered energy experts the Rocky Mountain Institute described "a \$3-billion investment opportunity for Malawi to leverage abundant renewable energy resources to save money, while providing reliable electricity for growth and rural electrification."

"Malawi can make rapid progress by adopting a clear plan and building on intensive work across the sector in previous years," the report stated. "Getting a few key projects commissioned—including solar photovoltaic plants—will create a positive feedback loop, helping to de-risk the sector and attract further funding." Just a few months ago in early November, plans for the first commercial-scale independent solar power plant in Malawi were confirmed, with the Nkhosakota facility set to boost power generation and reduce the national energy deficit, as well as improve the energy mix by decreasing its dependence on traditional energy sources like biomass and hydroelectric power.

Power reforms draw the attention of IPPs

Malawi has a newly conducive environment for energy investments

One of the main hurdles to Malawi's socioeconomic development is insufficient power to meet the rising needs of both residential and industrial users.

At the start of 2019, the country's electricity generation capacity was about 420MW, mainly in the form of hydropower, while peak demand stood at over 470MW, a figure the government projects will grow to 2.5GW by 2035. Compounding the problem is a deficiency of reliable transmission and distribution infrastructure. As a result, power outages are frequent and access to electricity is limited to around 10 percent of the population overall, the lowest rate in the Southern African Development Community (SADC) region.

In 2019, the government launched a National Energy Policy to rapidly increase electricity access to 30 percent by developing an expanded, sustainable system. Plans for more large-scale hydro plants are in development, but the government is also looking to diversify generation sources by promoting the country's abundant renewable resources, particularly micro-hydro and solar, investing in a coal-fired plant and it is also considering nuclear energy. Transmission and distribution projects include the construction of mini-grids and regional interconnectors. The transmission network needs to be extended by 5,000 kilometers as well, according to USAID, one of many international partners supporting the country's goals.

Private-sector investment is also seen as vital and major reforms have been carried out to encourage this. The industry has been liberalized to let independent power producers enter the market, with an attractive framework in place



Malawi receives an average of 3,000 hours of sunshine a year

that includes incentives such as tax holidays and credit guarantees. Interest is strong and competitive tenders have already been awarded, with the first going to Kenya's responsAbility Renewable Energy Holding and United Arab Emirates' Phanes Group for a \$67-million solar plant. More will follow, says Minister of Energy Newton Kambala: "Our agenda is to provide access to affordable, reliable, efficient and modern energy for every person in Malawi."

Rich potential in Malawi's energy transition

Newton Kambala, Minister of Energy, presents a powerful portfolio of projects

Could you provide an insight into some of the most significant power projects that Malawi is opening up to international investors?

The main electricity projects under consideration that are open to international operators are our regional power interconnector projects. Currently, the Mozambique-Malawi Regional Power Interconnector is at an advanced stage. Its objective is to interconnect the two countries' transmission systems to enable them to engage in bilateral and regional power trade in the Southern African Power Pool. Financing for this interconnector has been fully secured and procurement of contractors is underway, with the project expected to be delivered in December 2022. Another regional interconnector project under consideration is the Zambia-Malawi interconnector, which is at the feasibility study stage. Finally, our Tanzania-Malawi interconnector project is yet to roll out, but it will be significant to Malawi because it will be used to tap power from the Eastern Africa Power Pool. On the generation side, there are projects that have already been declared feasible and that the government has decided will jointly be implemented with private sector because of the huge resources required. These are the 350MW Mpatamanga, 210MW Kholombidzo, 261MW Fufu and 180MW Songwe hydropower schemes.



Newton Kambala
Minister of Energy

Malawi has tremendous potential for renewable energies, especially hydropower and solar, as the country receives an average of 3,000 hours of sunshine a year. How do renewables fit into the government's vision for the country's future energy mix?

Malawi has rich renewable generation potential, including in the areas of hydropower, solar, wind and biomass. These resources have not been well utilized as yet and, if unlocked, could provide a diverse portfolio of resources that produce cheap, reliable energy services through bulk power systems. Malawi is transitioning away from its current practices into a modern, sustainable, energy sector that meets the needs of the people, helps to boost the economy and safeguards the country's environment.

In order to harness the potential of renewables, the government has developed its Malawi Renewable Energy Strategy (MRES). This is intended to serve a number of purposes for different stakeholders, such as industry players, donors and non-governmental organizations that are involved in its delivery. Our MRES sets an immediate agenda for action to promote renewables and improve the regulatory, fiscal and legal framework for the sector. Overall, the aim is to increase the proportion of the renewables in our energy mix in line with the National Energy Policy's goal of diversifying sources of power. Renewables are the future of the Malawian energy space as they are already dominating our program for independent power producers. To date, most investors in that program have been investing in solar, hydro and wind projects.



The primary school enrolment rate is now up to 80 percent in Malawi

2021's top focus will be education

Malawi is committed to ensuring open access to quality teaching

In September 2020, Minister of Finance Felix Lafiel Mlusu announced that 21.6 percent of Malawi's \$2.89-billion national budget for 2020/21 would go to education. President Lazarus Chakwera explained why it was the budget's biggest winner: "I believe that education is a catalyst for national development. We must develop the capacity of our citizens by giving them skills that are competitive in this fast-changing world."

Over recent years, access to education in Malawi has improved substantially, with the primary school enrolment rate now up to 80 percent. But the system still faces huge challenges and the World Bank estimates that, unless changes are implemented, a Malawian child born today will only be 41 percent as productive as they could be if they enjoyed a full, high-quality education. Those challenges include an enrolment rate of just 15 percent at secondary level due to insufficient and substandard school infrastructure, a lack of well-trained educators, inadequate learning materials and facilities, plus a shortage of innovative technologies for distance learning, the need for which has been highlighted during the COVID pandemic.

The new government wants to ensure that all Malawian children have access to these things going forward. To help achieve this, it is, for example, speeding up the completion of new, modern infrastructure including 14 urban primary schools, 13 community day schools, 100 laboratories and libraries, 100 girls' hostels, many secondary schools and three teacher training colleges. It is also assessing funding proposals for the construction of a new university that will add vital higher-education capacity to the existing four public universities and around 18 private institutions. In the decade to 2023, it is estimated that development partners including the World Bank and UNICEF will have funded Malawi's educational advance to the tune of around \$820 million. The private sector is also playing a significant role in realizing the potential of the young population, according to Minister of Education Agnes NyaLonje: "We are encouraging more people to come in and provide education at all levels. Our education system needs the vibrancy that the private sector can bring."

Upgrading skills is key for business

Agnes NyaLonje, Minister of Education, introduces the government's strategy for the sector

What is your vision for Malawian education?

Our overall vision is to focus on areas of the system that need fixing and reforming. It's time to look at early childhood education, which is very informal at the moment. We want to make it more formal because we realize that a lot of the challenges we face in education might be resolved if we start shaping young minds as early as we can. Then, we want to focus on improving primary education, where we have done very well at expanding access but we lack quality. We need to improve the skills of teachers and provide infrastructure that allows us to improve on quality. The biggest challenge in secondary education is to increase access. For us to produce the kinds of graduates we need in the numbers required, we will have to expand our enrolment rate substantially to put Malawi on the road to becoming a middle-income country. At the same time, given that over 75 percent of our population is very young, we need to improve on our technical education. If we can do all of this, I have no doubt that we will reach a point where education drives Malawi's transformation. Of course, we need more resources but we are committed to finding those and also to working better with the resources already in our care.



Agnes NyaLonje
Minister of Education

"I have no doubt that we will reach a point where education drives Malawi's transformation."

Agnes NyaLonje, Minister of Education

How are you ensuring that education meets the needs of businesses?

My ministry will be introducing legislation to set up the Malawi Qualifications Authority. This will regulate the accreditation of qualifications. It will also provide smooth alignment between technical, professional and academic qualifications in higher education institutions in a way that allows career progression. Work is underway in this area in close collaboration with other ministries like trade, industry, mining, agriculture, energy and natural resources, as well as the key industrial sectors that need us to produce graduates. One reason we are doing this is to showcase that Malawi already produces a lot of skills. Industry must also continually articulate their needs to us, which will guide our long-term planning for education. When I say industry, this shouldn't just be looked at in terms of research, science, technology and innovation, but it should cover all the skills we need to produce, including social sciences and the arts, an industry with huge potential in Malawi. Additionally, we would like to see industry in all its forms put more resources toward research and development, and give more support to the national research agenda, because we believe that innovation will lead the country's development.

Experience the warm heart of Africa

Discover the continent's most iconic wildlife away from crowds of tourists

If your ideal vacation involves stunning natural environments, wonderful wildlife, sun, sand, warm temperatures, water sports or fascinating culture, look no further than friendly, safe and magnificent Malawi.

No other African country offers such a vast array of awe-inspiring attractions and, if you hurry before the rest of the world discovers this paradise, you can experience all its treasures in relative solitude. Throughout the country—which includes lakes, rivers, rolling grasslands, tropical forests and majestic mountains—are 12 of Africa's best-managed and least-crowded national parks, wildlife reserves and sanctuaries. By exploring these on thrilling land- and water-based safaris, you will come face to face with a growing cornucopia of iconic African animals, plus hundreds of species of birds and fish. Thanks to excellent conservation and sustainable tourism programs, Malawi is Africa's newest Big-Five destination, having successfully reintroduced rhinos and lions to join its elephants, buffalos and leopards.

One park is located on a UNESCO World Heritage site: Lake Malawi, Africa's third-largest freshwater lake that contains idyllic island hideaways with golden sands and luxury lodges. On its clear blue waters, you can enjoy unbeatable water sports and marvel at a globally unparalleled number of native fish species, including kaleidoscopic cichlids. Alternatively, head up Mount



A hotel and golf resort is being developed at Cape Maclear

Mulanje, south-central Africa's highest peak and Tolkien's inspiration for *The Lord of the Rings*. Here, lush colonial tea plantations provide a spectacular backdrop for hiking, cycling and adventure sports. Malawi also has central Africa's biggest concentration of ancient rock art, while its culture today is diverse, vibrant and, above all, welcoming. Each of its communities and tribes are more than happy to introduce you to their distinct traditions, culinary delicacies, festivals, arts, crafts, music and dances. This renowned hospitality extends to business visitors, making it a growing destination for international events that are held at modern conference and other facilities in its cities and on Lake Malawi's shores. But whatever your reason for visiting, the unique rhythm of Africa's warm heart will stay with you long after you leave.

Five big reasons to visit Malawi

Michael Usi, Minister of Tourism, Culture and Wildlife, highlights attractions

Like other African countries, Malawi is endowed with stunning natural and cultural attractions. What are five ways in which it stands out as a unique destination within the region?

First, Malawi's diversity gives a complete African experience to those looking for something new and authentic away from more crowded destinations like Kenya and South Africa. Second, the distances between attractions here are shorter, meaning that one can be at a national park during the day and watch the sunset over Lake Malawi by evening. Third, the warmth and friendliness of the people of Malawi are legendary, which is why we are known as the "warm heart of Africa." Furthermore, our culture is not only diverse but also very rich as we have various ethnic groups and tribes. Fourthly, we are the only country in the region that offers an inland island experience, with water-based activities such as fresh water scuba diving, kayaking and snorkelling. My fifth reason would be our globally acknowledged, successful conservation and wildlife revival that has gained us the status of Africa's newest Big-Five destination.



Michael Usi
Minister of Tourism,
Culture and Wildlife

Because of our diverse attractions, Malawi offers wide potential for tourism investment and development. Among many more, opportunities in the sector range from integrated lakeside resorts in Salima and Cape Maclear, the Nankumba peninsula development, the international airport in Mangochi, upmarket eco-lodges in selected protected areas, spas and wellness centers, and the construction of a cable car for Mulanje mountain. To encourage investors, we have created a one-stop shop at the Malawi Investment and Trade Centre. This has streamlined processes for obtaining relevant business licenses. The government has also made special incentives available for the tourism sector. These include duty waiver on the purchase of many goods for hotels, lodges and conference facilities.

To enhance skills development, my ministry is collaborating with Malawian universities, especially in the areas of art and culture, in order to promote culture as a tourism product. We are also working with higher-education institutions offering tourism- and hospitality-related courses. The ministry contributes toward development of curriculum for some of these and offers training in the form of internships. In addition, with the support of the African Development Bank, our Promoting Investment and Competitiveness in the Tourism Sector project is rolling out capacity building and skills-development training for young people and women in 500 micro-, small- and medium-sized enterprises that operate in the industry to reduce a skills gap that currently exists.

What opportunities are available for investors in Malawian tourism and what measures are in place to draw them in?