

A photograph of two people, a man and a woman, walking through a dry, brushy landscape. They are both carrying large bundles of firewood on their heads. The background shows rolling hills under a hazy sky.

Attracting Finance and Investment for the Energy Transition in Malawi

Stakeholders Meeting

24 September 2024, 8:30 A.M to 14:00 P.M (SAST)

Bingu Wa Mutharika International Convention Centre (BMICC), Lilongwe, Malawi

Final Report

The UN Trade and Development (UNCTAD) and the Malawi Investment and Trade Centre (MITC) organized a stakeholder meeting on attracting finance and investment for the energy transition in Malawi. The consultation's key objective was to assess the current situation and gather stakeholders' views on key issues affecting Malawi's energy transition financing and investments. The meeting was part of a larger three-year project led by UNCTAD to help African countries secure investments in renewable energy and green technologies.

The meeting was attended by 56 participants, including 17 women, representing policy makers, regulatory agencies, private sector, development finance and technical assistance providers. Mr Paul Kwengwere, Chief Executive Officer, MITC and Ms. Nan Li, Director, Division on Investment and Enterprise (DIAE), UNCTAD, provided opening remarks. The keynote address for the meeting was delivered by H.E. Honorable Ibrahim Matola, Minister of Energy, who stated that the discussion in the meeting is aligned with the broader Malawi 2063 Vision, as the country works to attract affordable financing and investments, needed to build a sustainable and resilient energy sector.

The meeting was facilitated by expert presentations by Ms. Natalia Guerra, Senior Capacity-building Coordinator at UNCTAD, and Mr. Rahul Agarwal, Institutional Investment Expert. A panel discussion, with representatives from ESCOM, Malawi Energy Regulatory Authority (MERA), and Ministry of Energy, elaborated on the current enabling environment for investment in the renewable energy sector. The second panel discussion, with representatives from the Green Economic Transition Facility (GEFT) and African Development Bank, assessed financial options for Malawi's energy transition.

Finally, participants were divided into five focus groups to discuss barriers to renewable investment and identify ways to accelerate Malawi's energy transition. The discussions highlighted the importance of clear policies, infrastructure development, and risk mitigation strategies to attract sustainable investments.





Key outcomes of the meeting

Encouraging outlook for energy production in Malawi

- The total installed capacity for electricity generation in 2024 is 554.3 MW, out of which 72% is hydropower, 18.4% solar and 9.6% thermal.
- Projects identified under Malawi's Integrated Resource Plan (IRP) (2017- 2035), which has been under implementation since 2017, are renewable. The most important of the projects is the Mpatamanga Hydro Power Project on the Shire River under a public-private partnership model. If commissioned, the project will bring additional installed capacity to generate 361MW. The other projects in planning are Lower Songwe Dam, jointly with Tanzania, and Kapichira III.
- The linking of Malawi's grid with the Southern African Power Pool (SAPP) will transform the energy landscape of Malawi, including increasing efficiency by facilitating the sharing or tapping into the regional pool when facing shortages. The SAPP also provides an opportunity for Malawi to earn additional foreign exchange from the export of electricity.

Need for just transition and resilient energy sector

- Existing and planned power generating plants are heavily dependent on the Shire River. Hydropower is exposed to hydrologic vulnerability and climate change is making rainfall unpredictable. Hence expanding the pool of energy resources is critical for energy security.
- The key challenge for Malawi is to expand energy generation and distribution to reach the wider population, with a target of reaching 50% of the population by 2030 from the current rate of 23%. Electricity Supply Corporation of Malawi (ESCOM) is preparing a proposal for the World Bank to connect 2 million people.
- Since Malawi's current energy pool consists of renewable sources, international cooperation is called by participants to reflect 'just' energy transition, which includes:
 - Recognizing the need to strengthen the resilience of the energy infrastructure. EU and AfDB have pledged to provide financial support for the renovation and upgrading of the Eastern power backbone of Malawi's electricity grid. The Western power backbone, however, has yet to secure financial support.
 - Investing in cheaper energy sources to improve the financial sustainability of Malawi's Electricity Generation Company (EGENCO). The proposed coal fired power plant is requested to be considered part of 'just energy transition,' since it can improve the resilience and sustainability of the power sector.
 - Providing affordable access to clean cooking and supporting electricity consumption.

Improving investment framework

- The development of projects and negotiations to attract finance and investment is led by the Ministry of Energy and public utility agencies, with the support of international finance providers. MITC has a limited role.
- The legal frameworks administered by Malawi's Energy Regulatory Authority (MERA) consist of the Electricity Act (2016), Rural Electrification Act, and Energy Regulation Act, and Mini-grid Framework. MERA is developing the net metering rules. Other instruments include National Energy Policy, Malawi Renewable Energy strategy (focusing on mini-grids), IPP framework (a guiding tool for both solicited and unsolicited projects) and Feed-in tariff policy, incentives coordinated by MITC.
- End-user tariffs are regulated by MERA. Base tariffs are reviewed every four years. Automatic tariff adjustment formula (ATAF) supports adjustments to address price changes due to inflation. Independent Power Producers (IPPs) receive payment in Malawian Kwacha on the exchange rate on the date the payment was made, and ESCOM gives priority to paying IPPs over other creditors.
- Since Malawi struggles to secure foreign exchange and good credit rating, panellists and participants underscored the need for international assistance to overcome the risks for foreign investors.

Exploring new opportunities

Developing infrastructure to promote transitioning to E-mobility and reduce the reliance on fossil fuels for the transport sector.

Taking the example of Nigeria and India, Malawi could explore creating fund of funds, including tapping the contribution of the UN Global climate Fund.

Since global institutional investors are comfortable with some investment models, it would be advantageous for Malawi to adopt successful models in renewable energy rather than creating new ones.

Conclusion and evaluation of the meeting

As the meeting concluded, Ms. Stella Chikhula Ng'oma, MITC's Director of Investment Promotion and Facilitation, urged continued collaboration among all stakeholders to help the country achieve its energy transition goals. Ms. Natalia Guerra reaffirmed UNCTAD's ongoing support for Malawi's efforts to secure investments in the sector.

Participants were invited to evaluate the meeting. A total of 39 completed evaluation forms were received. Most participants rated the stakeholder meeting highly across all evaluation questions. The relevance of the meeting for the respective works of the stakeholders received the highest rating, with 94% of participants rating the meeting either "highly useful" or "somewhat useful" for their work. This demonstrates proper targeting of the audience by the organisers. All participants considered that the meeting had either 'fully' or 'reasonably' met its objective.

90% of participants rated the methodology and the organization of the meeting as either "excellent" or "good". Moreover, 92% assessed the quality of the panel and focused group discussions as either "excellent" or "good".

Participants also provided additional written comments, including:

- Additional time should have been provided to properly discuss the topics covered and engage in question-and-answer sessions.
- The networking opportunity was an important contribution to the meeting. Nonetheless, the organizers should consult stakeholders in advance to avoid duplication of efforts.

Attracting Finance and Investment for the Energy Transition in Malawi

Annex I: Programme Stakeholders Meeting

24 September 2024, 8:30 A.M to 14:00 P.M (SAST)

Bingu Wa Mutharika International Convention Centre, Lilongwe, Malawi

Malawi, through the Malawi Investment and Trade Centre (MITC) is a beneficiary of a technical assistance project promoting and facilitating finance and investment in energy transition. This 3-year project, led by the UN Trade and Development (UNCTAD), is implemented in cooperation with other UN departments.

One of the project's key outputs is to develop a strategy to attract finance and investment in energy transition-related projects, such as renewable energy and green technologies. As part of the strategy development process, UNCTAD and MITC are jointly organizing this meeting to consult stakeholders from the private and public sectors, as well as development partners. The objective of the stakeholder meeting is to collect feedback, insights, and inputs for the successful development and implementation of a national strategy to attract finance and investment to support Malawi's aspiration of an energy transition.

08:30 – 09:00	Registration
	Opening Remarks
09:00 – 09:20	Mr Paul Kwengwere, Chief Executive Officer, Malawi Investment and Trade Centre (MITC) Ms. Nan Li, Director, Division on Investment and Enterprise (DIAE), UNCTAD
	Keynote address
09:20 – 09:30	Honorable Ibrahim Matola, Minister of Energy


	Setting the Scene
09:30 – 10:00	Attracting Finance and Investments for the energy transition Ms. Natalia Guerra, Senior Capacity-building Coordinator, Investment Promotion Section, DIAE, UNCTAD Mr. Rahul Agarwal, Institutional Investment Expert, UNCTAD (online)
	Panel Discussion I
10:00 – 10:45	Creating an enabling environment for green energy investments in Malawi: Opportunities and Challenges <i>Moderator:</i> Ermias Biadgleng, Legal Affairs Officer, IPS, DIAE, UNCTAD <ul style="list-style-type: none"> • Mr. Joseph Kalowekamo, Director, Liquid, Fuels and Gas, Ministry of Energy • Mr. Michel Mwase, Malawi Energy Regulatory Authority (MERA) • Mr. Maxwell Mulimakwenda, Chief Operations Officer, Electricity Supply Corporation of Malawi (ESCOM)
10:45 -11:00	Coffee Break & Group Photo
	Panel Discussion II
11:00 – 11:45	Financing energy transition: innovative schemes and the role of development financial institutions and institutional investors <i>Moderator:</i> Eugenia Masviken, Renewable energy expert, UNCTAD <ul style="list-style-type: none"> • Mundia Simainga, Energy Sector Specialist, African Development Bank (Online) • Tambulani Chunga, Project Manager, Green Economic Transition Facility (GEFT), Malawi
	Focus Group discussions
11:45 – 12:45	<i>Moderator:</i> Eugenia Masviken, Renewable energy expert, UNCTAD Catalyzing Green Investments: Overcoming barriers and identifying opportunities in Malawi's Energy Transition All Participants Round table focus groups discussions: Participants will be divided into groups to discuss the challenges in energy transition/green investments and proposed recommendations.
12:45 – 13:00	Summary of focus group discussion
	Closing
13:00 – 13:15	<ul style="list-style-type: none"> • Ms. Stella Chikhula Ng'oma, Director of Investment Promotion and Facilitation, MITC • Ms. Natalia Guerra, UNCTAD
13:15 -14:30	Lunch offered by UNCTAD

Annex II: List of Participants

No.	Name of participant	Affiliation
1	Mr. Hon.Minister Ibrahim Matola	Ministry of Energy
2	Mr. Alex Magola	Serengeti Nkhota-kota Limited
3	Mr. Blessings Nkhata	Serengeti Nkhota-kota Limited
4	Mr. Daniel Milandu	Press Corporation Ltd
5	Mr. Collen Zalengera	GEAPP
6	Mr. Lloyd Banda	MAIC
7	Mr. David Claude Pierre, Ambassador	AU - SARO
8	Mr. Yamikani Kambauwa	ESCOM
9	Mr. Maxwell Mulimakwenda	ESCOM
10	Mr. Gregory Gamula	EGENCO
11	Mr. Ermias Biadgleng	UNCTAD
12	Ms. Eugenia Masvikeni	UNCTAD
13	Ms. Natalia Guerra	UNCTAD
14	Mr. Gift Chiwayula	Ministry of Energy
15	Mr. John Chris Chizonga	Ministry of Energy
16	Mr. Joseph kalowekamo	Ministry of Energy
17	Mr. Aaron Kalua	Ministry of Energy
18	Mr. Marshall Dyton	Ministry of Energy
19	Mr. James Namalima	Ministry of Energy
20	Mr. Josh Macfarland	Vitalite Group Limited
21	Ms. Allison Chitete	Blue Energy Limited
22	Ms. Maria Msiska	Energy Storage Africa
23	Mr. Joseph Potani	Zamara Pension Administrators
24	Ms. Myranda Lutempo	African Union Southern Africa Regional Office
25	Mr. Felix Khembo	GFAPP
26	Mr. Ewan Spence	Tony Blair Global Institute for Change
27	Mr. Micheal Mwase	MERA
28	Mr. Dumisani Siwinda	Orifice Irrigation & Water Supply
29	Ms. Shamiso Kacelenga	UNDP Malawi
30	Mr. Tambulani Nduwa Chunga	GTF (UNDP)
31	Ms. Emily Kwatani	PPPC
32	Mr. Eston Macheche	Proy
33	Mr. Maxwell Maida	NPC
34	Mr. Enock Kondowe	Standard Bank Plc
35	Mr. Noel Mkulich	FDH Bank PLC
36	Mr. Godfrey Byekwaso	Centenary Bank

37	Mr. Reinford Mwangonde	ASPIN Energy
38	Mr. Jones Ntaukira	Zuwa Energy
39	Mr. Jack Muthomi	Nyika Hydro Power
40	Mr. Arnold Njikho	Mpatamanga Hydro
41	Ms. Kerr Tamyia	Mpatamanga Hydro
42	Ms. Bridget Joseph	Mulanje Hydro Ltd / NRE
43	Mr. Abraham Joseph	Mulanje Hydro Ltd
44	Ms. Colette Thornicrott	Zomba Solar Pvt Ltd
45	Ms. Nellie Mononga	MITC
46	Ms. Pilira Kafakamoyo	MITC
47	Ms. Patricia Kaupa	MITC
48	Mr. Alexander Njikho	MITC
49	Mr. Mphatso Kanyerere	MITC
50	Mr. Robins Mwanga	MITC
51	Ms. Priscilla Mwamkili	MITC
52	Ms. Audrey Kamanga	MITC
53	Mr. Kingsley Jasi	NPL
54	Ms. Fareeda Muheya	TV Islam
55	Mr. Collins Zulu	A.I.st
56	Mr. Blessings Chikoti	Angaliba TV
57	Mr. Lapken Chauluka	Malawi Broadcasting Corporation
58	Mr. Pemphero Malimba	TIMES Group
59	Mr. Isaac Jali	MBC
60	Ms. Zuleika Nanguwo	ZODIAK


Annex II: Media and photo gallery



Natalia Guerra (She/Her) • You
Investment Promotion and Gender mainstreaming Focal Point
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Wonderful experience. Many thanks to the [Malawi Investment and Trade Centre](#) for their unvaluable support. Many thanks also to the [Ministry of Energy-Malawi](#) for their participation at its highest level. We also had a very good representation of key stakeholders in energy transition and even better discussions on what is needed to increase the access to energy from its low 20% while transitioning to clean energy. Many thanks to colleagues [Ermias Biadgleng](#) and [Eugenia Masviken](#) for their efficient facilitation of the consultation.

[Nan Li Collins 李楠](#), [Electricity Generation Company \(Malawi\) Ltd \(EGENCO\)](#), [Stella Chikhula Ng'oma](#), [MCIM](#), [MPHATSO KANYERERE](#), [Patricia Kaupa](#), [Pilira Kafakamoyo](#), [Paul Kwengwere](#), [WAIPA Dushyant Thakor](#)



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[UN Trade and Development \(UNCTAD\)](#) and the [Malawi Investment and Trade Centre \(MITC\)](#) this week brought together key stakeholders from various sectors in Malawi mw to identify key challenges and opportunities for international investment to support the country's energy transition plans.





Malawi's Minister of Energy, Ibrahim Matola, emphasized the need to advance access to clean energy, considering the local context, the country's endowments and the aspirations of its people for sustainable development and resilient energy infrastructure.

Chief Executive Officer of MITC, Paul Kwengwere, and UNCTAD Director of Investment and Enterprise, Nan Li, stressed the importance of investment promotion and facilitation to support landlocked least developed countries like Malawi to build strong infrastructure and capabilities in renewable energy to ensure sustainable development and mitigate the impacts of climate change.

Participants reflected on the current situation and exchanged views on strategies for Malawi to attract finance and investment to support its aspirations for a just energy transition through, among others, affordable access to clean cooking and electricity, and the appropriate services to sustain the transition. They offered recommendations for a national strategy to attract finance and investment for Malawi's just energy transition.

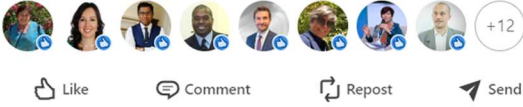
The strategy will be developed under a three-year project by [UN Trade and Development \(UNCTAD\)](#) in support of five African countries - Ethiopia ET, Malawi MW, Namibia NA, Seychelles SC and Tanzania TZ - to strengthen their capacity to promote and facilitate investments that contribute to the energy transition.

[Malawi Investment and Trade Centre Natalia Guerra Ermias Biadgleng](#)

[Giovanni Valentini](#) and 19 others
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Inadequate power a setback to mining industry in Malawi

September 25, 2024 Phillip Pasula [Be the first to comment](#)

Minister of Energy, Ibrahim Matola, has admitted that Malawi has inadequate power for mining as it requires around 700 megawatts against the current 550.

Matola said this on Tuesday during a stakeholder's workshop on attracting finance and investment for the energy transition in Malawi held in Lilongwe. He said the demand for power remains high and called for support from various stakeholders.

"The president made an emphasis on investing a lot in electricity generation. Once we have enough power, we can distribute and transmit and improve access to electricity," remarked Matola.

Chief Executive Officer for Malawi Investment and Trade Centre, Paul Kwengwere, told the local media that at least 15 companies have shown interest in investing in solar energy in Malawi.

Said Kwengwere "We've got quite a number of countries that are interested in getting into energy. It's just a matter of diversification. We don't want to put all our eggs in one basket. So we want to utilise the rivers in the north in terms of hydro. We would like to have solar energy and all different energy technologies that are coming forth."

At the workshop, United Nations through its Trade and Development Economic Affairs Directorate, expressed commitment to helping Malawi address its energy financing challenges.





Malawi Investment and Trade Centre

24 septembre · 🌐

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Stakeholder's Meeting on Attracting Finance and Investment for the Energy Transition in Malawi

A meeting aimed at shaping Malawi's energy future took place today at the Bingu International Convention Centre. The event, organized by the United Nations Conference on Trade and Development (UNCTAD) in collaboration with the Malawi Investment and Trade Centre (MITC), focused on developing a strategy to attract finance and investment for Malawi's shift to renewable energy.

Over 60 key stakeholders from both public and private sectors, as well as development partners, attended the half-day event. This meeting is part of a larger three-year project led by UNCTAD to help Malawi secure investments in renewable energy and green technologies.

In his opening remarks, MITC CEO Mr. Paul Kwengwere stressed the importance of creating an environment that encourages both local and international investment in sustainable energy. "The energy transition is central to our development goals, and we need a strong strategy to build a clean and resilient energy future," he said.

Ms. Nan Li, Director of the Division on Investment and Enterprise at UNCTAD, reinforced this message, pointing out the global shift towards renewable energy and the opportunities it brings for countries like Malawi.

The keynote address was delivered by Hon. Ibrahim Matola, Minister of Energy, who emphasized the government's commitment to supporting investments in the energy sector. He highlighted the need for both government and industry to adopt green technologies that are not only sustainable but affordable for Malawians.

The meeting featured expert presentations, including those by Ms. Natalia Guerra, Senior Capacity-building Coordinator at UNCTAD, and Mr. Rahul Agarwal, Institutional Investment Expert. They discussed ways to attract finance and investments for Malawi's energy sector, focusing on innovative financing options and international investment opportunities.



TV News on 24.09.24:

<https://www.facebook.com/Times360Malawi/videos/1215411696445726> (min 2 to 4)

