



MALAWI

UNCTAD

Malawi Energy Sources and Energy Regulations

# OUTLINE

- Energy Policies and Laws in Malawi
- Services Liberalisation in Malawi
- Energy use by population proportion (Source: NSO, 2019 )
- Challenges in the Energy Sector
- Government Projects to improve Generation and Distribution

# Energy Policies and Laws in Malawi

Item	Policy/Law	Objective
1	Electricity Act	Regulate the provision of electricity in the country
2	Rural Electrification Act (2004)	Promotion of investment in electricity provision in rural and peri-urban areas
3	Renewable Energy Strategy 2017	Sets out a detailed set of priorities and actions to achieve the following vision for renewable energy in Malawi
4	National Climate Change policy	
5	National Energy Policy	
6	Mining and Mineral Policy act	
7	Independent Power Producers Framework	reforms to the Malawian power sector with the goal of increasing the availability of reliable electricity supply in the country

## Services Liberalisation in Malawi

	Limitation/Restriction	Generation	Transmission	Distribution
	Market Access			
1	Limitations on the number of service suppliers	None	Only 1 transmission licence	Distribution licensee can hold export license only
2	Limitations on the total value of services transactions or assets	None	None	None
3	Limitations on the total number of branches/quantity of services output	None	None	None
4	Limitations on the number of natural persons	None	None	None
5	Restrictions on the type of legal entities	Branch or legal entity	Branch or legal entity	Branch or legal entity
6	Limitations on the participation of foreign capital	None		

## Services Liberalisation in Malawi

	Limitation/Restriction	Generation	Transmission	Distribution
	National Treatment			
7	Discriminatory measures in licensing	None	Only 1 transmission licence Only transmission licensee can hold import and export licences	Distribution licensee can hold export license only
8	Nationality requirements for employees	None	None	None
9	Nationality requirements for board of directors	3-9 local directors with majority residents of Malawi	3-9 local directors with majority residents of Malawi	3-9 local directors with majority residents of Malawi
10	Other discriminatory measures	None	None	None

## Energy use by population proportion (Source: NSO, 2019 )

Item	Lighting	Cooking
Batteries	52.9%	0
Solar	6.6%	05%
Electricity	11.4%	2%
Firewood	4.4%	75%
Charcoal		18%

# Challenges in the Energy Sector

- Low investment
- Capital intensive
- Technology intensive
- High skills required
- Climate change
- Malfunctioning supply and value chains

# Government Projects to improve Generation and Distribution

- Promotion of local manufacturing of green energy product
- Malawi Rural Electrification Programme (MAREP)
- Malawi Electricity Access Project
- Increasing Access to Clean and Affordable Decentralised Energy services in Selected vulnerable areas of Malawi
- Clean Cooking Support
- Increased investment in hydro-generation
- Regional electricity interconnection



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