

**POLICY BRIEF**



**Environmental and Natural  
Resources Management  
Sector Funding Allocations  
in the 2007/8 Financial Year**

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## Introduction

Malawi has developed a number of policy and legal instruments to guide environment and natural resources management. Sectoral instruments include the:

Environmental Management Policy (1996, revised in 2004),  
Environmental Management Act (1997, revised 2006 yet to be enacted),  
Forestry Policy (1996),  
Forestry Act (1997),  
National Aquaculture and Fisheries Policy (2001),  
Fisheries Conservation and Management Act (1997),  
Wildlife Policy (2000) and  
National Parks Act (1992, amended in 2004).

These environment and natural resources management instruments have significantly improved the policy and legislation profile of Malawi. However, availability and amount of funding for the implementation and enforcement of these and other related instruments pose a major challenge. Many government departments within the environment and natural resources management sector do not have adequate resources to effectively undertake their operations.

CEPA initiated a process of monitoring public sector funding allocations to the environment and natural resources management sector, with a long term goal of lobbying for the adequacy of funding in order to effectively implement the sectoral policies.

## Budgetary statement

The Minister of Finance's 2007 / 2008 Budget Statement addresses many important priorities in budget allocations. However despite the various environmental challenges the country is facing and the enormous contribution of the environment and natural resources management sector to sustainable development, it was disturbing to note that the Minister's statement hardly mentioned the word "**environment**" except under Energy where reference was made to the need to preserve our environment in order to manage electricity supply. This seems half hearted as there was no reference later on as to how the government will financially support the processes.

The Minister's speech expressed government aspirations to develop the electricity sector, yet it ignored the natural resources management sector which is the foundation for generating hydro electric power. Over the past decade, environmental degradation has been blamed for the problems over hydro electric power generation. Yet there seems to be little effort being made to finance the various actions required to address this.

The priority sectors are agriculture, irrigation and water development, road infrastructure, energy and rural development. The total budget is MK172.8 billion (US\$1.23 billion). The agricultural sector has been allocated MK21.0 billion (12 % of the entire budget) against a combined total of MK1.7 billion allocated to the Environment, Fisheries, Forestry and Wildlife sectors.

The figures in this analysis are based on the budget before it was passed, however even after being passed no adjustments were made to these sectors

## Environmental Management

Environmental management has a very big task as it influences all natural resources sectors. The Environmental Affairs Department (EAD) within the Ministry of Lands and Natural Resources has the following duties:

- ◆ coordinating environmental programmes,
- ◆ overseeing the impact assessment process,
- ◆ and monitoring development plans in Malawi.

Apart from its central office in Lilongwe, EAD also operates through its 28 Environmental District Offices across the country. Indications on the ground suggest that most of these district offices are vacant.

In the 2007/2008 budget,

Total budget estimate	MK316, 973, 773.00
Personal emoluments	MK 35, 229, 248.00
Development budget	MK266, 948, 000.00
Other Recurrent Transactions (ORT)	MK 14, 796, 525.00

It must be noted that Government has made no allocation for development funds to EAD. The whole development budget is coming from donors.

## Forestry

Forestry resources in Malawi are greatly threatened by population growth (particularly in rural areas), migration, clearing for agriculture, inadequate alternative fuel supplies, and urbanization. The government institution responsible for forest management is the Forestry Department located in the Ministry of Energy and Mines. Its principal functions include forest reserve



The land is fast becoming bare

management, forest policy development and planning, plantation management, training, research and extension. There are 3 Regional Forestry Offices and 28 District Forest Offices. The department also manages the Forest Research Institute of Malawi based in Zomba. In addition, there is a great number of staff located in forest reserves dotted across the country.

### In the 2007/2008 budget

Total budget estimate	MK758, 458, 009.00.
Personal emoluments	MK566,852, 161.00
Development budget	MK130, 000, 000.00
Other Recurrent Transactions (ORT)	MK 61, 605, 848.00.

It must be noted that most of the development funds are coming from donors.

## Fisheries Management

Fisheries are a vital resource for Malawi. Fish constitutes between 60 % and 70 % of animal protein in take for Malawians (EAD, 1998). Fisheries resources are under considerable stress in Malawi. The commercial fish catch declined by over 20 % between 1988 and 1992 in Lake Malawi (Nyambose, 1997).

The Fisheries Department within the Ministry of Agriculture and Food Security has jurisdiction for fisheries management within the Malawi Government. The Department was recently relocated to the Ministry of Agriculture and Food Security perhaps for purposes of developing the aquaculture sector. It exercises regulatory functions for vessel registration, licensing, and enforcement of fishing prohibitions. It also performs policy development, research and extension functions. The Fisheries Department operates through its 2 divisional offices and more than 10 district offices.

### In the 2 007/2008 budget

Total budget estimate	MK623, 584, 142.00
Personal emoluments	MK110, 514, 233.00
Development budget	MK469, 016, 533.00
Other recurrent transactions (ORT)	MK 44, 053, 376.00

Most of the funds under development are coming from donors.

## Wildlife Management

Malawi has a rich biodiversity, with numerous birds, fish and mammals. It is estimated that there are about 4, 000 species of wild animals in Malawi (EAD, 1998). Deforestation, clearing of farm land, consumption of birds and mammals for food, and fear of wild animals have placed many species under threat. The Department of National Parks and Wildlife (DNPW) in the Ministry of Tourism, Wildlife and Culture operates five national parks and four wildlife reserves. DNPW has four management zones.

### In the 2007/2008 budget

Total budget estimate	MK280, 000, 000.00;
Personal emoluments	MK115, 000, 000.00
Development budget	MK115, 000, 000.00
Other Recurrent Transactions (ORT)	MK 50, 000, 000.00.

## Conclusion

It is difficult to indicate whether the financial resources which have been allocated to the various departments are adequate or not however the figures allocated for ORT for the Environmental Affairs Department raises some eyebrows. Government may look at it as if it is a Department which does not generate revenue compared to the other three sectors, but its expected mandate is very enormous. It is expected to coordinate all the efforts regarding environment and natural resources management in the country, support the operations of 28 Environmental District Offices, and as well monitor compliance to various provisions as stipulated in the Environmental Management Act (1996).



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## **ABOUT CEPA**

Centre for Environmental Policy and Advocacy (CEPA) is a not for profit public interest non-governmental organization. CEPA seeks to contribute to the development of environment and natural resources management best practices in Malawi and the Southern African Region.

As a think tank organization, CEPA provides advice and conducts research in environment and natural resources management policies and legislation with a view to designing appropriate interventions for promoting sustainable environment and natural resources management.

Our work concentrates on sound environmental governance; in this respect, issues of accountability, institutional strengthening and representation are at the core of our activities.

### **Our vision**

An equitable and just society that values sustainable environment and natural resource management

### **Our mission**

To be a think tank for ideas and action oriented research institution of environment and natural resource management in Malawi and Southern Africa

### **Our goal**

To promote policy formulation and implementation for sustainable environment and natural resource management