

Independent Review of Climate-Related Infrastructure Projects in Malawi

January 2026



Independent Review of Climate Finance Infrastructure Projects

Aiming at mitigation and adaptation to climate change

An independent review of 19 climate-related infrastructure projects worth US\$2.19 billion across Malawi, examining data publication practices, governance risks, and measurable outcomes using the new module of the Open Contracting for Infrastructure Data Standard ([OC4IDS](#)) developed in partnership between CoST-the Infrastructure Transparency Initiative and the German Agency for International Cooperation (GIZ).

US\$2.19B

Portfolio Value

19

Projects Reviewed

3

Regions Covered

89%

Procurement Data Gaps

Prepared by	CoST Malawi Independent Review Team
Commissioned by	Multistakeholder Group (MSG)
Overseen by	Construction Industry Regulatory Authority (CIRA)

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Abbreviations and Acronyms

Acronym	Definition
AGCOM	Agricultural Commercialisation Programme
AfDB	African Development Bank
CARLA	Climate Adaptation for Rural Livelihoods and Agriculture
CERC	Contingency Emergency Response Component
CIRA	Construction Industry Regulatory Authority
CoST	Construction Sector Transparency Initiative (now operating as CoST, the Infrastructure Transparency Initiative)
CPFAIDP	Chipoka Port Fisheries and Aquaculture Infrastructure Development Program
EGENCO	Electricity Generation Company (Malawi)
FOI	Freedom of Information
GCF	Green Climate Fund
GDP	Gross Domestic Product
GEF	Global Environment Facility
GoM	Government of Malawi
IDS	Infrastructure Data Standard
IFAD	International Fund for Agricultural Development
IPPI	Information Platform for Public Infrastructure
IRLADP	Irrigation, Rural Livelihoods and Agricultural Development Project
MDA	Ministries, Departments, and Agencies
MDB	Multilateral Development Bank
MSG	Multi-Stakeholder Group
NCIC	National Construction Industry Council
NDC	Nationally Determined Contribution
OC4IDS	Open Contracting for Infrastructure Data Standard
PPDAA	Public Procurement and Disposal of Assets Authority
RCRP	Regional Climate Resilience Programme
SPV	Special Purpose Vehicle
SVTP	Shire Valley Transformation Programme
UNDP	United Nations Development Programme



1. Executive Summary

17 of 19

projects with incomplete procurement data

0% / 100%

Baseline data published vs. NDC alignment claimed

US\$371.5M

of portfolio value unpublished (17%)

This review examined 19 climate-related infrastructure projects worth US\$2.19 billion across Malawi. While projects generally publish basic information in the early stages (exceeding 80% in the identification and preparation phases), publication rates decline during implementation and completion, frequently falling below 50%. Data on social and institutional dimensions are particularly limited, with publication rates often below 40%.

The analysis identifies governance risks with tangible on-the-ground impacts. Procurement information was incomplete for 17 of the 19 projects reviewed (89%), limiting oversight bodies' ability to verify that contract awards followed due process.

Funding is dominated by large loan-financed projects accessed through major institutions, while limited transparency on project selection, financial terms, intended results, and co-benefits undermines credibility and public trust in climate finance for the infrastructure sector.

Central Region Governance: Lilongwe Urban Resilience

The Lilongwe Urban Resilience initiative had no physical works or tangible progress on site at the time of review. This lack of visible activity raises critical questions regarding project management, oversight, and the effectiveness of governance.

Dowa Dambo: Lot 2 Design Change

A design change from gravity-fed dams to solar boreholes was implemented despite opposition from the supervising consultant. The system now supplies only 58.94 litres per second against a required 107.7 litres per second, a 45% deficit that directly undermines the project's irrigation capacity.

Site visits identified recurring management challenges across regions: chronic fuel and forex shortages are delaying major Southern Region projects, such as the US\$1.07 billion Mpatamanga Hydroelectric scheme; unresolved resource disputes are stalling key infrastructure elsewhere; and the absence of professional supervision in the Northern Region is allowing preventable quality failures.

A significant gap exists between policy alignment and measurable outcomes: 100% of projects claim alignment with Nationally Determined Contributions (NDCs) and climate change mitigation and adaptation plans, yet none publish baseline data, making it difficult to measure the efficiency or impact of these investments. Co-benefits such as job creation and gender empowerment are widely referenced but not quantified.

To strengthen accountability and ensure climate investments deliver measurable results, this review makes **14 specific recommendations**. Key priorities include mandating full-lifecycle data publication on IPPI, linking disbursements to the verified publication of baseline and procurement data, requiring named supervising engineers on all projects, and empowering civil society through community monitoring programmes.



2. Introduction

2.1 Background to CoST

CoST, the Infrastructure Transparency Initiative, was established to address corruption, inefficiency, and weak accountability in public infrastructure. Infrastructure projects involve large sums, complex procurement, and significant social and environmental impacts. Without transparency, these projects risk cost overruns, poor quality, and misuse of project funds.

CoST responds through four core pillars: promoting publication of project data and information in line with the Infrastructure Data Standard ([IDS](#)) or the Open Contracting for Infrastructure Data Standard ([OC4IDS](#)), independent review of published data, multi-stakeholder engagement bringing government, civil society, and private sector together to examine governance challenges in the infrastructure sector, and engaging citizens through social accountability mechanisms and public communication of findings in accessible formats.

Globally, CoST has worked in more than 25 countries, helping to reform procurement systems, reduce corruption risks, and improve the quality of infrastructure delivery.

2.2 CoST in Malawi

Malawi joined CoST in 2012 during a period of reduced public trust following procurement scandals. The implementation of CoST tools and standards in Malawi has strengthened governance, reduced irregularities, and built capacity across government, contractors, and civil society.

The Multi-Stakeholder Group (MSG), comprising government, private sector, and civil society, guides this process by developing capacities within government officials to publish accurate and complete data, overseeing independent reviews, and communicating findings to the public. This structure enhances accountability and supports the delivery of quality infrastructure.

Key Achievement

Institutionalising transparency in public agencies, strengthening procurement governance, building capacity across government and civil society, applying assurance methodology to climate-related projects in water, sanitation, and agriculture, and reforming the regulatory space by transforming the National Construction Industry Council (NCIC) into the Construction Industry Regulatory Authority (CIRA).

Alongside CoST's transparency mechanisms, Malawi is undertaking major regulatory reform. The NCIC has been transformed into the Construction Industry Regulatory Authority (CIRA), effective 27 November 2025. Unlike the NCIC's promotional mandate, CIRA operates as a statutory regulator with powers to enforce compliance, conduct audits, and uphold financial, technical, and safety standards across public and private projects.

2.3 Publication of data

Data publication is now embedded in Malawi's legal and institutional frameworks. Government Ministries, Departments, and Agencies (MDAs), local authorities, and parastatals are required to disclose key project information across the entire lifecycle.

The Government of Malawi (GoM) has institutionalised transparency by requiring procuring entities to publish project information in line with the CoST Infrastructure Data Standard set out in the [Public Procurement Regulations](#) (2020), issued under the Public Procurement and Disposal of Public Assets Act.

To facilitate compliance with the legal framework, CIRA, with support from CoST Malawi, has developed the Information Platform for Public Infrastructure ([IPPI](#)), which allows procuring entities managing infrastructure projects to publish data in an open format (implementing the OC4IDS). The IPPI has been upgraded to enable the publication of climate finance infrastructure investments, responding to the

pressing need for accurate climate finance reporting. The IPPI is now the mechanism for the necessary transparency to track where climate funds are going and whether they are being used effectively.

2.4 Sector description

Malawi is among the countries in southeastern Africa that are highly exposed to extreme tropical weather events, resulting in significant climate variability. This variability is reflected in unpredictable rainfall patterns, extended periods of drought, and frequent flooding. Between 2010 and 2025, the country experienced numerous climate-related disasters, including major floods, a landslide triggered by heavy rainfall, severe droughts, and major storms. The most recent of these were Cyclone Jude in 2024 and Cyclone Chido in 2025.

According to the Malawi Country Climate and Development Report (2022), climate-related shocks currently result in annual economic losses equivalent to approximately 1.7 per cent of the country's Gross Domestic Product (GDP). These impacts are evident in recent economic performance. For example, economic growth for 2023 was initially projected at 2.7 per cent, but the effects of Cyclone Freddy reduced actual growth to 1.5 per cent¹.

The structure of Malawi's economy further increases its vulnerability to climate change, as it depends heavily on climate-sensitive sectors². At the same time, the country's infrastructure base remains underdeveloped. Weaknesses in transport, energy, and water systems increase the risk that climate-related damage will have cascading effects across the broader economy.

Research indicates that the most significant economic impacts of climate change in Malawi are transmitted through damage to infrastructure and declines in agricultural productivity. Road infrastructure is particularly vulnerable to increased flooding, which is expected to occur more frequently and with greater intensity. Variability in rainfall also raises maintenance costs, especially for unpaved roads, which make up roughly 84 per cent of the country's road network. In addition, rising temperatures may accelerate the deterioration of paved roads.

Also, Malawi's energy sector is highly exposed to climate risks due to its heavy reliance on the Shire River, the only outlet of Lake Malawi, which supports over 90 per cent of the country's hydropower capacity. This geographic concentration makes the system particularly vulnerable to extreme weather events. For example, Tropical Storm Ana caused severe damage to the Kapichira Power Station, one of three major hydropower facilities on the Shire River, resulting in a loss of approximately 32 per cent of national electricity generation capacity. This led to extended power outages, in some cases exceeding eight hours per day. Restoring the facility took more than a year and was supported by a US\$60 million loan from the World Bank, aimed at both repairs and resilience strengthening³.

Overall, Malawi's climate finance system is largely centralised, with the vast majority of public climate-related funding, around 98 per cent, managed at the national level, due to the prominence of externally funded projects. In the 2025/26 fiscal year, development partners provided about 88 per cent of total climate-related funding, while the government contributed only 12 per cent. This limited domestic contribution reflects fiscal pressures and rising debt levels, which constrain the government's capacity to increase spending on climate action.

External financing primarily consists of concessional climate finance. Of the total development budget, included in the 2025/26 budget, 61 per cent is financed through a combination of concessional loans and grants. Although these loans offer favourable terms, such as low interest rates and extended repayment periods, their use is still constrained by the country's ability to service its debt, which stood at approximately MK7.4 trillion as of September 2024.

In this context, transparency (by publishing standardised data) can help ensure that decision-makers are held accountable for their decisions and actions on climate-related investments, and that funds are allocated more effectively to achieve climate goals.

¹ Climate Financing Budget Brief. Malawi 2025/26. UNICEF.

² In this section, the focus is on infrastructure-related sectors and subsectors, not agriculture, fisheries and other climate-sensitive sectors.

³ From climate risk to resilience: unpacking the economic impacts of climate change in Malawi. International Food Policy Research Institute (IFPRI), 2023.

2.5 Identification of Projects Subject to Independent Review

Climate finance is essential for mitigating emissions and building resilience, but its effectiveness hinges on transparency and accountability in project selection and implementation. The selection of projects for review was a structured and deliberate process, designed to be both transparent and rigorous.

This review focused specifically on climate finance investments and applied a two-part methodology consistent with the OC4IDS [Climate Finance Module](#) and its accompanying [Guidance Notes](#). The independent review is predicated on 7 questions:

1	Is the amount of climate finance available sufficient?
2	Is the quality of climate finance appropriate?
3	Is the climate finance sufficiently accessible?
4	Is the outcome of related decision-making legitimate?
5	Is the intended result of the climate finance investment sufficiently clear?
6	Are the intended results spelt out in terms of positive impact on climate?
7	Has the planning process ensured that co-benefits related to the investment's economic, social, and governance impacts have been considered?

Twenty projects were initially selected for review. Nineteen were assessed: 17 with full cooperation from procuring entities and 2 with only reactive information. One selected project could not be assessed due to total data inaccessibility and is excluded from the analytical base. Three teams of sector professionals were trained and deployed across Malawi's three regions: Southern, Central, and Northern.

Table 1: Portfolio Summary

ID	Project Name	Location	Value (US\$M)	Funding	Sector	Subsector	Entity
1	NRWB Ekwendeni Water Treatment	Mzimba	26.70	EIB, GoM	Water	Urban Water	NRWB
2	Nkhata Bay Water & Sanitation	Nkhata Bay	18.76	AfDB, OFID, GoM	Water	Urban Water	NRWB
3	AGCOM Limphasa Irrigation	Nkhata Bay	10.00	IRLADP, GoM	Irrigation	Rural Dev	AGCOM
4	Rural Water Rumphu	Rumphu	Not Published	AfDB, GoM	Water	Rural Dev	NRWB
5	Dowa Dambo Irrigation	Dowa	16.65	GoM, PRIDE	Irrigation	Rural Dev	Min. Agric.
6	Nambuna Irrigation	Dedza	Not Published	IRLADP, GoM	Irrigation	Rural Dev	AGCOM
7	Lilongwe Urban Resilience	Lilongwe	2.40	UNDP, UN-Habitat	Urban Dev	Env. Protection	Lilongwe CC
8	Chipoka Port CPFAIDP	Salima	100.39	Copenhagen, AFIDEP	Fisheries	Aquaculture	Dept. Fish.
9	Kholongo Dam	Dowa	Not Published	GoM	Water	Irrigation	CRWB
10	Shire Valley Transformation	Chikwawa/ Nsanje	218.89	IDA, AfDB, OPEC	Agriculture	Irrigation	Min. Agric.
11	Mpatamanga Hydroelectric	Blantyre	1,070.00	IDA, IFC, Scatec	Energy	Renewable	EGENCO
12	TRANSFORM Lake Chirwa	Zomba	25.85	GEF, UNDP	Environment	Water Mgmt	Min. Water
13	Kapichira Hydro Rehab	Chikwawa	60.00	AfDB, GoM	Energy	Renewable	EGENCO
14	PRIDE CARLA	Chikwawa	3.00	IFAD, GoM	Agriculture	Irrigation	Min. Agric.
15	RCRP	Multi-district	240.00	IDA, AU	Urban Dev	Env. Protection	Min. Local Govt
16	AGCOM South	Balaka	95.00	IRLADP, GoM	Agriculture	Irrigation	AGCOM

ID	Project Name	Location	Value (US\$M)	Funding	Sector	Subsector	Entity
17	MWASIP Watershed	Multi-district	157.00	IDA, GoM	Environment	Climate Resilience	Min. Water
18	Blantyre Water Board	Blantyre	130.00	IDA, GoM	Water	Sanitation	BWB
19	Zomba Urban Resilience	Zomba	14.00	Oxfam, ZCC	Urban Dev	Env. Protection	Zomba CC

19 Climate Finance Projects Span All Three Regions of Malawi, with Investment Concentrated in the South

Source: CoST Malawi Independent Review, January 2026

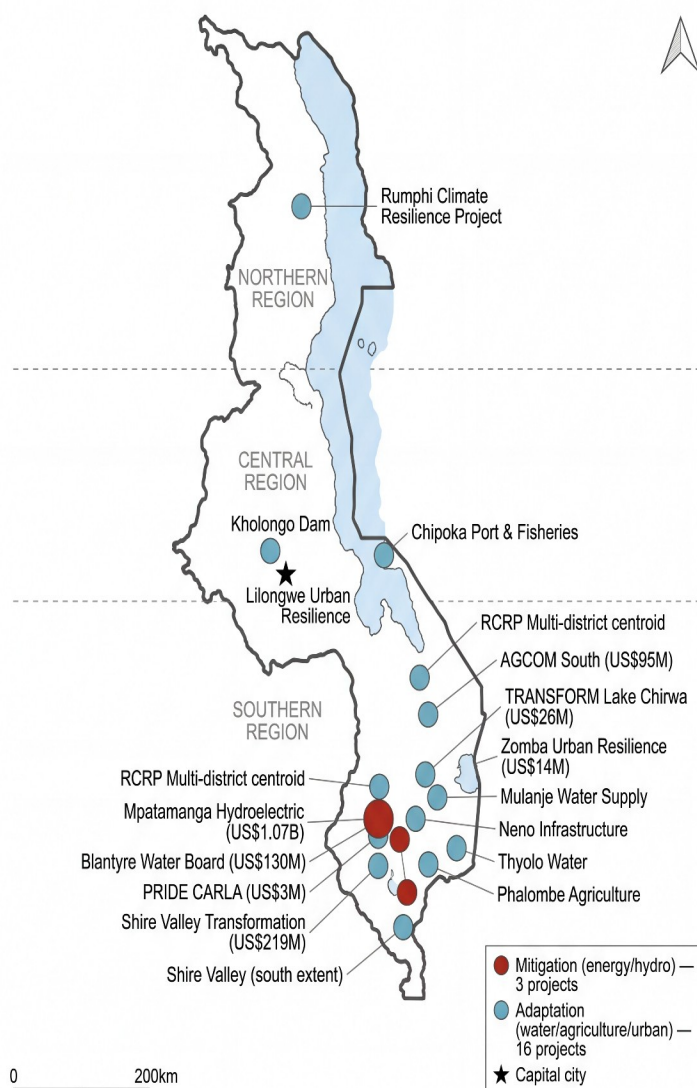


Figure 1: Map of Malawi Showing Project Locations

2.6 Existing Accountability Mechanisms

Malawi's infrastructure accountability rests on a multi-party contractual framework: clients fund projects, contractors execute works, and supervising engineers provide technical oversight. These relationships are governed by formal contracts, site meetings, and reporting protocols.

In practice, limited data publication, weak enforcement, and minimal citizen engagement undermine this framework. CoST Malawi's independent review adds value by verifying the completeness and accuracy of published data, thereby creating an external check on internal accountability systems.



3. Data Analysis

3.1 Climate Finance Objectives



Adequacy and Quality of Climate Finance

This section examined whether the volume of climate finance directed to the projects was commensurate with the scale of the climate challenge and whether the financial instruments and terms were fit for purpose. This assessment relies on the understanding that adequacy is not simply a matter of total funding; it also requires assessing whether the financing is structured to support long-term sustainability and does not place an undue burden on the recipient. Ultimately, this section sought to answer the following key questions:

- Is the amount of the available climate finance “sufficient”?
- Is the quality of climate finance appropriate?

There was moderate-to-good data publication on the sufficiency of climate financing (average 75%), but significant gaps remain in demonstrating the appropriateness of financial terms (only 36% data publication).

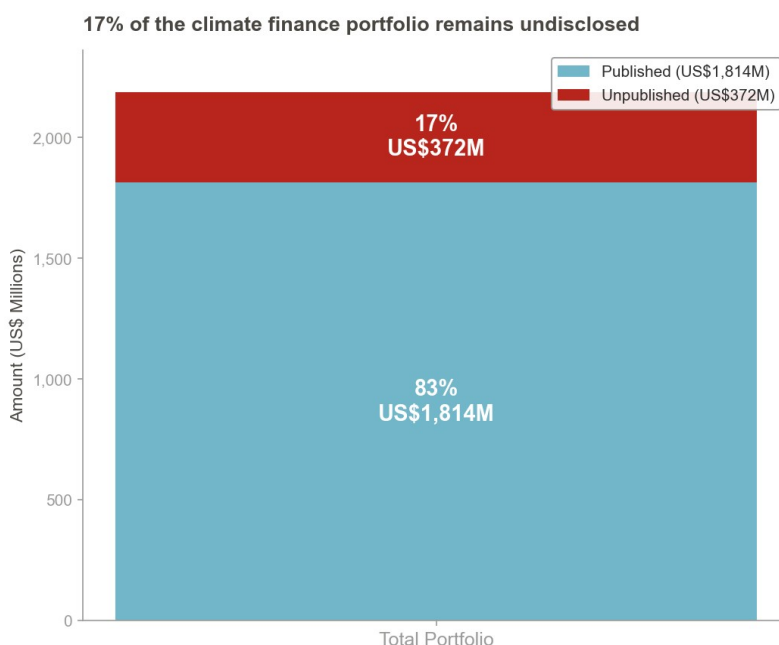


Figure 2: The Transparency Gap in Climate Finance

Approximately **US\$371.5 million (17%)** of the total portfolio remains unpublished, with projects such as the Rumphu Rural Water Project and the Nambuna Irrigation Scheme lacking publicly accessible financial breakdowns.

The Mpatamanga Hydroelectric Power Station alone accounts for approximately **59% of all published climate finance data**. Combined with the Shire Valley Transformation and Chipoka Port projects, these three infrastructure projects account for over 60% of the published portfolio.

Three projects control 59% of published climate finance

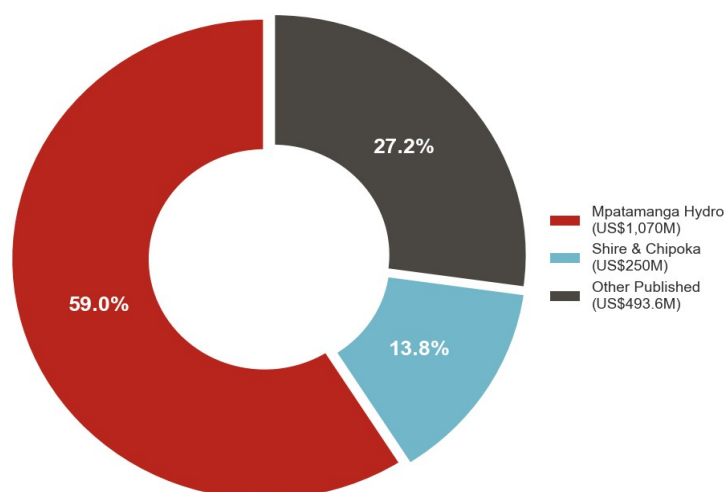


Figure 3: Concentration of Published Climate Finance

Transparency Deficit

Consistent data publication falters on specific metrics, such as Green Climate Fund accreditation, which is missing for at least 50% of projects, obscuring a key gateway. The data suggests a two-tier system: robust accessibility for major international players contrasted with limited transparency for smaller, locally funded initiatives.

Climate Finance Allocation by Climate Objective

The portfolio allocated approximately **45% to mitigation** (two hydroelectric projects totalling US\$1.13 billion) and **44% to adaptation** (14 projects totalling approximately US\$1.06 billion). The remaining 11% is unclassified due to unpublished data. By number of projects, adaptation dominates, consistent with Malawi's status as a country with high vulnerability to climate-related hazards, and the socio-economic impacts of those hazards in a Least Developed Country (LDC).

Table 2: Project Classification by Climate Objective

Note: Investment values reflect climate-specific allocations where published; they may differ from the total project values in Table 1.

Project	Climate Objective	Category	Climate Investment (US\$M)
Shire Valley Transformation	Irrigation, land tenure, wetland mgmt	Adaptation	218.9
Blantyre Water Board	Water supply and sanitation access	Adaptation	130.0
Mpatamanga Hydroelectric	Increase hydropower generation	Mitigation	1,070.0
Kapichira Hydro Rehab	Rehabilitate turbines and generators	Mitigation	60.0
PRIDE CARLA	Agriculture resilience and adaptation	Adaptation	3.0
RCRP	Resilience to water-related climate shocks	Adaptation	240.0
Zomba Urban Resilience	Adapt to adverse climate effects in cities	Adaptation	14.0
TRANSFORM Lake Chirwa	Reduce climate vulnerability	Adaptation	25.9
MWASIP Watershed	Sustainable watershed management	Adaptation	157.0
AGCOM South	Agricultural commercialisation	Adaptation	95.0
Ekwendeni Water Treatment	Water supply resilience	Adaptation	26.7

Project	Climate Objective	Category	Climate Investment (US\$M)
Nkhata Bay Water & Sanitation	Climate resilience/adaptation	Adaptation	18.8
AGCOM Limphasa Irrigation	Adaptation (irrigation)	Adaptation	10.0
Rural Water Rumpi	Climate resilience/adaptation	Adaptation	Not Published
Chipoka Port CPFAIDP	Resilient aquaculture (cross-cutting)	Adaptation	100.4
Dowa Dambo Irrigation	Agricultural resilience	Adaptation	16.7
Lilongwe Urban Resilience	Not published	Unknown	2.4
Kholongo Dam	Not published	Unknown	Not Published
Nambuna Irrigation	Not published	Unknown	Not Published

Funding by Financial Instrument

The financing mix is heavily skewed toward loans, which make up **54% of all disclosed funding (US\$1.18 billion)**. Grants account for 28%, while the Government of Malawi's contributions remain at 1%. This imbalance raises considerations for debt sustainability.

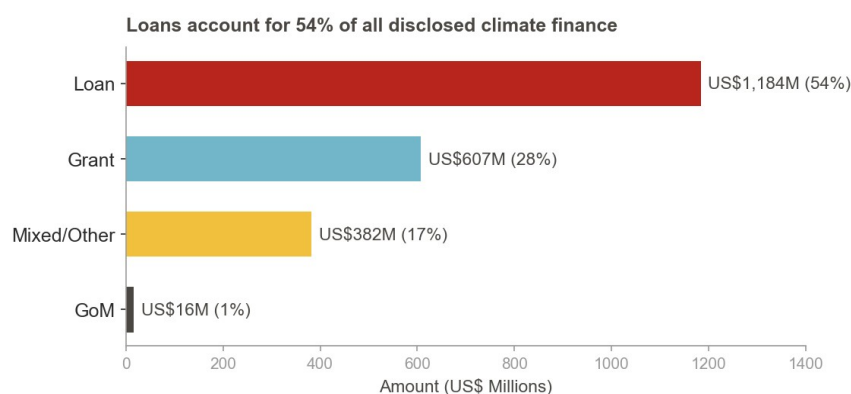


Figure 4: Climate Finance by Funding Type

Funding by Sector

Malawi's published climate finance portfolio shows a strong concentration of resources in large-scale infrastructure, particularly energy and water systems. The Mpatamanga Hydroelectric Power Station, at US\$1.07 billion, is the largest single investment, followed by the Shire Valley Transformation Project.

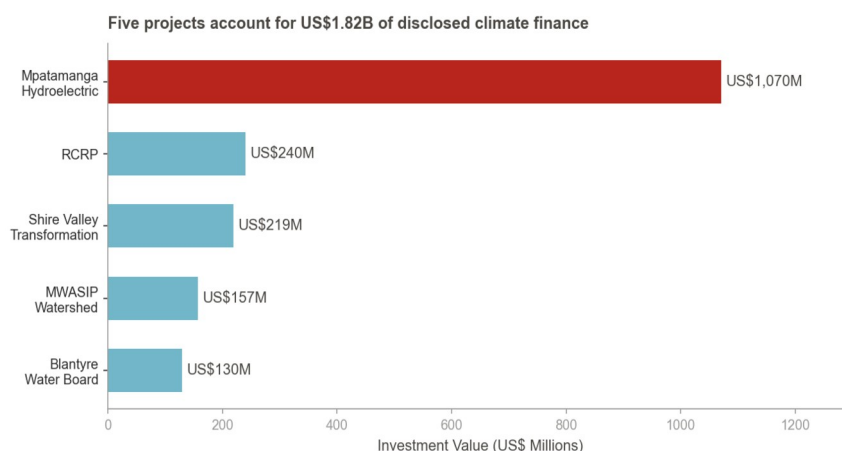


Figure 5: Top Five Climate Finance Projects by Investment Value

Summary of Insights

Scale of Loans: The loan-to-grant ratio is approximately 2:1, emphasising fiscal sustainability concerns.

Volume of Missing Data: The unpublished portion (US\$371.5M) is larger than the combined volume of several smaller sectors.

Extreme Concentration: A single project (Mpatamanga) defines the profile of the country's climate investment.



Accessibility of Climate Finance

Climate finance accessibility is constrained by institutional concentration and missing data. The portfolio relies heavily on multilateral development banks (74% of the portfolio's value), with the World Bank Group involved in 12 of the 19 reviewed projects. This concentration could indicate a dependency risk and limit access for smaller, locally managed initiatives.

74%

from multilateral development banks

<1%

Government of Malawi co-financing

3 of 19

published approval timelines

Despite Malawi's LDC status and high climate vulnerability, only 6 of 19 assessed projects (32%) accessed dedicated climate funds, such as the Adaptation Fund or the Global Environment Facility (GEF). The implication: most climate-labelled investment flows through general development channels, raising questions about whether climate-specific priorities shape funding decisions.

Only 3 of 19 projects published approval timelines. Without this data, prospective applicants cannot benchmark realistic timeframes for project preparation, creating a practical barrier to access to climate funds.



Transparency and Legitimacy of Decision-making

Projects claim strong alignment with national climate plans but publish almost nothing about how funding decisions are made. This creates a governance environment that looks aligned on paper while remaining opaque in practice. The gap between formal policy coherence and operational transparency is the central legitimacy problem.

Internationally funded projects demonstrate stronger data publication, but locally funded projects remain largely invisible. Freedom of Information parameters are universally marked as 'not published,' including for the largest investments in the portfolio.

Freedom of Information

FOI request data is marked 'not published' across all projects assessed, including Shire Valley (US\$219M) and the PRIDE Project. No project provided evidence that citizens can access the rationales for funding decisions.



Clarity and Credibility of Intended Climate Results

Every project articulates climate transformation objectives and aligns with national policy. None publishes baseline data. The result: strong intent, zero measurable progress. Without baselines, it is impossible to verify whether investments produce climate outcomes or simply absorb climate-labelled funding.

However, baseline data is marked as **'Not published' for most major projects**, including Shire Valley, Blantyre Water Board, and Mpatamanga Hydroelectric. Without baselines, it is impossible to quantify progress or verify climate impact.

Risks Identified

Greenwashing: Projects claim climate relevance without publishing measurable indicators.
Misallocation: Without baselines, effective targeting of climate finance cannot be verified.
Overstated benefits: Negative trade-offs from large projects are not accounted for.
Activity-based reporting: Reporting tracks inputs and outputs, not climate outcomes.



Carbon Reduction Efficiency and Paris Compliance

100% of projects assessed state alignment with NDCs explicitly, ensuring investments support Malawi's Paris Agreement commitments. However, compliance with results-based management is critically undermined: baseline data for measuring climate outcomes is **'Not published' for 100% of the projects** detailed in the summary table.

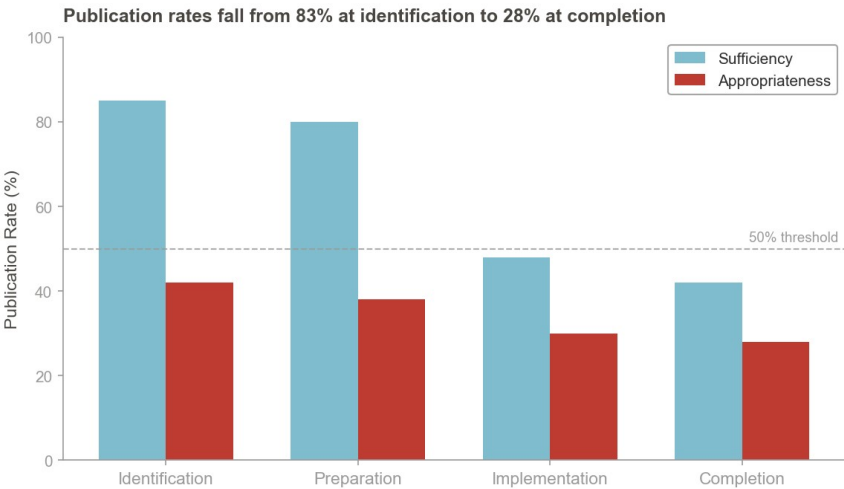


Figure 6: Data Publication Rates Decline Through Project Lifecycle

Source: Sufficiency measures whether data fields were published; appropriateness measures whether published data met quality thresholds. Figures represent averages across the 19-project sample.



Co-benefits and Broader Impact

Climate projects should deliver measurable economic, social, and governance benefits beyond their primary objectives. Across this portfolio, co-benefits are widely claimed but not demonstrated. No project published cost-benefit analyses, job-creation data, income metrics, or gender-equity metrics.

Value for Money Cannot be fully demonstrated. No cost-benefit analyses published.	Social Value Largely qualitative. No published metrics on jobs, income, or gender equity.	Energy Transition Not quantified. No GHG baselines or emission reduction estimates published.	Transformation Claims risk is being overstated. Limited measurement of resilience gains.
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3.2 Broader Project Management Indicators

Malawi's climate infrastructure portfolio is marked by recurring failures in cost control, procurement transparency, and risk management. The Dowa Dambo project exemplifies these challenges, with severe cost and time overruns resulting from design changes and unpublished contract variations.

Transparency deficits compound these risks, as procurement methods, competition levels, bidder numbers, and contract variations are largely unpublished. The independent review also highlights gaps in gender inclusion: in RCRP Zomba City, women's employment did not align with regulations.



Figure 6: Intake Works at Nambuma Irrigation Scheme, Dedza District



3.3 Tender Management

0 of 19 (0%)

published full proactive procurement data

7 of 19 (37%)

gave no bidding information at all

The analysis of procurement data across regions reveals severe systemic deficiencies in transparency, documentation, and the management of competitive processes.

Abnormally Low Bids: The RCRP irrigation works attracted bids well below estimates, resulting in poor delivery, renegotiations, and cost escalations. **Short Tender Timelines:** After the March 2019 floods, tenders for reconstruction were issued under compressed timelines, favouring larger or pre-selected firms. **Unjustified Change Orders:** The Dowa Dambo project expanded its scope and escalated costs post-award without clear justification for climate benefits.

Positive Exception

The Chipoka Port project was the only case with full transparency: publishing Request for Proposals (RFPs), bidder names, evaluation scores, and award details. This saved the government MK 500 million before later scope changes undermined this gain.



Figure 7: Shire Valley Transformation Project, Completed Section of Canal



3.4 Project Management

An important finding is the near-total absence of clearly named publicly accountable supervising consultants. For **14 of the 19 projects** reviewed, published data contain no explicit mention of a dedicated on-site supervising engineer or consulting firm, including major investments such as the Shire Valley Transformation Project (US\$219M) and Mpatamanga Hydroelectric (US\$1.07 billion).

The data reveals a direct link between poor supervision and project dysfunction. The Dowa Dambo project was the only one with documented robust supervision, involving consultant Z&A/DMC and an international technical team. However, this supervision failed to prevent the significant design change that led to a 45% irrigation deficit.



Figure 8: Upgrading of Ekwendeni Water Supply System, Northern Region



Southern Region: Systemic Shocks and Resource Conflicts

Southern Region projects face recurring resource conflicts and external shocks. The Shire Valley Transformation Project was delayed by a dispute with EGENCO at Kapichira Dam over competing irrigation and hydropower needs. Cyclone damage and chronic shortages of fuel, cement, and forex compound these delays.

Southern Region Challenges	Details
Resource Conflicts	SVTP delayed by dispute with EGENCO at Kapichira Dam; Kapichira Rehab conflicts with Majete Wildlife Reserve over environmental flows
Climate Vulnerability	Multiple projects (Shire Valley, Kapichira) report cyclone disruption and damage to works
Logistical Bottlenecks	Chronic fuel, cement, and forex shortages cited for Mpatamanga (US\$1.07B) and Blantyre resilience projects
Social Inclusion Gaps	Zomba City: women's participation in planning fell below national gender equity targets
Delayed Disbursements	RCRP stalled by funding delays; no adaptive management plans documented



Central Region: Transparency and Governance Challenges

The Central Region has the weakest governance performance. Dowa Dambo published only 36% of the required data. Lilongwe Urban Resilience showed no evidence of implementation. Chipoka Port remains stalled by unresolved land allocation.

Governance Success

In Dowa Dambo Lot 1, a land dispute that had halted Dam 4 construction was successfully resolved through the direct intervention of Traditional Authority Chakhadza, demonstrating that engaging local traditional leadership is a viable pathway to unlocking stalled infrastructure projects.

Central Region: Project Status	Details
Dowa Dambo	Only 36% of data published; 45% irrigation deficit from design change; physical progress 67.5% vs. 80.7% elapsed time; payment delays stalling contractor
Nambuna Irrigation	AGCOM is non-responsive to information requests; verification is not possible.
Lilongwe Urban Resilience	No physical works or documentary evidence of implementation; city officials confirmed no works took place
Chipoka Port (CPFAIDP)	Stalled by unresolved land allocation; project in design phase only
Kholongo Dam	Critically low data publication; limited information accessible



Northern Region: Managed Delays with Contained Costs

The Northern Region contained costs better than other regions: no project exceeded a 20% overrun, and all were formally rated low risk. However, the Sustainable Rural Water project failed post-completion due to poor design and workmanship, and no named supervising consultants were identified for any of the 4 projects.

Northern Region: Managed Delays	Details
Time Extensions	All 4 projects extended due to COVID-19 supply chain disruption and high river flows
Cost Control	No project exceeded 20% cost overrun; all were formally rated 'low risk'
Quality Concerns	Sustainable Rural Water infrastructure failed post-completion due to poor design and workmanship
Sustainability	Weak maintenance plans threaten long-term functionality across the region
Supervision Gap	Zero named supervising consultants for any of the 4 projects reviewed



4. Summary of Findings

This independent review reveals a climate finance system where formal compliance is not matched by operational practice. Across US\$2.19 billion in investments, publication is limited, management systems are weak, and outcomes are difficult to verify.

1 Decision-making lacks transparency

Financing arrangements favour large institutional actors. Decision-making rationales, financial instruments, and approval processes are rarely published. None of the 19 projects had sufficient data on the IPPI. FOI request data is universally marked 'not published.'

2 100% policy alignment, 0% measurable progress

All projects claim NDC alignment, but none publish baseline data. Carbon reduction efficiency cannot be assessed. Women were underrepresented in planning forums despite a 60% participation target. Co-benefits (jobs, income, productivity) are claimed but unquantified at every site visited.

3 Dowa Dambo: procurement opacity and design failure

The initial tender was competitive, but the subsequent shift from gravity-fed dams to solar boreholes was implemented despite consultant opposition and without clear communication. The system yields 58.94 l/s, compared with the required 107.7 l/s (45% deficit). Payment delays (financial progress at 37.6% vs 67.5% in physical progress) led to the contractor's absence. A theft of 13 hydrants implicating a WUA committee member exposed failures in community sensitisation.

4 Projects with no corresponding field activity

Lilongwe City Council confirmed that no physical works commenced on the Lilongwe Urban Resilience Project. The Chipoka Port verification could not proceed because land allocation remains unresolved.

5 Systemic supervision failure

14 of 19 projects show no published evidence of a dedicated supervising engineer, including Shire Valley (US\$219M) and Mpatamanga (US\$1.07B). The only project with documented robust supervision (Dowa Dambo) still experienced a major design failure, raising questions about the effectiveness of supervision, even where it exists.

6 Agency non-responsiveness is blocking verification

AGCOM officials in the Central Region were non-responsive for the Nambuna Irrigation Scheme, making independent verification impossible. Repeated requests for project data received no reply, effectively preventing oversight of public funds.

7 Southern Region: systemic shocks without adaptive response

Chronic fuel shortages, forex constraints, and cyclone damage halted operations at multiple sites. The SVTP-EGENCO dispute over water at Kapichira Dam caused documented delays. No adaptive management plans were in place for any affected project.

8 Northern Region: managed delays, unresolved quality risks

No project exceeded 20% cost overrun, and all were formally rated 'low risk.' However, the Sustainable Rural Water infrastructure failed post-completion due to poor design and workmanship. Zero named supervising consultants were identified for any of the 4 projects.

9 Central Region: governance failures stalling delivery

Dowa Dambo published only 36% of the required data. Lilongwe Urban Resilience shows no evidence of implementation. Chipoka Port is stalled by unresolved land allocation. Kholongo Dam has a critically low data publication rate.

10 Human resource instability is undermining execution

At Pride Project CARLA, frequent changes in project personnel disrupted community relationships and institutional memory, weakening project continuity.

11 Funding concentration creates dependency

Three projects (Mpatamanga, Shire Valley, Chipoka Port) control over 60% of published climate finance. The World Bank Group features in 12 of 19 projects. Only 6 projects (32%) accessed dedicated climate funds. Government of Malawi co-financing stands below 1%.

12 Procurement data is largely absent

Of the full 19-project sample, 17 (89%) had incomplete procurement information. Within the 12 projects that had reached the procurement stage, only 1 published full proactive data, and 7 (58%) provided no bidding information at all. The Chipoka Port exception (publishing RFPs, bidder names, and evaluation scores) saved MK 500 million before later scope changes.



5. Recommendations

Following an evaluation of all 19 projects, the following 14 recommendations are provided. Each includes a responsible owner and target timeline.

1 Independent Hydrogeological Stress Test for Dowa Dambo Lot 2

Owner: Ministry of Agriculture

Timeline: Within 6 months

Commission an independent test to determine if the aquifer can support 400 hectares. If insufficient, require the contractor to construct the auxiliary storage dams as originally envisaged.

2 Financial Publication and Transparent Relaunch for Lilongwe

Owner: Ministry of Finance & Lilongwe City Council

Timeline: Within 3 months

Conduct a formal accounting of all funds allocated to the Lilongwe Urban Resilience Project. Publish the findings. If funds remain, relaunch through a transparent process with CoST MSG oversight.

3 Mandatory Data Publication for Mpatamanga Hydro (US\$1.07B)

Owner: Ministry of Energy & Donors

Timeline: Immediate

Mandate full publication of the main contractor's procurement, appoint a publicly named supervising engineer, and fund an independent community grievance mechanism.

4 Public Audit for Sustainable Rural Water (Rumphi)

Owner: Northern Region Water Board & AfDB

Timeline: Within 6 months

Undertake a project audit to identify causes of underperformance. Develop a 10-year O&M plan in collaboration with the community to ensure long-term sustainability.

5 Formal Water-Sharing Agreement for SVTP and EGENCO

Owner: SVTP & Ministry of Water

Timeline: Within 3 months

Broker and publish a formal, public water-sharing agreement to prevent future conflict-related delays.

6 Full Project Justification Publication Mandate

Owner: Government of Malawi, Ministry of Finance

Timeline: Next budget cycle

Mandate publication of the full project justification dossier, including Climate Finance Needs Assessment, rationale for financial instruments, and all contract amendments as a precondition for budget approval.

7 Bidder Transparency and Procurement Accountability

Owner: PPDA

Timeline: Within 6 months

Enforce publication of full bidder lists and evaluation reports, addressing the finding that 92% of projects provided no or incomplete bidding data.

8 Special Audit for Dowa Dambo Project

Owner: National Audit Office

Timeline: Within 6 months

Initiate a special review for fact-finding on the events that led to significant design changes. Such a review would clarify circumstances and strengthen accountability.

9 Independent Supervision for All Projects

Owner: All Implementing Agencies & Development Partners

Timeline: Within 12 months

Contract and fund independent Supervising Engineers for every project and publish their reports, countering the finding that 14 of 19 projects had no published evidence of oversight.

10 Verified Climate Alignment and Outcome Transparency

Owner: Development Partners & Environmental Affairs Dept.

Timeline: Within 12 months

Link disbursements to the verified publication of baseline data and outcome metrics, resolving the 'Paris Paradox' where 100% claim alignment but 0% can prove impact.

11 Mandate IPPI Use and Establish Crisis Support Unit

Owner: EP&D & CIRA Malawi

Timeline: Within 6 months

Mandate full lifecycle data publication on IPPI and integrate transparency into contractor accreditation. Establish a crisis management support unit for infrastructure data entry.

12 Climate Finance Access Facility

Owner: Development Partners, CoST MSG, MCCCCI

Timeline: Within 12 months

Fund a Climate Finance Access Facility, overseen by CIRA and MCCCCI, to support local entities, ensuring that the US\$2.19B portfolio builds national capacity.

13 Transparency Integration into CIRA Accreditation

Owner: CIRA

Timeline: Next accreditation cycle

Use regulatory power to integrate transparency and supervision mandates into accreditation, creating a market incentive for compliance.

14 Publication of All Project Data on IPPI

Owner: All Procuring Entities

Timeline: Phase 1: 6 months; Phase 2: 12 months

Publish full lifecycle data on IPPI. Phase 1 (6 months): identification, preparation, tender data. Phase 2 (12 months): full lifecycle, including implementation, completion, and operations data.



6. Annexes

This section provides access to all supporting evidence. Regional reports contain the full site-visit findings, project-level assessments, and photographic evidence that underpin the 12 findings above. The Excel Climate Finance Tools contain the structured data used to generate Tables 1-5 and Figures 1-6.

How to Use These Annexes

Regional reports (Annexes 1-3) document site-level findings. Project data tools (Annex 4) provide the raw data behind each project assessment. The consolidated spreadsheet (Annex 5) enables cross-project comparison. Evidence documentation (Annex 6) contains correspondence, FOI responses, and photographic records.

Annexes 1-3: Regional Independent Review Reports

[Southern Region Report](#)

[Central Region Report](#)

[Northern Region Report](#)

Annex 4: Project-Level Climate Finance Data Tools

Individual Excel tools used for each project assessment, organised by region:

Southern Region

- [Shire Valley Transformation Project](#)
- [Mpatamanga Hydroelectric Power Station](#)
- [TRANSFORM: Lake Chirwa Basin Resilience](#)
- [Kapichira Hydroelectric Rehabilitation](#)
- [Pride Project: CARLA](#)
- [Regional Climate Resilience Programme \(RCRP\)](#)
- [AGCOM Project](#)
- [MWASIP Project: Watershed Improvement](#)
- [Comprehensive Resilience Strategy: Blantyre City/Water Board](#)
- [Urban Climate Resilience Projects: Zomba City](#)

Central Region

- [Nambuna Irrigation Scheme](#)
- [Urban Resilience Lilongwe](#)
- [Pride Project Dowa Dambo](#)
- [Chipoka Fisheries Project](#)
- [Khorongo Multi Purpose Dam](#)

Northern Region

- [Upgrading of Ekwendeni Water Treatment Works](#)
- [Nkhata Bay Water and Sanitation Project](#)
- [Sustainable Rural Water and Sanitation: Rumphi District](#)
- [AGCOM 1 / IRLADP Limphasa Project: Nkhata Bay](#)

Annex 5: Consolidated Data Spreadsheet

Cross-project comparison dataset combining all 19 project assessments into a single analytical resource.

[View Consolidated Data Spreadsheet](#)

Annex 6: Evidence Documentation

Correspondence, FOI request records, photographic evidence, and supporting documentation collected during site visits.

[View Evidence Documentation](#)

Annex 7: Pride Project Progress Report (September 2025)

[View Progress Report](#)

*“Promoting transparency, accountability, and
value for money in public infrastructure investment.”*

