



CENTRE FOR ENVIRONMENTAL POLICY AND ADVOCACY'S RESPONSE TO THE STATE OF THE NATION ADDRESS AND THE 2020/2021 BUDGET STATEMENT

The Centre for Environmental Policy and Advocacy (CEPA) would like to congratulate His Excellency the President Dr Lazarus M. Chakwera on his maiden 'State of the Nation Address' (SONA) delivered on the 4th of September 2020. We also congratulate Government on the delivery of the national budget statement by the Minister of Finance on 9th September 2020. It is commendable that both statements make reference to sustainable development which inherently reflects government's recognition of the environment as an important pillar of national development.

However, we would like to express concern on the SONA's limited reference to the state of the environment and natural resources in the country. This is worrisome considering that environmental and natural resources are the bedrock of our economy. And although His Excellency the President referred to the country's poor performance on the implementation of the SDG's, the omission of performance on environmental targets is a major gap that needs to be urgently addressed.

We appreciate that in the budget statement, the Minister of Finance has made a commitment to the environment as follows:

- *An allocation K57.8 billion, which is 0.8 percent of GDP and 3.2 percent of the budget to cater for wages and salaries and operations in the departments of Energy, Natural Resources, Tourism, Environment, and Forestry.*
- *A commitment to the strict enforcement of the ban on manufacturing and use of thin plastics; and continued adherence to the requirement of conducting environmental and social impact assessments for any development projects.*

These statements demonstrate some consideration for the environment sector, but they do not address the grave environmental situation in the country which requires more resources and more drastic measures.

We have noted with concern that the only reference to tackling climate change is the enforcement of the ban on thin plastics and adherence to Environmental and Social Impact Assessments. We urge the Minister of Finance to adopt a holistic approach to addressing the problem of climate change. While the enforcement of the ban on thin plastics will significantly contribute to limiting availability of single use plastics, it will not eradicate the problem as thicker plastics will still be in use and therefore still contributing to the national greenhouse gas emissions. Our expectation was to hear more specific strategies that have been put in place to support the production and distribution of sustainable alternative packaging to completely eradicate our plastics problem. For example, the Hon Minister missed an opportunity to promote tax incentives for production of sustainable packaging materials which would encourage their use in a more accessible and affordable manner; and enhancing our waste management system altogether. Enforcement alone will not solve our plastics problem. Making alternatives feasible will.

We commend the government for committing to ensure that Environmental and Social Impact Assessments are undertaken for all development projects. However, we would like to bring to the attention of the Minister that enforcement of mitigation actions that arise from Environmental and Social Impact Assessments is the main challenge. In this regard, the budget needs to allocate funds for the establishment and operationalization of the Malawi Environment Protection Authority which is designed to have full autonomy and more enforcement capacity as provided for in the Environment Management Act 2017.

The Honourable Minister also missed an opportunity to definitively clarify the appropriate use of carbon tax for supporting various mitigation and adaptation interventions in the country, rather than the current set up where carbon tax is just one of the revenue generating mechanisms that do not necessarily target climate change. In its current status, the carbon tax seems designed to 'rob Peter to pay Paul.' The carbon tax may end up funding the very enterprises that emit greenhouse gases.

We wish to remind the government that the environment and natural resources in Malawi are in a state of emergency. We hope that the aspiration of the Tonse Alliance towards "mindset change" can soon be backed by an unequivocal commitment to the conservation of our environment and natural resources that can influence positive behaviour change amongst government agencies, private sector and the citizens. The government needs to demonstrate that its commitment to economic development is modelled on the principle of sustainability which will guarantee benefits to the current and future generations. Our environment and natural resources are not and should not be the price to pay for development; they are the capital. Our hope for a sustainably managed environment in Malawi lies in the proactive and listening spirit of the Tonse Alliance administration.



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