

Press Release

Launch and Dissemination Event for the Malawi Enabling Environment for Sustainable Enterprises Assessment Report and Action Plan

7 March 2013

The Employers' Consultative Association of Malawi (ECAM), with technical support of the International Labour Organization (ILO), has recently completed an assessment of the Enabling Environment for Sustainable Enterprises (ESEE) in Malawi. The final report and an action plan for the implementation of recommendations stemming from the report were presented at a high-level tripartite dissemination event held on 7 March, 2013 at the Lilongwe Sunbird Hotel in Lilongwe.

The Honourable Minister Sosten Gwengwe, Minister of Industry and Trade, opened the ceremony and launched the report. The ESEE assessment serves to complement efforts already made by other stakeholders and the Malawi Government such as the FinScope survey launched in May 2012 and the National Export Strategy launched in December 2012.

The assessment focuses on the political, economic, social, and environmental aspects of a conducive environment for doing business, covering 17 pillars as highlighted in the Conclusions adopted at the International Labour Conference in June 2007 concerning the promotion of sustainable enterprises. The Conclusions provide guidance on how to promote enterprise development in a manner that aligns enterprise growth with sustainable development objectives and the creation of productive employment and decent work. This dissemination event seeks to raise awareness of the existing constraints to enterprise growth in the country and to gain support for the implementation of the action plan to create a more conducive business environment.

Three priority areas are addressed in the Malawi ESEE action plan: the legal and regulatory environment, entrepreneurial culture, and education, training and lifelong learning. The Malawi ESEE assessment was completed through secondary data sources, focus group discussions with relevant stakeholders in Malawi, and a perception survey conducted in June and July 2012. Inputs were also gleaned from three technical workshops involving the Workers' and Employers' organizations held in May, July and December 2012. The results of the assessment are contained in the ILO Employment Report entitled "The Enabling Environment for Sustainable Enterprises in Malawi". For more information, see http://www.ilo.org/empent/Publications/WCMS_205845/lang--en/index.htm. Highlights of the report include:

- In Malawi there is a prevalent culture that does not recognize the value of entrepreneurial activity.
- Almost half of the survey respondents believe that the attitude of the youth towards entrepreneurship is "positive" or "very positive".

- Interviewees think the regulatory environment is “rather favourable” for running large companies, and “unfavourable” for running small firms.
- The majority of respondents believe that registration costs encourage informality.

The EESE assessment is also an output of the Malawi Decent Work Country Programme, 2011-2016 launched in August 2011 which was designed and adopted by the Workers, Employers and the Government of Malawi. The Decent Work Country Programme outlines priorities aimed at addressing Employment and Labour issues in Malawi in line with the four strategic objectives of the Decent Work Agenda. These include Employment Creation through Sustainable Enterprises, Fundamental Principles and Rights at Work, Social Protection, and Social Dialogue.

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