

**Validation of Malawi**  
Final Validation Report  
CowaterSogema Independent Validator  
3<sup>rd</sup> February 2019

## **EXECUTIVE SUMMARY**

The Government of Malawi committed to implementing the EITI on 17 June 2014, during the opening of the 45<sup>th</sup> session of Parliament by the President of Malawi, H.E. Professor Arthur Peter Mutharika. The President later appointed the Minister of Finance, Goodall Gondwe as the EITI Champion. The interim multi-stakeholder group (MSG), the EITI Task Force, was set up in November 2010, consisting of stakeholders from all constituencies. The MSG formally met for the first time on 18 March 2015, after several months of constituency elections. On 22 October 2015 the EITI Board accepted Malawi as an implementing country. By the commencement of Validation, Malawi EITI had published two reports covering fiscal years 2014-15 and 2015-16.

On 25 October 2016, the Board agreed that Malawi's Validation under the 2016 EITI Standard would commence on 1 September 2018. This report presents the findings and initial assessment of the International Secretariat's data gathering and stakeholder consultations. The International Secretariat has followed the Validation Procedures and applied the Validation Guide in assessing Malawi's progress with the EITI Standard.

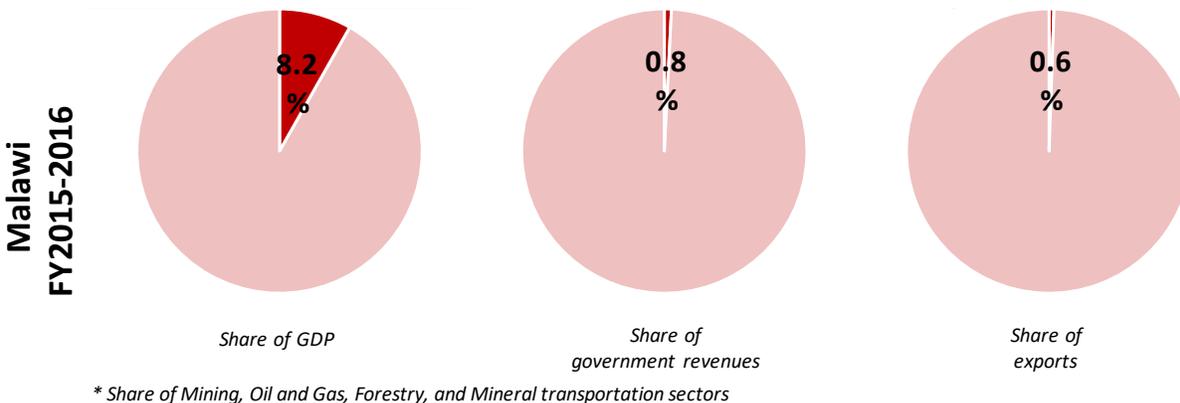
This validation report follows on from a quality assurance review of the International Secretariat's initial assessment. While the assessment has not yet been reviewed by the MSG, the Secretariat's preliminary assessment is that eight of the requirements of the EITI Standard have not been fully addressed in Malawi. Two of these are unmet with inadequate or no progress. The suggested corrective actions relate to industry engagement (#1.2), work plans (#1.5), license registers (#2.3), comprehensiveness (#4.1), data quality (#4.9), distribution of revenues (#5.1), mandatory social expenditures (#6.1), and documentation of outcomes and impact of implementation (#7.4). Strategic recommendations to improve implementation of other EITI requirements are also included.

## **1. BACKGROUND**

Malawi's economy relies mostly on agriculture and has recently recuperated after consecutive years of drought and economic downturn. The extractive sector is minuscule, and expectations for the growth of the sector have so far not been met. According to the 2015-2016 MWEITI Report, oil, gas and mining contributed less than one per cent of gross domestic product (GDP) for the period under review. The forestry and mineral transportation sectors, which MWEITI has included in its scope, are far more significant to the economy, and all sectors combined represented approximately 8.2 per cent of GDP. Despite this, all the sectors combined represented only 0.8 per cent of government revenue. Malawi produces coal, rock aggregate and limestone, as well as small quantities of iron ore and phosphate rock.<sup>1</sup>

---

<sup>1</sup> MWEITI Report 2015-2016, p. 9-10.



The most significant mining project, the Kayelekera uranium mine, ceased its operations in 2014 due to low uranium prices. It is now on “care and maintenance”. In the period 2013-2015 the government undertook geophysical mapping to promote the mining sector and made the data publicly available.<sup>2</sup> According to the government, Malawi’s soil is known to contain, for example, heavy mineral sands, rare earth minerals, bauxite and precious and semi-precious stones.<sup>3</sup>

The mine and its operator, Paladin Africa Limited, have been criticised for causing environmental damage and failing to deliver government revenues and positive social impact.<sup>4</sup> As a result of the controversy surrounding the mine, companies and civil society organisations were often in verbal and legal conflicts. This did not improve between 2011 and 2013, as the government awarded licenses for oil exploration in six blocks. Following allegations that there were irregularities in awarding the licenses, all exploration activities were halted in 2014. The ban was lifted in 2016. Blocks 2 and 3 cover the northern part of Lake Malawi, which is disputed by Tanzania. Tanzania argues that the border runs through the middle of the lake, while Malawi claims that the entire northern part of the lake belongs to it.<sup>5</sup>

Malawi was admitted as an EITI candidate country in October 2015. Discussions about the possibility of EITI implementation in Malawi started in 2008, and the first workshop for stakeholders was held in 2010. There was however little concrete progress until the election of Peter Mutharika as President in May 2014 restarted preparations for EITI candidature. Soon after taking office, he publicly announced Malawi’s

<sup>2</sup> World Bank. 2018. *Malawi Overview*. Accessed 28 September 2018. Available at: <https://www.worldbank.org/en/country/malawi/overview#3>.

<sup>3</sup> Government of Malawi. 2013. *Mining and Minerals Policy*. Accessed 28 September 2018. Available at: <http://www.eisourcebook.org/cms/Malawi%20Mines%20%26%20Minerals%20Policy%202013.pdf>.

<sup>4</sup> See e.g. Mining and Trade Review. 2018. *Kayelekera Nightmare*. Accessed 28 September 2018. Available at: <https://mininginmalawi.files.wordpress.com/2018/05/mining-trade-review-april-2018-edition-electronic-copy.pdf> and ActionAid. 2015. *An Extractive Affair. How one Australian mining company’s tax dealings are costing the world’s poorest country millions*. Accessed 28 September 2018. Available at: [http://www.actionaid.org/sites/files/actionaid/malawi\\_tax\\_report\\_updated\\_table\\_16\\_june.pdf](http://www.actionaid.org/sites/files/actionaid/malawi_tax_report_updated_table_16_june.pdf).

<sup>5</sup> The Sun. 2018. *Talks to Resolve Tanzania, Malawi Border Dispute Still On-going - Minister*. Accessed 28 September 2018. Available at: <http://sunnewsonline.com/talks-tanzania-malawi-border-dispute/>.

commitment to implement the EITI.<sup>6</sup> Following the announcement, the sign-up process was steered by the Revenue Policy Division of the Ministry of Finance, Economic Planning and Development (MoF), where the national secretariat is now housed. The CSO Citizens for Justice was also a key driver advocating for EITI implementation.

In line with the Validation Guide, the International Secretariat carried out the first phase of validation—initial data collection, stakeholder consultations, and preparation of their initial evaluation of progress against the EITI requirements (the “Initial Assessment”). CowaterSogema was appointed as the independent Validator to evaluate whether the Secretariat’s work was carried out in accordance with the Validation Guide. CowaterSogema’s principal responsibilities as Validator are to review and amend the Initial Assessment, as needed, and to summarize its independent review in this Validation Report for submission to the Board through the Validation Committee.

### **1. Work Performed by the Independent Validator**

The Secretariat’s Initial Assessment was transmitted to CowaterSogema on December 13th 2018. Our Validation Team undertook this phase of the Validation process through: (1) In-depth review and marking up of the EITI Assessment by each team member; (2) Detailed review and comments by the Multi-Stakeholder Specialist of Requirements 1 and the Civil Society Protocol; (3) Detailed review and comments by the Financial Specialist of Requirements 4, 5 and 6; (4) Consolidation of reviews and the production of a draft Validation Report, sent to the International Secretariat on the 28th December 2018; (5) following comments from the MSG, revised this validation report and documented our responses to the MSG in a separate document.

### **2. Comments on the Limitations of the Validation**

The Validator carefully reviewed the Secretariat’s Initial Assessment and at this stage has no comments on the limitation of the validation process.

### **3. Comments on the International Secretariat’s Initial Assessment**

The initial data collection, stakeholder consultations, and drafting of the Initial Assessment were generally undertaken by the International Secretariat in accordance with the 2016 Validation Guide. The data collection took place across three phases. Firstly, a desk review of the available documentation relating to the country’s compliance with the EITI Standard, including but not limited to:

- The EITI work plan and other planning documents such as budgets and communication plans;
- The multi-stakeholder group’s Terms of Reference, and minutes from multi-stakeholder group meetings;
- EITI Reports, and supplementary information such as summary reports and scoping studies;
- Communication materials;
- Annual progress reports; and

---

<sup>6</sup> Mining in Malawi, 17 June 2014. <http://mininginmalawi.com/2014/06/17/mining-on-mutharikas-agenda-malawis-new-president-opens-45th-session-of-parliament/>

- Any other information of relevance to Validation.

A country visit took place on 22-26 October 2018. All meetings took place in the capital Lilongwe. The secretariat met with the multi-stakeholder group and its members, the Independent Administrator and other key stakeholders, including stakeholder groups that are represented on, but not directly participating in, the multi-stakeholder group. In addition to meeting with the MSG as a group, the Secretariat met with its constituent parts (government, companies and civil society) either individually or in constituency groups, with appropriate protocols to ensure that stakeholders can freely express their views and that requests for confidentiality are respected.

Finally, the International Secretariat prepared a report making an initial assessment of progress against requirements in accordance with the Validation Guide. The initial assessment did not include an overall assessment of compliance. The report was submitted to the Validator, with the National Coordinator (NC) also receiving a copy.

## **2. GENERAL COMMENTS**

- **Progress in EITI Implementation**

The Government of Malawi committed to implementing the EITI on 17 June 2014, during the opening of the 45<sup>th</sup> session of Parliament by the President of Malawi, H.E. Professor Arthur Peter Mutharika. The President later appointed the Minister of Finance, Goodall Gondwe as the EITI Champion. The interim multi-stakeholder group (MSG), the EITI Task Force, was set up in November 2010, consisting of stakeholders from all constituencies. The MSG formally met for the first time on 18 March 2015, after several months of constituency elections. On 22 October 2015 the EITI Board accepted Malawi as an implementing country. By the commencement of Validation, Malawi EITI had published two reports covering fiscal years 2014-15 and 2015-16.

Malawi has published two EITI Reports. The first one covers the fiscal year 2014-2015 and was published in June 2017. The second covers fiscal year 2015-2016 and was published in June 2018. Both were produced by Moore Stephens. The fiscal year in Malawi runs from 1 July to 30 June. Malawi is developing the terms of references for their third report at the time of writing.

- **Impact of EITI Implementation**

The extractive sector in Malawi is relatively undeveloped, and revenue from the extractive industries constitutes less than 1% of total government revenue. Nonetheless, the EITI has succeeded in creating a platform for dialogue and introducing a considerable level of transparency, which has enabled a more mature and fact-based public debate. The key strength of Malawi's EITI implementation is the strong focus on addressing recommendations from EITI reporting, made possible through inter-agency cooperation and the active role played by civil society. As a result of EITI implementation, collaboration has improved both between the government, company and civil society constituencies and within them.

Recommendations arising from EITI reporting have been actively addressed by government agencies. The EITI process has revealed inconsistencies between in production and export data, which are important for determining the Malawian government's correct share of the value-added from the sector. As a result, inconsistencies between these numbers is now an area where the Department of Mines and Malawi Revenue Authority are making progress. In combination with recent publication of all mining contracts, and other improvements identified in this paper, Malawi's may ease its transition to greater dependence on extractive sector contributions, especially in the medium-to-long term. As some stakeholders pointed out: "Let's get our house in order *before* the cash-flow begins."

Civil society organisations (CSO) have successfully advocated for contract transparency through the EITI and with support from other MSG members. Civil society stakeholders have analysed the oil, gas and mining contracts and engaged with government agencies to discuss the fiscal implications of the agreements' terms. Malawi EITI has also gone beyond the scope of the EITI Standard by including certain aspects of the forestry and mineral transportation sectors in the EITI process. The recommendations from the findings of these additional disclosures has contributed to ongoing efforts to update the electronic forestry cadastre.

The national secretariat is undertaking considerable efforts to ensure that recommendations from EITI reporting are addressed and that relevant agencies participate in implementation. Since the beginning, civil society has been a key driver of the process. Malawi EITI has produced an impressive array of strategies and policy documents but is lacking human and financial resources to implement these.

Malawi's implementation has been highly reliant on financial support by partners such as the German development agency, Gesellschaft für Internationale Zusammenarbeit (GIZ), and formerly from the United Kingdom's Department for International Development (DFID). Although GIZ is continuing its significant support, it will be necessary to increase prioritisation between activities while raising government funding and seeking transitional funding from other sources. Systematic disclosures by the primary sources of information are essential for ensuring the timeliness and cost effectiveness of EITI implementation.

Although Malawi's extractive sector is in its infancy, as is the EITI process, Malawi has made considerable leaps in public availability of information. Licenses are now publicly accessible through various cadastre systems, petroleum contracts and mining development agreements are published, and all stakeholders now have access to disaggregated data on revenues. Reports now confirm that there is no devolution of fiscal responsibilities.

Some gaps do remain: uncertainty surrounding some revenue streams in the petroleum sector and lack of companies' adherence to agreed assurances of data quality are causes for concern regarding comprehensiveness and reliability of reporting. In addition, the lack of clarity surrounding some of Malawi's off-budget funds remains a gap in an otherwise transparent environment, as are the precise identities and functions of those benefitting from companies' *mandatory* social contributions.

## The Independent Validator's Assessment of Compliance

Figure 1 – Validator's assessment

EITI Requirements		LEVEL OF PROGRESS				
		No progress	Inadequate	Meaningful	Satisfactory	Beyond
Categories	Requirements					
MSG oversight	Government engagement (#1.1)				█	
	Industry engagement (#1.2)			█		
	Civil society engagement (#1.3)				█	
	MSG governance (#1.4)				█	
	Work plan (#1.5)			█		
Licenses and contracts	Legal framework (#2.1)				█	
	License allocations (#2.2)				█	
	License register (#2.3)			←	█	
	Policy on contract disclosure (#2.4)				█	
	Beneficial ownership (#2.5)	█	█	█	█	█
	State participation (#2.6)	█	█	█	█	█
Monitoring production	Exploration data (#3.1)				█	
	Production data (#3.2)					█
	Export data (#3.3)				█	
Revenue collection	Comprehensiveness (#4.1)			█		
	In-kind revenues (#4.2)	█	█	█	█	█
	Barter agreements (#4.3)	█	█	█	█	█
	Transportation revenues (#4.4)	█	█	█	█	█
	SOE transactions (#4.5)	█	█	█	█	█
	Direct subnational payments (#4.6)	█	█	█	█	█
	Disaggregation (#4.7)				█	
	Data timeliness (#4.8)				█	
	Data quality (#4.9)			█		
Revenue allocation	Distribution of revenues (#5.1)		█			
	Subnational transfers (#5.2)	█	█	█	█	█
	Revenue management and expenditures (#5.3)	█	█	█	█	█
Socio-economic contribution	Mandatory social expenditures (#6.1.)		█			
	SOE quasi-fiscal expenditures (#6.2)	█	█	█	█	█
	Economic contribution (#6.3)				█	
Outcomes and impact	Public debate (#7.1)				█	
	Data accessibility (#7.2)	█	█	█	█	█
	Follow up on recommendations (#7.3)				█	
	Outcomes and impact of implementation (#7.4)			█		

*Legend to the assessment card*

	The country has made no progress in addressing the requirement. The broader objective of the requirement is in no way fulfilled.
	The country has made inadequate progress in meeting the requirement. Significant elements of the requirement are outstanding and the broader objective of the requirement is far from being fulfilled.
	The country has made progress in meeting the requirement. Significant elements of the requirement are being implemented and the broader objective of the requirement is being fulfilled.
	The country is compliant with the EITI requirement.
	The country has gone beyond the requirement.
	This requirement is only encouraged or recommended and should not be taken into account in assessing compliance.
	The MSG has demonstrated that this requirement is not applicable in the country.

### 3. DETAILED FINDINGS

This section highlights areas where the Validator disagrees with the findings of the Initial Assessment or requires further clarification.

We disagree with the findings of the initial assessment on just one indicator, requirement 2.3. (license registers) where the score has been downgraded from satisfactory progress to meaningful progress due to limitations with petroleum license data.

### 4. RECOMMENDATIONS

The International Secretariat has identified eight *corrective actions* that Malawi should undertake to address shortcomings in meeting EITI Requirements, as well as 29 *strategic recommendations* that Malawi is encouraged to consider for strengthening implementation.

#### Corrective actions

1. To meet **Requirement 1.2**, the company constituency should seek to extend the membership of the Chamber of Mines or find other ways to ensure that the broader industry constituency is fully engaged and that all extractive companies have a channel to participate.
2. In accordance with **Requirement 1.5**, Malawi should ensure that the work plan is based on consultations with stakeholders beyond multi-stakeholder group members, that sources of funding are identified for the activities and that the work plan is made widely available to the public. The multi-stakeholder group should use the work plan as a tool for discussing, identifying and addressing challenges and ambitions related to the scope of EITI reporting.
3. In accordance with **Requirement 2.3**, MWEITI should work with key stakeholders in the EITI process to ensure that the date of application, date of award and duration of the license is included for petroleum licenses in the cadastre.
4. In accordance with **Requirement 4.1**, MWEITI should work with the Department of Mines to ensure that all receipts from extractive companies are included more clearly in the report, including all mandatory social contributions and payments to the Petroleum Training Fund.
5. In accordance with the overall objective of **Requirement 4.9**, and to improve on adherence to quality assurance procedures by industry, the MSG should review the agreed quality assurances that companies must provide for EITI reporting. They may also consider extending deadlines for data submissions, and work more closely with companies to ensure that reporting templates and quality assurances are fully met. Several stakeholders highlighted benefits of data collection simultaneously to regular and annual audit procedures, which industry stakeholders clearly indicated they were in favour of. MWEITI may also wish to ensure that all the submitted data is publicly accessible by publishing the data online. This would also enhance the timeliness of MWEITI data.
6. As according to **Requirement 5.1.a**, Malawi should indicate which extractive industry revenues are not recorded in the national budget and provide amounts for these said revenue streams. Training fees included in the 2015-16 are reported as zero although all stakeholders provided statements to the contrary; stakeholders confirmed the existence of training fee payments from companies to the Department of Mines during the period under review, and that no reports nor data is available

concerning the amounts nor management of these off-budget funds. The multi-stakeholder group should therefore work with the Department of Mines to ensure that a comprehensive overview is provided for the management of the Petroleum Training Fund, including incoming revenues to the fund. Such an overview could also include the precise allocations and use of the finances of the fund.

7. In accordance with **Requirement 6.1.a**, Malawi should ensure that social expenditures by companies which are mandated by law or contract with the government are disclosed. Such payments should be disaggregated by whether provided in cash or in kind, and by the identity and function of non-government beneficiaries. The nature of in-kind contributions should be explained and where possible, these disclosures should be adequately reconciled. If not possible to reconcile, MWEITI is encouraged to provide an explanation.
8. In accordance with **Requirement 7.4**, Malawi EITI should document the impact of EITI implementation in annual progress reports and assess progress towards meeting EITI requirements with a focus on specific sub-requirements as outlined in Requirement 7.4.a.ii.

### Strategic recommendations

1. In the spirit of **Requirement 1.1**, the International Secretariat recommends that the government proceeds with the plan to institutionalise the national secretariat and channels regular funding to EITI implementation to improve the sustainability of the process, while seeking ways to ensure that implementation is proportionate and cost effective.
2. To strengthen implementation of **Requirement 1.1**, the EITI Champion is encouraged to engage regularly with the multi-stakeholder group and support it in ensuring the government agencies address recommendations from EITI reporting.
3. To strengthen implementation of **Requirement 1.2**, companies are encouraged to actively engage in developing an approach to reporting that facilitates the submission of data and assurances in a timely manner and to ensure that all material companies comply with the assurances agreed by the MSG (*see Requirement 4.9*).
4. In line with **Requirement 1.3**, the government is encouraged to ensure both in policy and practice that issues related to natural resource governance can continue to be freely debated ahead of the 2019 general and presidential elections.
5. To strengthen implementation of **Requirement 1.4**, all constituencies are encouraged to establish a clear procedure for consulting the broader constituency in a systematic manner. Constituencies are recommended to ensure that the communications and consultations reach all CSOs, companies and government agencies that have a stake and interest in EITI implementation.
9. In line with **Requirement 1.5**, Malawi EITI is encouraged to revisit its strategies and work plan to ensure that planned activities reflect available resources. This will help the multi-stakeholder group and the national secretariat prioritise the activities considered most relevant by the stakeholders.
10. To further strengthen the public's access to relevant laws, fiscal terms and the role of relevant government entities, as according to **EITI Requirement 2.1**, the government is encouraged to ensure that laws and regulations are systematically disclosed by the relevant government agencies and/or through a centralised government portal.
11. The government, through the Department of Mines, may wish to explore options for systematically disclosing information on procedures leading to license awards and transfers, in line with

**Requirement 2.2.** For instance, the government could publish application documents and assessments through the mining cadastre system. Malawi may also wish to include a description or guide for how to assess whether statutory procedures are followed during license awards and transfers.

12. The government is encouraged to further develop their cadastre systems to include precise coordinates, the dates of applications, awards and expiries, as per **EITI Requirement 2.3**. Further information could also be included, such as license specific payments, and the potential for greater access through customised downloads in open data formats.
13. As encouraged by **EITI Requirement 2.4**, the Government of Malawi is encouraged to develop a clear policy on contract transparency in its extractive sector. This policy should clarify whether agreements and contracts should be disclosed on government websites.
14. In preparation of beneficial ownership disclosures as per **Requirement 2.5**, the government is encouraged to develop an explicit policy on beneficial ownership disclosure, and to ensure beneficial ownership information is available for all material companies operating in Malawi, possibly by cooperating with the Office of the Registrar General.
15. The government may wish to, under **Requirement 2.6**, ensure state participation is better clarified by agreeing a precise definition of what equity-levels constitute a state-owned enterprise in the Malawian context, and to deliberate further on the role of the National Oil Company of Malawi.
16. The Government of Malawi may wish to ensure that an overview of the extractive sector and exploration activities are systematically disclosed by the government, as per **Requirement 3.1** possibly as part of government websites related to the sector.
17. The government may wish to improve on production and export data reliability, as per **EITI Requirement 3.2** and **3.3**, by ensuring that data is comparable. The government could introduce commodity-classifications such as the Harmonised System (Commodity) Codes or other classifications, as part of systematic disclosures of the National Statistical Office of Malawi.
18. To better communicate reporting decisions and materiality thresholds, as per **Requirement 4.1**, Malawi may wish to ensure that the inception report is made publicly accessible. MWEITI may also wish to work with the Independent Administrator to ensure that government agencies' reporting templates are included in the report, or systematically disclosed online.
19. MWEITI is encouraged to include direct references and guidance, as per **requirements 4.1** and **5.3**, to where budget documents, data, and government audit reports are located.
20. The government may wish to, for systematic implementation of **Requirement 4.2**, ensure that relevant government agencies clarify the existence of in-kind payments for each fiscal year. Malawi should ensure that any information on collection should include volumes sold, and proceeds, and that sales are publicly accessible and disaggregated by purchasing company.
21. To better identify which agreements may contain infrastructure and barter arrangements, as per **Requirement 4.3**, MWEITI is encouraged to review all development agreements between the government and extractive companies to ensure none of the terms give rise to provisions of goods and services in exchange for extraction or exploration rights, or physical delivery of commodities.
22. To strengthen implementation for **Requirement 4.4**, Malawi is encouraged to clarify that the state does not participate directly in the transportation sector, and that no payments arise from tariffs

levied specifically on the transportation of minerals.

23. To strengthen implementation, Malawi is encouraged to provide an explicit statement which clarifies the non-existence of direct subnational extractive payments in Malawi, as per **Requirement 4.6**.
24. In preparation of project-level disclosures under **Requirement 4.7**, the multi-stakeholder group may wish to task the Independent Administrator to identify revenue streams that are imposed per project, rather entity-wide (company-level).
25. To enhance data timeliness, under **Requirement 4.8**, the government through the Department of Mines may wish to systematically disclose companies' quarterly filings to the Department of Mines.
26. For greater clarity on MSG decisions related to reporting procedures, under **Requirement 4.9**, Malawi may wish to consider publishing the inception report alongside the final report. The MSG is also encouraged to consider alternative approaches to assessing the reliability of data, in the absence of full adherence to agreed quality assurances by all material companies. For instance, the MSG may wish to task the IA with in-depth investigations of initial versus final discrepancies caused by government versus companies. If government-caused discrepancies are low or non-significant, these numbers may still prove to be more reliable than company-reported data. This in turn could increase the confidence of report readers in the reliability of the data.
27. To ensure adherence to quality assurance, as per **Requirement 4.9**, Malawi may wish to use longer deadlines for data submissions, and work with companies to ensure reporting templates are available for companies simultaneously to annual audit procedures. MWEITI may also wish to ensure that all the submitted data is also publicly accessible online.
28. In accordance with **Requirement 6.1.b**, Malawi may consider developing an additional approach to reconcile voluntary social expenditures, as for the above-mentioned mandatory social expenditures.
29. The government may wish to systematically disclose macroeconomic indicators under **EITI Requirement 6.3** by relevant government agencies such as the National Statistical Office, Reserve Bank of Malawi and the Ministry of Finance, Economic Planning and Development.
30. To strengthen implementation of **Requirements 7.1. and 7.2**, Malawi EITI is encouraged to update the Open Data Policy to include a clearer policy on the access, release and re-use of EITI data and to keep the MWEITI website up to date. Malawi EITI is encouraged to publicise the availability of information in open data format and to make users aware that information can be reused without prior consent. The multi-stakeholder group is encouraged to continue exploring options for mainstreaming EITI disclosures.
31. Malawi, including the Department of Mines, is encouraged to continue addressing recommendations from the 2014-2015 and 2015-2016 EITI Reports, as well as the recommendations arising from Validation to strengthen implementation of **Requirement 7.3**.
32. In line with **Requirement 7.4**, Malawi EITI is encouraged to ensure that all stakeholders are invited to effectively participate in the drafting of the annual progress report. MWEITI is encouraged to make the annual progress report available online.