A. Sector Analysis

1. Current situation and major challenges of the sector:

In Malawi, there is a growing national demand for water resources and concern on its availability due to increasing national population growth and dwindling water sources, particularly during the dry season. Additionally, the issue of catchment degradation is still posing a great challenge in the development and management of water resources. With climate change coupled with land degradation and water pollution, the situation of water availability in the country would become more serious than anticipated unless pragmatic measures are put in place and strong enforcement mechanisms are implemented in water resources development and management including effective management of water catchment areas. Water availability in rural areas is dependent on the presence of perennial rivers and streams from which gravity fed piped water supply systems draw water for supply to the rural population.

The Fifth Integrated Household Survey (IHHS) Report of 2020 considers a household to have access to an improved drinking water source if it is piped into the dwelling, piped into the yard or plot, collected from a communal standpipe, a protected well in a yard or plot, protected public well, borehole, tanker truck or bowser and bottled water. The proportion of urban households with access to improved water sources was 54% while for rural households was at 10%, bringing the country record of 18% (JMP 2023). These pose doubt on Malawi's chances of achieving Sustainable Development Goal 6, which focuses on ensuring clean and stable water supply for all people by 2030. Similarly, sanitation and hygiene indicators reveal further deficiencies, with only 46% of the national population having access to safely managed sanitation facilities and only 15% having basic hygiene facilities against the MIP 1 (2021) set targets of 74% and 75% for improved sanitation and hygiene respectively as a target for 2030.

The WASH Sector Performance Report of 2023/24 indicates that out of the 104,511 improved water supply sources, 72% were recorded as functional during the period. In terms of Water Quality Compliance, most urban water utilities perform exceptionally well, with Lilongwe Water Board (LWB) achieving 100% compliance, and others such as Northern Region Water Board (NRWB) and Blantyre Water Board (BWB) closely following at 98%. This reflects strong efforts in delivering safe drinking water to the urban population. Despite notable efforts, service coverage for all utilities remains below the 100% benchmark. This indicates gaps in water access, highlighting the need for increased infrastructure investments and expansion to underserved areas. Furthermore, high NRW rates averaged at 39.4% against the set standard rate of 25%, present significant inefficiencies in water distribution. Therefore, addressing this issue is crucial to optimize water use and enhance financial performance.

According to Water, Sanitation and Hygiene (WASH) Sector Performance Report (2025) the WASH sector faces daunting challenges in meeting its objectives. Key among them are: (a) lack of a comprehensive WASH management information system; (b) inadequate regulation of water

supply and sanitation; (c) inadequate sector financing especially from the Government of Malawi; (d) high vacancy rates at district level (e) deforestation and environmental degradation of catchment areas coupled with poor agricultural practices thereby tampering with water quality and quantity; (f) high levels of non-revenue water for both urban water utility companies and Water Users Associations at rural level; (g) vandalism of WASH infrastructures; (h) limited interference between the research institutions and WASH sector especially in dissemination of research findings; (i) lack of legal and regulatory instruments; (j) destruction of WASH infrastructures by cyclone and effects of droughts due to non-resilience to climatic shocks; and (k) lack of enhanced sector coordination and collaboration including low level of reporting by NGOs among others. The other challenge is the policy shift for water utility companies to take over the sanitation component which requires extra financing and technical expertise.

Amidst the numerous challenges, the WASH sector has also been greatly affected by Tropical Cyclone ANA, Gombe, and Freddy which caused heavy flooding in the southern part of the country. A situation analysis reports by Department of Disaster Management Affairs released in February and March 2022, indicates that collectively 405 boreholes, 206 water taps, 14 gravity fed water schemes, and 6,631 latrines were damaged by the cyclone.

2. Sector policy, strategic plan, priority areas:

a) Malawi Vision 2063 (MW2063)

MW2063 which was launched in January 2021, is a long-term development blueprint for Malawi succeeding the Vision 2020. It emphasizes on an inclusively wealthy and self-reliant Malawi where all constituencies across the country shall have the minimum level of socio- economic amenities aimed at promoting good quality life for all that include availability of clean-piped water through Enabler 5 “Human Capital Development”. MW2063 is operationalized by the first 10-year implementation Plan (MIP-1) is for the period 2021 to 2030. The MIP-1 has identified priority areas under the key pillars which will set Malawi on a path to actualize MW2063. MIP-1 aims to reach 100% coverage of water supply and safely managed sanitation services by 2030.

b) Malawi Water Resource Act (2013)

The Water sector is also guided by a Water Resources Act, 2013 that mainly focuses on the management, conservation, use and control of water resources. The Act is under review to address changing scenarios in the sector.

c) Malawi Water Sector Investment Plan (MWSIP) (2016-2030)

The MWSIP provides an Asset Plan and associated Funding Plan for the water and sanitation sector. The aim is to maximize the benefits of expanding access to improved water and sanitation services to the country, while being financeable.

d) The National Water Policy (2023)

The National Water Policy outlines the policy direction and strategies on how best to tackle challenges facing the water resources in an integrated manner to effectively contribute towards Malawi National Development Agenda 2063, the 2030 Sustainable Development Goals, and African Union Agenda 2063.

e) National Sanitation Policy (2006)

The objective of the National Sanitation Policy, 2006 is a to ensure the promotion and implementation of activities and research into hygiene, sanitation, and solid/liquid waste disposal and recycling in Malawi.

f) The Water Works Act (1995)

There are plans to review this Act through the Lilongwe Water Supply and Sanitation Project under Lilongwe Water Board being funded by the World Bank.

g) The Malawi Climate Resilient WASH Financing Strategy (2022 – 2032)

This is a strategic document developed to ensure the achievement of WASH sector targets envisioned in the MIP-1 and Malawi 2063, by closing the financial gap Malawi is facing.

3. Donor activities and commitments:

To support the achievement of SDG6, development partners, NGOs in collaboration with the Ministry are implementing various water related interventions notably:

i. **The African Development Bank (AfDB)**:

a. **Malawi Rumphi Water and Sanitation Services Improvement Project (2023 to 2026)**
This is also implemented under Northern Region Water Board (NRWB) with a grant of USD23million from AfDB and the Government of Malawi is contributing USD2.6 million. The activities included resilient water supply infrastructure development, promotion of resilient sanitation infrastructure, institutional capacity building and project management.

ii. **The World Bank**:

a. **The Blantyre Water and Sanitation Project (BWSP: June 2023-December 2028)**
The USD145 million project is expected to directly benefit over 500,000 residents in the Blantyre metropolitan area with improved water and sanitation services because of rehabilitation and upgrade of the water and sewerage infrastructure and solid waste management upgrades, including the construction of a new landfill, and improved collection services. The sewerage upgrades will reduce environmental pollution in the peri-urban areas where the poorer reside and river streams that are an important source of water for multiple uses in the city.

b. Lilongwe-Salima Water Project (LSWP)

The USD315 million project aims at developing climate resilient infrastructure to abstract and treat 100 million litres of water from Lake Malawi to Salima, Dowa and Lilongwe districts. The project was initiated in 2025 but due to delays in accessing private sector funding, however, it is expected to be fully completed early 2027 and it aims to support 1.5 million households with clean, safe and portable water.

c. Malawi Watershed Service Improvement Service (MWASIP: 2020-2026)

This is a multi-sectoral 6-year project being implemented in Neno, Ntcheu, Zomba, Blantyre, Machinga, Mangochi and Balaka Districts with a total budget of USD160 million. The Project objective is to increase the adoption of sustainable landscape management practices and improving watershed services in the targeted watersheds.

d. Malawi Resilience and Disaster Risk Management Project (MRDRMP)

The project focused on reconstruction and recovery efforts within 15 districts affected by both the 2016 drought and 2019 flood events. The project was funded with International Development Association grant of USD20 million under IDA Grant and credit of USD60 million towards post disaster resilience investments.

e. Southern Africa Development Community-Ground Water Management Institute (SADC-GMI)

Commenced in 2025 with the objective of the project is collaborated with Member States to promote sustainable groundwater management and design solutions to groundwater challenges in the SADC region through building capacity interventions, training, research, supporting infrastructure development, and enabling dialogue and exchange of groundwater information. In Malawi, the project aims to pilot managed aquifer recharge in selected hydro-geologically difficult areas of the central region with USD 213,400.00 grant.

iii. Other active partners in the sector include UNICEF, Embassy of Ireland, UNHCR, European Union, Water for People, Water Aid, United Purpose, World Vision, WESNET, FAO and Engineers without Boarders.

4. Budget situation:

The WASH budget increased by 39% from MK205 Billion in 2024/25 to MK285 billion in 2025/26 (WASH JSR 2025). However, it was observed that real financing still falls short of the required amount to meet the sector's needs. Additionally, despite the decentralization drive, some social sector areas remain heavily underfunded at district level. For instance, WASH budgets are largely centralized, with only 1% devolved to Local Councils. Central government transfers for the water sector declined in real terms as allocations to the Water Fund (Construction of Water

Structures) have remained constant at MK2.3 billion over the past five years. While the water sector ORT budget for 2025/26 increased by 22 per cent in nominal terms, compared to 2024/25, allocations have stagnated in real terms, considering the average fiscal year inflation for 2025/26 of 22.3 per cent (UNICEF National Budget Brief 2025/26).

5. Dialogue structure of the sector:

The main dialogue structures include Development Partners' meetings (DP WASH), and the Joint Sector Review (JSR) meetings. The JSR collaboration spans from design to implementation and review of programs guided by a well-structured arrangement supported by the guidelines under the Malawi 2063 Agenda through the through Enabler 5 "Human Capital Development" Coordination Group.

B. JICA's Position

1. History of JICA's cooperation, and major outcomes:

JICA has been assisting WASH Sector through Grant Aid (GA) and Technical Cooperation (TC) projects in the areas as shown below:

I. Water Resource Management

- ✓ (TC) Expert in Water Resource Advisor (2009 Apr - 2011 May)
- ✓ (TC) Expert in Water Resource Advisor (Phase2) (2016 Jan - 2019 Jan)
- ✓ **(Study) The Project for National Water Resources Master Plan (2012 Mar - 2014 Sep). Outcome:** Assisted Ministry of Water officials in the preparation of National Water Resources Master Plan and distribution of the Master Plan.
- ✓ (GA) -The Project for Groundwater Development in Mwanza and Neno (2011 Jan signed)

II. Urban Water Supply

- ✓ (TC) Japan Overseas Corporation Volunteers from Yokohama Water Works Bureau to BWB (FY2014 - FY2019)
- ✓ (GA) - The Project for the Improvement of Equipment for Non-revenue Water Reduction in Lilongwe (2018 Mar signed)
- ✓ **(TC)- The Project for Strengthening the Capacity of Non-revenue Water Reduction for Lilongwe Water Board (LISCAP:2019 Jun - 2024 Dec). Outcome:** Enhanced planning, implementation and knowledge and skills sharing capacity for NRW reduction inside LWB and outside LWB achieved through National Water Workshops, Executive Forum, and Water Utility Regional Partnerships.
- ✓ **(Study) Data Collection Survey on Through Management Improvement Support Based on Cluster Strategy for Supporting the Growth of Water Utilities (Oct 2024 to Feb 2025). Outcome:** This is a part of the JICA Global Agenda to tackle the

increasingly complex development challenges. In the water sector, the cluster strategy for "Supporting the Growth of Water Utilities" was formulated under the JGA "Sustainable Water Resources Management and Water Supply." In Malawi the survey focused on BWB and LWB and through the study, it was discovered that to contribute to addressing development challenges including SDG Goal 6, it is necessary to analyse the factors hindering their growth, categorize the issues, and organize approaches for each issue, thereby making it possible to more effectively enhance the impact of development.

III. Rural Water Supply

- ✓ **(GA) – The Project for Construction and Rehabilitation of Boreholes (1987 to 2013). Outcome:** Around 1,700 boreholes were constructed and rehabilitated including provision of drilling equipment and accessories across Malawi resulting in reduction of water problems.
- ✓ **(GA) -The Project for Selected Market Centres and Rural Water Supply in Mchinji and Kasungu District (2012 Aug signed). Outcome:** The project introduced reticulated water supply in selected areas.
- ✓ (TC) - **The Project for Enhancement of Operations and Maintenance for Rural Water Supply (July 2011 Jul – July 2015). Outcome:** Establishment and training of Water Points Committees (WPC) in O&M including preventive and operational maintenance to avoid frequent breakdown. However, results of ex-post evaluation for the project in 2019 revealed that maintenance was still a problem due to several reasons including lack of commitment by the WPCs to mobilise maintenance funds and lack of trust by the community in the WPCs on fund management.

IV. WASH

- ✓ (TC) The Project for Formulation of Resilient Water, Sanitation and Hygiene (WASH) Implementation Plan Against WASH related Diseases and Floods **(**April 2025 - February 2028)

In addition to the projects' summary above the Japan Overseas Cooperation Volunteers (JOCV) have been in existence in Malawi since 1971. To date, over about 1950 volunteers have been dispatched to support in various fields of development such as water, education, health, forestry, agriculture, etc. The presence of JOCV in water sector has helped to strengthen the capacity of the counterparts mainly in water utilities such as LWB and BWB. The sector has also benefitted in capacity building through short term trainings in Japan and Third countries like Kenya through JICA's supported Knowledge Co-Creation Program (KCCP).

2. Lessons learned:

Through the implementation of various projects in the sector, it has been observed that for continued and sustained results, (i) continuous engagement of the government from the onset of the project formulation is key in ascertaining ownership and sustainability ; (ii) counterparts capacity building is very vital to sustain the transferred expertise; (iii) GA equipment must be thoroughly considered to ensure they are user friendly in the recipient country; and knowledge sharing among relevant stakeholders would yield more and greater results beyond the project's expected outcome. However, close monitoring and follow up support if the resources are available is necessary.

3. JICA Cooperation Assets:

O&M manuals for boreholes including capacity building to communities which remain the blueprint in the water supply-subsector for O&M of boreholes.

- **i.** Grant Aid for Lilongwe Water Board Non-Revenue Water Reduction Equipment: provision of equipment for pipe installation, leak management (including the leak detection training yard), and backup power generation (backup generator) has greatly enhanced the TC component of the project, given hands on experience to NRW officers and enhanced LWB's response to reported leakages.
- **ii.** Capacity building in non-revenue water reduction which has been adopted by all water utilities in Malawi and the adoption of the National Water Workshops adopted by the MoWS beyond the LISCAP Project. Through this program CRWB developed a standalone department on NRW management and all water utilities set KPIs to enhance reduction of NRW.
- **iii.** The District Management Areas (DMA) approach under the LISCAP project was also adopted by the World Bank in the Lilongwe Water Supply and Sanitation Project.
- **iv.** Continuation of the Water Family through Water Regional Utility Partnerships and Executive Forum are being embraced beyond LISCAP project and feeding into the National Water Workshops.

As of November 2025

JICA WASH Cooperation in Malawi

■ Rural Water Supply: Drilled approx. 1,700 bore halls. Contributed to increasing access to safe water from 36% (1990) to 89% (2015).
■ Rural Water Supply: Developed Bore Halls O&M, manuals, and guidelines. These are still in use.
■ Market Center Water Supply: Constructed new piped water supply and public tap facilities in Mukanda, Mchinji, Sante, Kasungu.
■ Water Resource Management: Developed Master Plans, and supported through JICA Expert on improving the accuracy of monitoring data.
■ Urban Water Supply: Implemented NRW reduction projects in Lilongwe and Blantyre (Yokohama City Waterworks Bureau).
■ WASH: Commenced the **Formulation of Resilient WASH Implementation Plan Against WASH Related Diseases and Flood, since April, 2025, with Sanitation Department and other Ministries, Districts**

	Project Name	Period	Main Achievements
Rural	Groundwater Development in North Kwinga(G)	1987-1990	164 wells
	Mchinji Groundwater Development (G)	1992-1995	300 wells
	Muzimba West Area Water Supply (G)	1997-2000	300 wells
	Lilongwe-Dedza Groundwater Development (G)	2001-2004	177 wells
	Lilongwe West District Groundwater Development (G)	2005-2008	296 wells
	Groundwater Development (Mwanza Neno) (G)	2011-2013	120 wells
Resource	Water Resources Advisor (Expert)	2008-2011	
Rural	Local Water Supply Operation and Maintenance (T)	2011-2015	Well O&M Framework Development
Resource	Water Resources Master Plan Development (T)	2011-2014	National Water Resources M/P
Market	Midwest Regional Water Supply Plan in Mkanda, Sante, Mchinji, (G)	2012-2016	Market Center Water Supply Facilities, Well Rehabilitation (200 Wells)
Urban	Yokohama City Waterworks Bureau Volunteer in Blantyre	2014-2019	Strengthening NRW Management Capacity
Resource	Water Resources Advisor (Expert)	2016-2019	Promotion of Water Resources M/P Implementation, Strengthening Water Resources Data, O&M Maintenance Follow-up
Urban	Lilongwe City Unaccounted-for Water Reduction Capacity Building Plan (G)	2018-	Strengthening Unaccounted-for Water Management Capacity
	Lilongwe City NRW Reduction Capacity Building (T)	2019 - 2024	Unaccounted-for Water Measures, Strengthening Inter-Utility Coordination
Rural & Sanitation	**Formulation of Resilient WASH Implementation Plan Against WASH Related Diseases and Flood**	2025-2027	Development Surveys, Water and Sanitation Facility Development, and Multi-Sector Cooperation with Health, Disaster Prevention, Climate Change, etc.

4. Comparative advantage of JICA:

Through its support in grant and technical cooperation which enhances sustainability of interventions and having worked in the water sector consistently for a long time, JICA has acquired a lot of experience and rich knowledge that can be used to assist the sector. JICA also supports partnering countries with capacity building programs both long-term on Water Engineering Future Utility Leaders' Master's Degree programs and other short-term programs.

5. TICAD Process: During the Tokyo International Conference for African Development (TICAD) 9 held in August 2025, under the theme of "Co-Create Innovative Solutions," Japan commits to work together with Africa to create solutions to the various challenges facing the continent while leveraging Japan's technology and expertise. The water sector will mainly benefit JICA's support through economic diversification through strengthening industrial ecosystems, support flood countermeasures and water resources management through Policy and Human Resource Development Grant (PHRDG) and improving water supply services through mutual exchange among 3,000 people in the "Water Family" (water related personnel) in Africa and Japan.

6. Possible Areas of Future Cooperation: Japan's Country Development Cooperation Policy for Malawi focuses on among others 'improvement of basic social services because the foundation for economic growth will be strengthened by improving basic social services such as water and sanitation by enhancing effective and efficient operations of water utilities and enhancing sector resilience against climatic shocks. JICA will also consider continuing engaging water utilities in Malawi other water utilities within the Sub-Saharan Africa region to strengthen regional cooperation and mutual leaning and enhance efforts towards NRW reduction through the Water Utility Regional Partnerships and the Executive Forum.