



**INVESTING IN
INFRASTRUCTURE**



Infrastructure For Economic Growth

8. Investing in Infrastructure

OUR AIM

The UDF government knows that Malawian's development depends on an effective infrastructure system that guarantees clean water, a working transportation system, adequate energy supply and improved communication. While tremendous strides have been made by the UDF government in some areas such as drilling of boreholes, road construction, and telecommunication networks, other areas are lagging behind.

One major problem is the power supply system which has become very unreliable. The next UDF government will work very hard to find alternatives to the hydroelectric base on the Shire River. Furthermore, the UDF has discovered that connection charges are making electricity unaffordable to a large part of the Malawian society. The UDF will ensure that the number of people using electricity is increased by regulating connection fees and expanding the rural electrification program.

WHAT WE PLEDGED

The 1994 and 1999 UDF Manifestos both pledged continued investment in infrastructure in order to improve transport networks supply adequate energy, drinking water, sanitation services as well as introduce advanced communication. UDF promised to liberate and deregulate the public transport and the communications system to achieve greater competition and efficiency.

OUR ACHIEVEMENTS

Energy

- The UDF government established the National Electricity Council which is enforcing acceptable standards in the power sector.
- The Electricity Supply Commission has expanded service provision to some rural areas in the country. The rural electrification program has resulted in tremendous improvements in economic activity and delivery of social services.

Water and Sanitation

- The UDF government has drilled a record number of boreholes since taking over government in 1994. Access to clean water in rural communities has improved

- The government developed and implemented a new Water Resources Policy.
- UDF rehabilitated and augmented the size of old gravity fed piped water supply schemes and expanded many district urban water supply schemes.
- The UDF government is promoting private sector and community involvement in rainwater harvesting. Examples of private sector involvement in protecting and rehabilitating catchment areas include Lunyangwa Dam in Mzuzu, the Chitete Dam in Kasungu and Mulunguzi Dam in Zomba.
- The UDF government established three Regional Water Boards in addition to Blantyre Water Board and Lilongwe Water Board. The restructuring has resulted in improvements in clean water supply in urban areas.

Transport

- The UDF government established a Road Traffic Act in 1997 which is now being effectively enforced.
- The government is in the process of developing systems that will reduce road accidents and road safety



- Bilateral road transport agreements were signed between Malawi, South Africa, Zimbabwe, and Tanzania. International shipping services were also introduced between Malawi and Tanzania.
- Development and rehabilitation of the Nacala Corridor is underway. The plan is to privatize the use of the deep water port of Nacala and the railway line for Malawi's export traffic. Within this context, a Nacala Corridor Investors Conference was successfully convened in early 2003.
- Concessioning of Malawi Railways Limited and Malawi Lake Services Limited to the private sector has been accomplished.
- Involvement of the private sector in the provision of transport services was introduced. As a result minibuses have become a major source of transport.
- The government has established a National Roads Authority.
- The UDF has implemented major road projects including the Ntaja - Mangochi - Machinga road; the Karonga - Chiweta - Chitipa road; and the Nkhota-kota - Dowa - Ntchisi road. Plans are in place to construct the Phalombe -Mloza road.
- The government has constructed the Dwambazi and Mangochi bridges in addition to numerous smaller bridges under the MASAF program.
- In Blantyre, new cable networks and modern telephone switches have replaced old equipment.
- New telecommunications equipment was introduced in Thyolo, Mulanje, Phalombe, Chikwawa and Nsanje. A project is underway to bring new telecommunications equipment to the lakeshore.
- A community phones project has begun, targeting rural places like Masenjere, Malombe, Chowe, Kachulu, Dwambazi, Enukwani, Mzenga, Chenda, Lifiridzi and Njolomole.
- In the Northern Region, installation of modern equipment in Mzuzu and the sub-urban areas of Katawa and Luwinga has taken place.
- The Malawi Telecommunications Limited introduced high speed digital data leased line network, offering service for data speeds of 64 kbit/s and 128 kbit/s.
- The efficient telecommunications infrastructure has improved quality and speed, creating an environment for the introduction of 10 internet service providers, auto teller machines by commercial banks, Malswitch by the Reserve Bank of Malawi, and local and wide area networks linking up computers all over the country and internationally.

Communications

- Malawi Telecommunications Limited was delinked from Malawi Posts Corporation. This has motivated each organization to initiate efficiencies in order to survive.
- Under the Telecommunications II Project, modern equipment was installed to replace old equipment in Lilongwe (International Airport) and Nkhotakota (Dwangwa).

THE CHALLENGES:

Power

- Hydro-electricity is based on the Shire River at present. Its vulnerability was exposed in March 2003 when there was a mechanical breakdown at one of the generating plants. It is therefore important that the next UDF government diversifies sources of power to avoid future blackouts which took a toll on the economy.

- There is need to explore more cost effective sources of power than hydro-electricity, in order to reach a large number of consumers. Connection charges make power unaffordable to a large part of rural Malawi.

Water and Sanitation

- Despite major improvements in the provision of clean water by the UDF government, problems of access to piped water in areas not serviced by the Regional water boards continues to prevail. It therefore remains a challenge for the UDF government to make clean water accessible to all Malawians.

Transport

- Road maintenance remains a challenge due to competing demands on the national budget. There is need to continue investing in road maintenance and constructing more feeder roads in rural areas to improve access to markets by small holder farmers.
- Safety on the Malawi roads is still a challenge. The proliferation of minibuses and a major source of affordable transportation has exacerbated the number of road accidents. The UDF government is faced with the challenge of enforcing road safety rules and regulations in order to make the roads safer.

Communications

- Until 1999, most telecommunications infrastructure was restricted to urban areas only. Rural areas now have access to telephones and other communication amenities. The challenge for the UDF government is to sustain and maintain the rural infrastructure while reducing the costs to low income groups. Successful privatization of telecommunications services demands immediate attention.

OUR COMMITMENT

Building on its previous innovations, the UDF aims to achieve fundamental improvement in infrastructure that enables ordinary citizens live comfortably while at the same time allowing businesses to produce and trade efficiently.

The UDF government will allocate substantial resources towards road construction and maintenance to improve the quality of infrastructure. The government will also aim to implement measures to enhance the competitiveness and functioning of the transport and communications sector. Among other things, this will include completion of the privatisation of key utilities in communications, power distribution and transport.

Having completed the task of identifying under-utilised or neglected assets in the public sector, under this manifesto the UDF will embark on the task of facilitating the optimisation of their usage in the private sector.

The UDF will also create institutional arrangements for effective regulation of utilities to ensure business and consumer interests are protected. The UDF will also negotiate further funding for infrastructure development, consolidate involvement of private sector in infrastructure maintenance, and ensure proper management of public/private investment.

Having developed the national policy on information technology, the UDF will under this manifesto aim to improve Information, Communications and Technology (ICT) infrastructure and explore how greater use of ICT can be encouraged in the private and public sectors.

OUR PLEDGES

The next UDF Government will:

Power

- Increase power connections in line with the programme undertaken by



the Electricity Supply Corporation of Malawi (ESCOM).

- Expand the rural electrification programme, where many rural trading centers, schools, health centers and households have been connected to hydroelectric power supply.
- Promote the development of hydroelectric power stations on rivers other than the Shire, to ensure long-term availability and sustainability of supply.
- Encourage the development of non-hydro-electric power, to complement the available supply. This includes power from the sun, coal etc.
- Work towards making connection fees affordable to the majority of Malawians to increase the number of people using electricity.
- Intensify public awareness against environmental degradation particularly of riverbanks, for long-term sustainability of hydroelectric generating capacity.

Water

- Ensure that more than 80 per cent of the people in Malawi have access to potable water. This will be done through drilling more boreholes, constructing gravity piped water supply and expanding existing water supplies in the urban areas.
- Construct more small and medium sized community dams for the purpose of conserving water. The water can be used for livestock, irrigation, drinking, and recreation. Since 1999 more than 130 such dams have been constructed.
- Encourage investment in new water supply infrastructure and rehabilitation of existing infrastructure. Within this context, every effort will be made to source funding for implementation of

programmes to expand the capacity of Lilongwe and Blantyre Water Boards for example, in order for them to meet water demand over the next 10 years.

- Ensure enactment of the new Water Resources Act that will facilitate the implementation of the new Water Resources Policy.

Transport

- Invest extensively in the rehabilitation of roads as well as replacing bridges including the Kasangadzi, Liwaladzi and Kalwe on the Nkhotakota/Nkhatabay road.
- Implement the following new projects:
 - Road Safety Project, to develop a road accidents database.
 - Road shuttle service, to provide trucking capacity between Mbeya and Chilumba in order to facilitate transshipment of breakbulk and liquid cargo between these two destinations.
 - Rehabilitation of the Lilongwe International Airport Runway.
 - Rehabilitation and modernization of the Aeronautical, Telecommunication, Navigation Aids and Meteorological facilities.

Communications

- Implement a new Rural Telecommunications Policy, which will facilitate better the provision of services in rural areas.
- Expand the coverage of Television Malawi countrywide.
- Enable the Malawi Broadcasting Corporation to install new transmitters in order to expand its coverage.