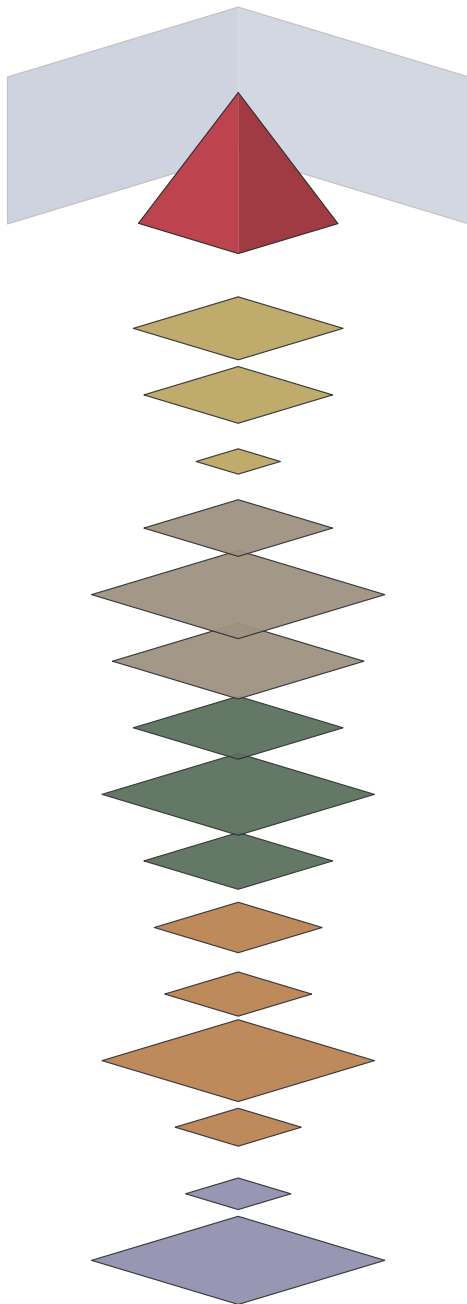




MALAWI



4.48 CRIMINALITY SCORE

40th of 54 African countries
6th of 13 Southern African countries



CRIMINAL MARKETS **4.77**

HUMAN TRAFFICKING	5
HUMAN SMUGGLING	4.5
EXTORTION & PROTECTION RACKETEERING	2
ARMS TRAFFICKING	4.5
TRADE IN COUNTERFEIT GOODS	7
ILLICIT TRADE IN EXCISABLE GOODS	6
FLORA CRIMES	5
FAUNA CRIMES	6.5
NON-RENEWABLE RESOURCE CRIMES	4.5
HEROIN TRADE	4
COCAINE TRADE	3.5
CANNABIS TRADE	6.5
SYNTHETIC DRUG TRADE	3
CYBER-DEPENDENT CRIMES	2.5
FINANCIAL CRIMES	7



CRIMINAL ACTORS **4.2**

MAFIA-STYLE GROUPS	2
CRIMINAL NETWORKS	4.5
STATE-EMBEDDED ACTORS	4
FOREIGN ACTORS	5.5
PRIVATE SECTOR ACTORS	5.5

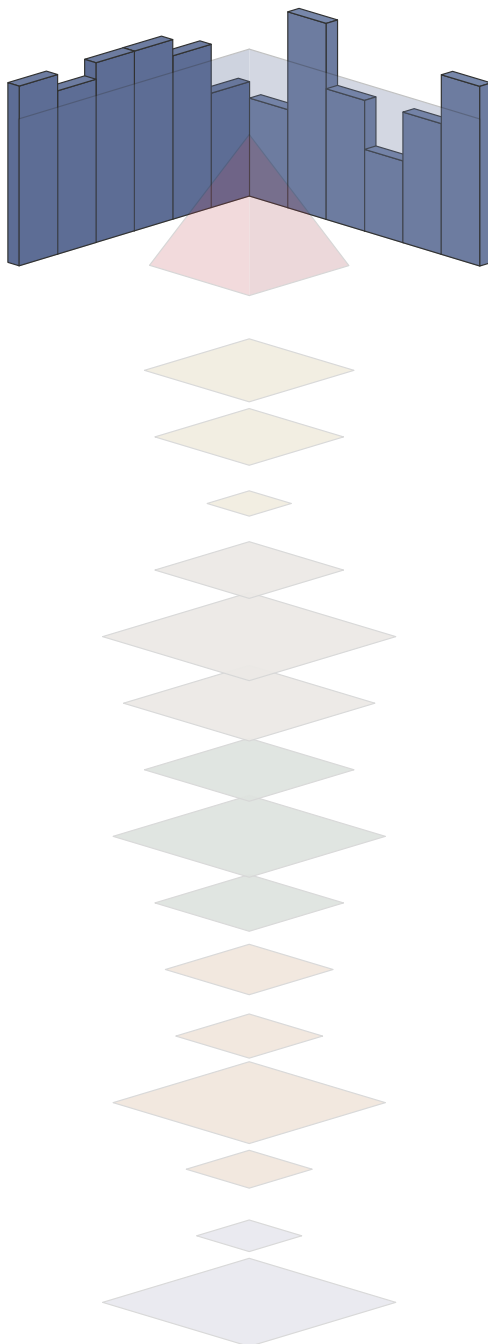


4.58 RESILIENCE SCORE





MALAWI



4.58 RESILIENCE SCORE

16th of 54 African countries
5th of 13 Southern African countries

POLITICAL LEADERSHIP AND GOVERNANCE	5.5
GOVERNMENT TRANSPARENCY AND ACCOUNTABILITY	5
INTERNATIONAL COOPERATION	5.5
NATIONAL POLICIES AND LAWS	5.5
JUDICIAL SYSTEM AND DETENTION	5
LAW ENFORCEMENT	3.5
TERRITORIAL INTEGRITY	3
ANTI-MONEY LAUNDERING	6
ECONOMIC REGULATORY CAPACITY	4
VICTIM AND WITNESS SUPPORT	2.5
PREVENTION	4
NON-STATE ACTORS	5.5

4.48 CRIMINALITY SCORE

CRIMINAL MARKETS	4.77
CRIMINAL ACTORS	4.2



CRIMINALITY

Criminal Markets

PEOPLE

Human trafficking is a growing problem in Malawi, with an increasing number of people being exploited for forced labour and sex trafficking. Although there is limited data on the scale of this crime, reports suggest that the country is a significant route for human trafficking in the South African region. Most victims are exploited within the country, with forced labour in agriculture, brickmaking and animal herding being the most common forms of exploitation. Child labour is also prevalent, with traffickers luring children from rural areas under false pretenses and subjecting them to physical or sexual abuse. Refugee camps are also a key area for traffickers to exploit men in forced labour, and women and girls in sex trafficking. Traffickers primarily target adults and children for labour and sex trafficking, from neighbouring countries – Mozambique and Zambia, for instance – and the Great Lakes region, as well as the Horn of Africa and Nepal. To avoid detection, traffickers increasingly use smaller, less obvious transportation methods, such as bicycles and motorbikes, to transport potential victims. The human trafficking market in Malawi has enriched criminal groups and increased funding for other illegal markets, including trafficking in narcotics and arms.

Human smuggling has also become increasingly prevalent in Malawi, with this driven by corrupt public officials, a weak legal system, poverty, conflict and unemployment. The country is a transit point for smuggled individuals heading to South Africa and other countries along the southern route. The COVID-19 pandemic did not curb the movement of people fleeing conflict and dangerous living conditions, leading to an increase in smuggling. There is also evidence of human smuggling routes overlapping with human trafficking routes, with foreign nationals being smuggled into Malawi and incurring debts in refugee camps. Highly organized and sophisticated smuggling operations have established networks along the borders, and Malawians are also being smuggled to and from South Africa without proper travel documents. Malawi's laws are silent on human smuggling, making it a low-risk country for smugglers. Overall, there is no evidence to indicate widespread extortion and protection racketeering in Malawi, despite some anecdotal individual cases.

TRADE

Arms trafficking is not a major illicit market in Malawi. However, the country is still vulnerable to trafficking routes due to the lack of border control and its proximity to other countries immersed in wars. Asylum seekers from the war-torn countries of the Great Lakes region and the Horn of Africa enter Malawi with guns and ammunition, resulting in the illegal possession of firearms being a major cause of recent gun violence and gun-related crimes in the country. For the last two decades Malawi has been used for the smuggling of illicit arms from Mozambique through its territory so as to provide weapons to the al-Shabaab terrorist group. However, the use of this route has gradually declined since 2010.

Counterfeit goods trade is prevalent in Malawi, encompassing a wide range of counterfeit products such as pharmaceuticals and textile goods. This illicit trade flourishes in the country, driven by significant local demand, largely stemming from low-income conditions. The government has also acknowledged that counterfeit fertilizers are being supplied to farmers in the country. In the case of fertilizers, fraudulent activity has mainly taken the form of mislabeled or underweight products, adulterated genuine products diluted with fillers, and inferior look-alike products that attempt to imitate genuine brands. Southern African organized crime groups are becoming increasingly involved in dealing in counterfeit products in Malawi, particularly pharmaceuticals. Counterfeit products seem to be sourced from Asian countries, with clothing, shoes, phones, cosmetics and even motor vehicle spare parts being sold in the country. Illicit trade in excise goods, more specifically contraband alcoholic beverages and tobacco products, is also common in Malawi. These products are often traded illegally and sometimes manufactured without proper labour standards. These illicit activities continue undisturbed, facilitated by corruption.

ENVIRONMENT

Flora crimes, such as illegal logging and charcoal production, pose a significant threat to Malawi's nature, society and economy. Despite efforts made by the authorities to combat these crimes, they remain prevalent due to factors such as a lack of affordable alternatives to the use of charcoal, poor funding for prevention strategies, political will and corruption. Malawi has been identified as being at high-risk in relation to the illicit logging trade, with forest reserves being used for illegal



charcoal production by organized criminal groups. Lack of armed patrols and corruption has enabled unlawful timber harvesters to operate with impunity. Between 2001 and 2022, Malawi lost about 15% of its tree cover.

Fauna crimes in Malawi are also a significant problem, with organized criminal networks involved in the poaching and trafficking of elephants for ivory, as well as other illicit wildlife products. Despite efforts to improve legislation on the trade in wildlife, Malawi is still a hub for global wildlife trafficking, particularly for pangolin scales. Highly organized networks with substantial capacity and assistance from corrupt officials are involved in this illegal trade. Malawian authorities have made significant efforts to counter fauna crime within the country, particularly in national parks and game reserves, but wildlife trafficking continues to occur. The continued flow of illicit wildlife trafficking through Malawi to Asian countries by air is a particular concern, with smuggled body parts and live animals seized by customs officials.

Non-renewable resource crimes are on the rise in Malawi, with illegal mining of precious minerals such as gold being another major concern. These unregulated mines are slowly developing into more organized ventures, opening up possibilities for criminal networks. While most of these mining practices are carried out by artisanal and small-scale gold miners, foreign actors and some foreign companies have also been found exploiting minerals in Malawi without permission. Most of the illegal gold and minerals are sold locally or smuggled to neighbouring countries, including Tanzania and Zambia. Lack of control over borders, mining exploitation and corruption appear to be the reasons why these practices are still happening in the country. Extracted rubies and other high-valued gemstones from Mozambique are smuggled into Malawi for the purpose of obtaining official paperwork claiming the gems to be Malawian-mined.

DRUGS

Malawi's porous borders, high volumes of human and refugee smuggling, and lax enforcement make it an attractive route for drug traffickers. The country serves as a transit point for the heroin trade, moving from East Africa to southern and western Africa. The overland transit of heroin exploits these borders, moving from Mozambique through Malawi to South Africa and Eswatini. Although the market is not negligible, it is not yet a significant threat to Malawi's society or economy. Conversely, the market and trade in cocaine remains small comparatively, but it does appear to be growing due to local demand, especially among youth. This is, in part, due to the country's position as a transit hub

for drugs from Mozambique to Europe or Asia by air. The cannabis trade is thriving and has been thriving for decades in Malawi, with traders operating in local townships, affluent suburbs and at social events. The passing of a law legalizing cultivation and processing of cannabis for industrial and medicinal purposes has seemingly led to increased production. This is partly due to a misunderstanding of the law by ordinary people. Cannabis is the most consumed – and seized – drug in Malawi. Easier and more profitable production, combined with a lack of legislation and enforcement, may result in an even bigger market for cannabis in the country. The synthetic drug trade in Malawi has been growing in recent years, largely focused on methamphetamine. Although there has never been massive use of this drug in Malawi and the country has never been considered a hub for methamphetamine trafficking, new data from the last two years show that this market is allegedly expanding. Nevertheless, the current methamphetamine supply appears to be limited geographically in its distribution and difficult to acquire regularly. It is alleged to originate from production points in Mozambique, although no corroborating evidence of this origin and flow could be found. However, there have been cases of Malawians being arrested for attempting to smuggle drugs out of the country, indicating the possibility of Malawi becoming a source of methamphetamine for other nations. Foreign nationals, primarily West Africans, are believed to be influential in the spread of synthetic drug use and production in the country. Local synthetic drugs such as 'Bars' are increasingly being abused by Malawian youth.

CYBER-DEPENDENT CRIMES

Cyber-dependent crimes are not common in Malawi, with only sporadic and anecdotal cases of cyber-attacks against independent news sites or individuals being reported.

FINANCIAL CRIMES

Financial crimes are rampant in Malawi, where financial fraud and tax evasion are prominent offences. Mobile fraud is on the rise, causing the country to lose millions of Malawian kwachas each month. Corruption in public procurement and bribery are also significant concerns, with recent high-profile arrests of former ministers and a former governor of the Reserve Bank on suspicion of fraud and abuse of power. Tax evasion is also a significant issue, with defaulting taxpayers owing at least a trillion Malawian kwachas in accumulated uncollected taxes over the past decade.



Criminal Actors

Due to its position as a transit hub for organized crime, foreign actors are carrying out various criminal activities in Malawi. Chinese and Sri Lankan nationals have been caught laundering money from illegal activities related to wildlife trafficking, while West African nationals are involved in the gemstones trafficking trade through Malawi and Mozambique. Middlemen from Nigeria, China and India are also involved in the illicit trade of precious minerals. Foreign actors are also involved in human trafficking and smuggling, collaborating with Malawians to lure young girls and women with false promises of better jobs in the Middle East.

Although there is an increasing political willingness to tackle organized crime, corruption by different state actors is still ongoing in Malawi. Corruption involving state actors at all levels is a priority concern, especially among justice and security agencies. Officials from all of the main security agencies continue to be implicated in high-profile cases involving the loss of huge amounts

of government funds. Corruption cases involving state actors have also been found to be related to the illicit logging trade, awarding licenses for illicit mining purposes, buying illegal gold and wildlife crimes. The private sector is also involved in the illegal charcoal trade, and counterfeit and excise goods crimes, such as tobacco product smuggling, fertilizer counterfeiting and water counterfeiting. The banking and communication sectors play a key role in enabling the flow of money between these activities using mobile money services.

There is little evidence of mafia-style groups operating in Malawi. However, smaller, local criminal networks are believed to be highly structured, using similar routes for their poly-trafficking activities, including human smuggling, human trafficking, wildlife trade, illegal mining of minerals and drug trafficking. Human trafficking and smuggling networks operate in Malawi, using routes from north to south to transport individuals from Ethiopia to South Africa. Organized criminal networks also smuggle illegal goods from Malawi into Asia, the Middle East and Europe.

RESILIENCE

LEADERSHIP AND GOVERNANCE

There is political will to combat organized crime, particularly human trafficking and wildlife crime, but more needs to be done by the government to improve the effectiveness of its anti-organized-crime measures. The government has a development plan aimed at effective and efficient governance systems and institutions adhering to the rule of law to deal with organized crimes. However, more political leadership is required to improve Malawi's overall resilience framework, as governance is still weak and the state fragile. The country faces significant corruption challenges intertwined with organized crime, especially wildlife trafficking. While the government has established an anti-corruption agency to tackle the issue, some civil society groups accuse it of being ineffective and politically compromised. Budgetary transparency also remains a significant issue, with no budgetary reports being produced by public institutions. The government has, nonetheless, demonstrated its commitment to transparency and accountability by training civil society organizations to monitor public deals, as well as investigating and prosecuting criminals for corruption and related offences. In 2022, after facing a revolt over

perceived failure to crack down on corruption within the government, President Lazarus Chakwera dissolved his Cabinet due to graft charges against three ministers.

Malawi has shown commitment to international cooperation in combatting organized crime, particularly in human trafficking and wildlife crime. However, areas for improvement remain, such as ratifying the Arms Trade Treaty. While Malawi has passed six laws covering seven crime types related to organized crime, there is still a need to address the gap in provisions for human smuggling. The government has, additionally, announced new plans to reform its mining sector to reduce the illicit trade of precious minerals. Despite Malawi's willingness to cooperate with international partners to combat organized crime, national policies and laws fall short in responding to organized crime.

CRIMINAL JUSTICE AND SECURITY

Malawi's judiciary has demonstrated some resilience to organized crime and has improved in recent years. However, it remains largely reliant on support from its



international partners and the system is often influenced by politics and corruption. The lack of resources has resulted in case backlogs, and arbitrary arrest and detention, particularly of women and members of the LGBTQ+ community, is common. Defendants often have no recourse to legal representation and pre-trial detention periods are, in many instances, too long. However, the country is currently implementing the Malawi Judiciary Strategic Plan (MJSP) 2018-2023, which aims to strengthen the institutional framework and capacity of the judiciary, increase its public trust and provide it with adequate resources. With regard to the detention system, Malawi's prisons continue to be overcrowded, with prisoners often dying from preventable illnesses due to poor healthcare conditions.

Law enforcement in Malawi is highly ineffectual, with limited training for dealing with human trafficking victims. Reports of police brutality and misconduct against civilians are frequent, and corruption within law enforcement agencies is widespread. Nevertheless, some progress has been made in combatting organized crime, particularly wildlife crime, with international organizations providing training in the absence of sufficient funding from the Malawian government. Malawi's territorial integrity is weak. Its borders are porous, allowing for the transnational flow of organized criminal activity. As a result, Malawi is regarded as a transit country for various forms of organized crime, and criminals exploit the country's weak law enforcement to engage in criminal activity with minimal legal consequences.

ECONOMIC AND FINANCIAL ENVIRONMENT

Malawi's resilience to money laundering and terrorist financing is weak by international standards, but it is, nonetheless, one of the top five countries in Africa positioned to combat these crimes. The national financial intelligence unit has been training officials from other institutions to improve their understanding of money laundering. While Malawi has made progress, more efforts are needed to improve law enforcement agencies' control over financial flows.

Malawi is still in the early stages of a structural transformation from a low-income country reliant on rain-fed agriculture with high levels of poverty and inequality to a middle-income country based on a more diversified and inclusive economy. The economy is in poor condition and is particularly vulnerable to the impacts of climate change due to its dependence on natural resources. Although several changes have been made to develop the country's economy, a significant portion of the population still depends on agriculture.

Overall, the country's economy appears to struggle with national regulation, with national control over some economic sectors needing to be strengthened in the coming years. The mining sector has been suffering from controlling organized crime groups and individuals due to the lack of regulation in the country.

CIVIL SOCIETY AND SOCIAL PROTECTION

Although more victims of human trafficking have been identified in Malawi, their treatment has not improved, and there is still a lack of training for law enforcement and social workers on identifying, referring and providing services to trafficking victims. Sex trafficking victims, in particular, face significant barriers in accessing the justice system, and there is a need for more government support and protections. International organizations are providing support for human trafficking victims at refugee camps in Malawi, as well as training officials to report and address this crime effectively.

Malawi has established several initiatives to prevent organized crime, with a particular focus on wildlife and human trafficking. These efforts are led by both the government and international organizations, with most projects involving international cooperation through funding, training or other support. Positive developments have also engaged private sector participation, supported by legal frameworks and public awareness campaigns conducted through various media. However, despite these efforts, there is still a significant amount of work to do to prevent organized crime effectively, with institutions needing to be more involved in raising awareness.

NGOs and civil society organizations (CSOs) are working with the local government in Malawi to combat organized crime, particularly in the areas of human trafficking and wildlife crime. These organizations are working to improve people's situations, research prevention methods and provide international cooperation to help combat transnational crime. Nevertheless, CSOs face constraints, such as onerous regulations, and those deemed to support the opposition face intimidation and arrests. Many media organizations face significant financial constraints that potentially impact their editorial autonomy and hence independence. Journalists also face challenges, including physical violence, legal restrictions on speech, and arbitrary arrests. Despite these challenges, there have been positive developments in these areas, such as the launch of a project to train CSOs in monitoring public deals, and a High Court decision rejecting a request to censor newspapers covering cases of alleged corruption.

