

24 June 2016

Unanswered Questions Remain Unanswered on Oil and Gas Exploration in Malawi's Lake and Land

Most of Malawi's land and lake have been divided up into 6 exploration blocks and awarded to investors interested in prospecting our country for oil and gas. Over four months ago, on the 18 February 2016, we asked Government the following five questions on this development. We are still waiting for answers to be made publicly.

- 1. Has the Government of Malawi cancelled some of the licences and renegotiated the Production Sharing Agreements in line with the Attorney General's legal opinion?**
- 2. Are the Production Sharing Agreements signed between the oil companies and Government of Malawi available to the public?**
- 3. Why did RakGas transfer USD 235,700 to the Government and how has this money been used?**
- 4. When will the Government of Malawi review the 33-year old Petroleum (Exploration and Production) Act (1983)?**
- 5. What is the Government of Malawi's position on the World Heritage Site "Lake Malawi National Park"?**

In July this year, the 40th Session of the United Nations Educational, Scientific and Cultural Organisation (UNESCO) World Heritage Committee will take place in Istanbul, Turkey, and decisions will be made regarding the state of conservation of Lake Malawi National Park. The World Heritage Committee's position is that oil and mineral exploration and exploitation is not compatible with World Heritage Status.

Lake Malawi National Park is one of Malawi's two World Heritage Sites, recorded for its Outstanding Universal Value and role in biodiversity conservation. For Malawi, the Lake is valuable for many other reasons including transportation, aquaculture, water, tourism and irrigation. The true value of the Lake to Malawians now and in the future as well as to the neighbouring countries, Mozambique and Tanzania, is not fully understood as there is no up-to-date research available. The state of existing knowledge on the Lake's universal value and biodiversity including endemic fish species is also limited.

The Government of Malawi has awarded petroleum exploration licences over this World Heritage Site and the entire Lake and as a result, UNESCO initiated a reactive monitoring visit in March and April 2014.¹ The visit was conducted by the World Heritage Centre and the International Union for Conservation of Nature (IUCN).

Following this monitoring visit, the World Heritage Centre and Advisory Bodies concluded²

The possible long-term consequences of oil exploration and exploitation anywhere within the lake are of significant concern, with its associated risks of pollution and the potentially devastating impact this could have on the ecology of this unique evolutionary system. It is especially important to note that due to the size and great depth of the lake combined with its relatively small catchment and annual through-flows, any pollution would take a very long time to be flushed out of the lake, increasing the likelihood of permanent ecological damage should an accidental oil spill or other pollution occur.

A couple of months after the monitoring visit, the World Heritage Committee at the 38th Session in Doha, Qatar, 2014, in Decision 38COM7B.92³

- Urged the State Party to cancel the oil exploitation permit which overlaps with the property and reiterated its position that oil, gas and mineral exploration and exploitation are incompatible with World Heritage status
- Called on Surestream [majority shareholder now Hamra Oil] and RAKGAS, who have been awarded oil exploration concessions on the lake, to make a commitment to not exploit nor explore for oil or gas in World Heritage properties

The Government of Malawi was given over a year, until 1 December 2015, to submit an updated report, including a 1-page executive summary, on the state of conservation of the property and the implementation of the decision, for examination by the World Heritage Committee at its 40th session in 2016.

On 3 December 2015, the Government of Malawi sent a letter⁴ instead of a report to the UNESCO World Heritage Centre. In summary, the letter signed by the Principal Secretary for Sports and Culture indicated that

- Malawi remains committed to conservation and the country's secretariat, the Department of Culture, "facilitated a number of meetings with all stakeholders" to inform about the decision and solicit views and support.
- A joint ministerial committee was put in place to develop and submit a cabinet paper advising on the World Heritage Committee's decision.
- The issue of oil exploration started under a different government and as a result the Government needs "time to assess the issue and the consequences of its decision".
- The property's management plan is being developed and at an advanced stage.

On 18 January 2016, the World Heritage Centre wrote to the Malawi Government to seek clarification on whether Malawi will submit a detailed, required state of conservation report for the 40th Session to be held next month and asked for clarification on Malawi press reports on oil and gas exploration in Lake Malawi. The Government of Malawi did not respond in time for the report produced ahead of the World Heritage Committee 40th Session so the Committee cannot determine progress made on their decision (38COM7B.92).⁵ A new decision will be made this July which is expected to give the Government of Malawi until 1 February 2017 to submit a progress report and until 1 December 2017 to submit an updated report on implementation of decisions.

We support the Government's efforts to harness our natural resources to develop the nation. In this vein, PWYP Malawi calls on the Government of Malawi to make known to Malawians and the World Heritage Committee its position on Lake Malawi National Park and oil and gas exploration in Lake Malawi. We also urge Government to publicly answer the other questions we asked four months ago, to make sure Malawians know what decisions are being made on their behalf by the people we elected to represent and serve us.

PWYP Malawi is a campaign being run by the following organisations under the country's only CSO network for the extractive industries, the Natural Resources Justice Network, which is made up of 33 organisations and founded in 2007.

The following organisations make up the PWYP Malawi Campaign:

- ActionAid Malawi
- Catholic Commission for Justice and Peace (CCJP)
- Centre for Environmental Policy and Advocacy (CEPA)
- Centre for Human Rights and Rehabilitation (CHRR)
- Church & Society of Livingstonia Synod
- Civil Society Education Coalition (CSEC)
- Citizens for Justice (CFJ)
- Economics Association of Malawi (ECAMA)
- Foundation for Community Support Services (FOCUS)
- Institute for Policy Interaction (IPI)
- Institute for Policy Research and Social Empowerment
- Mabilabo Area Development Committee
- Malawi Economic and Justice Network (MEJN)
- Malawi Watch
- Media Institute of Southern Africa (MISA) - Malawi
- Norwegian Church Aid
- Oxfam Malawi
- Ufulu Wathu

¹ The Monitoring Report (2014): <http://whc.unesco.org/document/129870>

² The World Heritage and Advisory Bodies Conclusion and Analysis (2014): <http://whc.unesco.org/en/soc/2894>

³ The Decision made by the World Heritage Committee at the 38th Session in Doha, Qatar (2014): <http://whc.unesco.org/en/decisions/6078>

⁴ The Government of Malawi's letter (2015): <http://whc.unesco.org/document/139704>

⁵ State of Conservation report (2016): <http://whc.unesco.org/en/soc/3456>