

Final



Statement on Selected Economic and Governance Issues

Issued on: 1st April, 2026

1. Context

After consultations last week, the Board of Trustees representing the Evangelical Association of Malawi (EAM), the Malawi Conference of the Catholic Bishops (MCCB), the Muslim Association of Malawi (MAM), the Malawi Council of Churches (MCC) and the Quadria Muslim Association of Malawi (QMAM); the PAC Executive Committee and Secretaries General of the same Mother Bodies adopted a decision to make observations on key recent political and economic developments following the September 2025 General Elections.

The voting process of the 2025 General Election and transition was peaceful and calm. It was with great satisfaction to witness the concession of defeat by the incumbent president. This diffused all uncertainties. The DPP celebrations were equally peaceful. This was commendable.

The 2025 electoral process demonstrated that inter and intra-party dialogue, even among stakeholders, may continue to foster sustainable peace in future elections. Indeed, most stakeholders had fears that the outcome of elections could lead into violent acts. Although this is the case, Malawi must not be complacent for political and economic triggers have potential to destabilize the peaceful terrain. Generally, since the 2025 General Election Malawi has experienced some positive major political and economic strides as follows:

2. Leadership Approach

On the political and economic front, the timely pace on decision-making processes seem to have resonated with the public view. Prices of commodities have not been erratic and availability of fuel has improved, coupled with forex price stability at black market. We further take special recognition to the reduction of prices on maize and cement. No doubt that Malawi's economic front seems to have a better direction.

PAC notes bold decisions being made on the political front as well. Noting political undercurrents on some cabinet positions, the leadership reshuffled the cabinet to secure a political fitness for service delivery.

That the response to hunger crisis by declaring a national food crisis was swiftly and decisively made - is a testimony enough of another bold decision in the current political arena. Also true to the fact that the leadership may have managed to restore public confidence following its electoral legitimacy.

In spite of these economic and political strides, we learn from the public that the economy is biting. The taxes on products and levies imposed on personal bank accounts leaves a lot to be desired. We wish to express doubt whether the levies on personal accounts were well explained to the citizens. The current fuel price, while triggered by unavoidable external factors, may further trigger increase in prices of other products, eating into the little income of the households. Although PAC supports mechanisms to generate income to solve national challenges, it would be important to learn how some of these interventions will stimulate our ailing economy. The economic pitch is very dry indeed, making it difficult to earn better living standard.

3. Amaryllis Hotel Saga

The controversy on the valuation of the hotel, which has drawn public scrutiny and prompted the Public Accounts Committee of Parliament to open an inquiry into the matter is a negative turning point. PAC recalls also that His Excellency, Prof President Arthur Peter Mutharika, also placed his support on the investigation, arguing that the current administration remains committed to transparency, accountability and the rule of law. We commend the leadership for the support to Parliament. The Amaryllis Hotel saga is a huge dent both on previous and current regimes, especially now when one looks at the huge amounts involved and the speed at which the sale was fast-tracked. PAC commends the Parliament for the open public inquiry. Apart from holding leaders accountable, the inquiry raised awareness to citizens on specific details on the matter. We advocate for thorough investigations and those with genuine cases to answer be brought to book. We further expect the law to be equally applied to avoid selective justice.

We, therefore, take pride in recalling the DPP's Manifesto (2025) which states "*Institutional weaknesses, including political interference, selective application of justice, and financial strangulation of corruption fighting agencies have hindered good governance and anti-corruption efforts in Malawi in the past four years*" (p.48). Relevant authorities should, therefore, respect the rule of law on the Amaryllis hotel saga.

4. Social Media Stories and the Office of the President and Cabinet Response on the Alleged Forced First Vice President's Resignation

The story on the authority's request to the 1st Vice President to resign and the OPC's response on the same has attracted public attention in the past few days. PAC wishes to express its concern over social media stories that mushroom in various media channels. The development stifles social cohesion and damages statecraft in the administration. We note the content of the statement issued by OPC on the 1st VPs alleged forced request

for her to resign. However, *should there* be some truth that some actors surrounding the Head of State advocated for such a resignation, PAC supports a move by the 1st VP not to resign for the maintenance of constitutional order. PAC calls upon those instigating the 1st VP's resignation to refrain from interfering and obstructing constitutional duties. All government agencies should respect the 1st VP's Office in light of the explanation from the OPC.

5. Conclusion

We commend the Parliament for instituting an inquiry on the Amaryllis hotel sale. As regards the leadership approach, swift decisions have been made in some areas giving Malawians a ray of hope. However, the Amaryllis Hotel saga and developments on the 1st VP's Office could serve as a turning point in the current administration especially where mistrust seems to have been entrenched. PAC calls upon the 1st VP not to resign and that she remains steadfast in pursuit of all duties bestowed upon her office.

Lastly, on the economic front, the current fuel price hike coupled with economic hardships among citizens could be a trigger to public dissatisfaction and, therefore, request the current administration to find balanced solutions for the good of the nation and her people.

We welcome the DPP's Manifesto for committing itself to work with religious leaders in achieving results. It states, among others, "*The DPP will, therefore, from September 2025 to 2030 - advance religious values by working with religious leaders in serving our people*" (p.48). We commit ourselves also to be honest in our observations in a bid to serve our people. When all is said and done, let us avoid to instigate triggers that may cause civil strife. Peace is most important treasure in Malawi.

Signed:

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Msgr. Dr. Patrick Thawale

PAC CHAIRPERSON

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Bishop Gilford Emmanuel Matonga

PAC PUBLICITY SECRETARY

