

Malawi

Beneficial Ownership Transparency

PUBLIC ADMINISTRATION GLOBAL UNIT | INSTITUTIONS IN ACTION #3



In line with the World Bank Group's new integrative approach to tackling corruption, **the Global Program on Anticorruption for Development (AC4D)** aims to build the capacity of countries to fight corruption and the challenges it presents to development and societies, while also helping address the enablers of illicit financial flows outside countries. It delivers knowledge, data, tools, and support to World Bank country operations with an emphasis on four areas: strengthening institutions of accountability; beneficial ownership transparency and tackling illicit financial flows; curbing corruption in public procurement; and leveraging data and technology. It also mobilizes partnerships with development organizations, academia, civil society, and the private sector to scale up impact in all these areas. Learn more: www.worldbank.org/anticorruption

Challenge. Malawi faces significant challenges in translating its legal and regulatory reforms into effective governance outcomes. Despite passing laws aimed at combating corruption and enhancing transparency, the country struggles with implementation gaps, particularly in establishing Beneficial Ownership Transparency (BOT). This deficiency hampers efforts to prevent well-connected shell companies from covertly benefiting from government contracts and inflating public expenditure. Addressing these hurdles requires strengthening institutional capacity, multi-stakeholder coordination, and effective legislative enforcement—an ongoing challenge that demands targeted support and sustained commitment to achieve meaningful progress in governance and anticorruption initiatives..

Solution. To address these challenges, the Malawi Fiscal Governance Program-for-Results, with a total project size of \$80 million, has been instrumental in supporting the Malawi Public Finance Management Strategy 2023 – 2028. A key component of this

program has been implementing beneficial ownership transparency (BOT) reforms. With an initial grant of \$75,000 from the World Bank's Governance & Institutions Umbrella Program, a collaborative effort was initiated between the World Bank's Malawi Development Policy Operations I and II teams, the Government of Malawi, anticorruption civil society leaders, and Open Ownership. This collaboration led to a diagnostic assessment that outlined steps for implementing BOT reforms, including evaluating existing systems for beneficial ownership data collection, reviewing the legislative framework, and assessing technical capacity-building needs.

Integrating BOT reforms into the \$80 million Malawi Fiscal Governance Program-for-Results has been a significant achievement. Specifically, \$6.5 million has been dedicated to achieving beneficial ownership results. These results-based indicators include: (i) the percentage of companies registered and re-registered on the Malawi Business Registration System that have disclosed beneficial ownership information; (ii) the percentage of contracts awarded under the new national e-Procurement system that make beneficial ownership information available; and (iii) the percentage of licenses awarded to mining and logging companies that make beneficial ownership information available under the Malawi Extractive Industries Transparency Initiative (MWEITI).

Impact. As a result of these efforts, the project is improving resource mobilization, budget execution, and transparency of public finances in Malawi. This is enhancing the credibility of government systems and enabling better planning, coordination, and utilization of resources for service delivery aligned with national development priorities. The progress being made on meaningful BOT reforms in Malawi demonstrates how targeted funding can bring together aligned parties to improve governance and transparency significantly.

Related resources:

Governance for Development Blog
8 Tips for Implementing a Beneficial Ownership Register [🔗](#)

Malawi / Data

