

The logo consists of the letters 'CAA' in a bold, black, sans-serif font, centered within a white rectangular box. This box is set against a solid red rectangular background.

CIVIL AVIATION AUTHORITY

STRATEGIC DIRECTION
2023 – 2025

Effective date: TBD



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FOREWORD

The establishment of the Malawi Civil Aviation Authority (CAA) presents a new chapter for the aviation sector in Malawi. In this new chapter we have players with distinct roles of regulation and oversight, airport operations, and provision of air transport as well as allied services.

As the global aviation industry continues to evolve, the role of the Civil Aviation Authorities has become increasingly critical in ensuring the safety, efficiency, and sustainability of air transportation. The formation of the CAA is, therefore, a step forward in ensuring that the aviation sector in Malawi is compliant with international standards and practices as set out by the International Civil Aviation Organisation (ICAO) and other regulatory institutions that Malawi is affiliated to at international and regional levels. More importantly, the formation of the CAA is poised to create a favourable environment as well as respond to the needs of the relevant stakeholders within the sector.

This Strategic Direction has therefore been developed to guide the CAA as it embarks on the mission to provide a safe, secure and efficient civil aviation system through control and regulation, in line with international standards, in order to contribute to the socio-economic development of Malawi in the next three years. It is a tool that will provide guidance in the implementation of the CAA's mandate while at the same time establishing the relevance and importance of the CAA in the sector. The Strategic Direction benchmarks the CAA on strategic outcomes on which its performance will be measured against the set targets for the next two years.

As a newly established organisation, implementation of this Strategic Direction will provide a great learning opportunity on which future strategic directions will be built. I, therefore, urge all those working for the CAA and its external stakeholder to take this opportunity to ensure that the Strategic Direction delivers milestones that could be leveraged for a brighter future of the aviation industry in Malawi.

Lymon Phesele

Board Chairperson – Malawi Civil Aviation Authority

PREFACE

The formation of the Civil Aviation Authority (CAA) represents Government's commitment to ensuring that the civil aviation sector in Malawi conforms to the international standards and best practices and in so doing make it competitive in comparison with other countries within the region. The CAA is also critical for the aviation sector to fully exploit its potential as one of the enablers of economic activity and in so doing support the growth of the allied industries and the economy in general.

As a newly established Authority, Government decided to develop this Strategic Direction document as a short term tool to guide those who will form its initial staff compliment. It identifies the key strategic issues that are affecting the civil aviation industry in Malawi and how the organisation can respond to them. The development of the strategic direction, therefore, lays out the foundation for the CAA to identify strategies whose implementation would help to respond to the needs and facilitate the development of the civil aviation sector in in Malawi.

This Strategic Direction is therefore anchored on five pillars: improving policy for air transport to improve economic regulation; improving safety of air transport to ensure effective safety oversight; improving security and facilitation of air transport to ensure that passengers travel, and goods are transported, safely and secure; and providing corporate services to ensure checks and balances for prudent utilisation of institutional financial and material resources as well as procurement of goods and services.

I would therefore like to express my gratitude to the dedicated professionals who worked tirelessly to develop this document. The best reward we can give them is ensure that the Strategic Direction is fully implemented so that the CAA fulfils its mandate. Together, we can shape the future of aviation, driving it towards greater heights while ensuring that safety, security, and sustainability remain at the core of our endeavours.

Hastings J.K. Chiudzu
SECRETARY FOR TRANSPORT AND PUBLIC WORKS

Abbreviations

Glossary of terms

Executive Summary

PART ONE

1.0 INTRODUCTION AND BACKGROUND

1.1 Introduction

As a signatory to the Convention on International Civil Aviation (the Chicago Convention) Malawi has the obligation to ensure implementation of effective safety oversight as one of the tenets of the Convention through the establishment and implementation of an independent civil aviation system and organisation that enables the State to satisfactorily discharge its international obligations as well as its responsibilities in the development and conduct of civil aviation activities in a safe and orderly manner.

A feasibility study on the creation of an autonomous civil aviation authority in Malawi was first conducted in 2000 by the International Civil Aviation Organisation (ICAO). This was in line with policies and recommendations which encourage States, where feasible, to create autonomous Civil Aviation Authorities (CAAs) to manage all aspects of civil aviation in a bid to improve efficiency in the provision of services. It is envisaged that such Authorities also play a role in instilling a business culture for the sustainability of the air transport sector.

The findings of the study established that it was feasible to establish an autonomous Civil Aviation Authority in Malawi by restructuring and merging the Department of Civil Aviation (DCA) and Airport Developments Limited (ADL). The merger was necessitated from the onset, due to the low traffic levels in the country which would not sustain the ideal situation of having a Civil Aviation Authority (CAA) and an Airports Authority.

In May 2009, Malawi, with the assistance of the U.S Trade and Development Agency (USTDA), commissioned another study through a consulting firm to validate the findings of the study carried out by ICAO in 2000. The consultant upheld the recommendation for Malawi to create an autonomous Civil Aviation Authority to enhance the effectiveness and efficiency of the safety oversight capability of the State.

Considering the steady and positive traffic growth, since 2000, considerations have been made by Government to restructure the DCA by separating the regulatory and operations functions, resulting in the establishment of a CAA which will assume the regulatory functions as well as act as the industry regulatory, whilst the airport operations functions are devolved and assumed by an airports company. Government has considered transferring the operations functions previously carried out by the DCA to the Airport Developments Limited (ADL). To this end, Government intends to extend the current mandate of ADL so that the industry will now have an autonomous civil aviation regulator and an airport(s) operator of public airports.

This document outlines a Strategic Direction (SD) for the Malawi Civil Aviation Authority (MCAA) for the period 2022- 2024. It is expected that this strategic direction will form a solid foundation upon which all operational programs, projects and activities will be based.

The guiding principle pertaining to the implementation of this SD is collective action through teamwork in the development, implementation and evaluation of programs and activities. The SD also stresses the importance of developing innovative mechanisms that will facilitate the smooth realisation of the CAA's vision and mission. In addition, leadership commitment and support is an essential pre-requisite for the successful implementation of this SD. Ownership of the envisaged change effort, however, needs to be more broadly based and should essentially derive support both from the senior leadership and the ordinary members of an organisation of the CAA.

The desire of the CAA is that this SD acts as a practical, action-oriented guide based on an analysis of internal and external factors, which direct goal setting and resource allocation in order to achieve meaningful results over the three- year period. The various action plans incorporate the key functions of CAA including process improvement information technology human resources and budgeting.




Currently the Government is implementing Public Service Reform initiatives which are aimed at improving efficiency and effectiveness in the delivery of quality services to the public as well as the implementation of core government functions. Within the context of the reform agenda, CAA's role is crucial in view of its involvement in matters relating to the provision of air transport services to the public. The development of this SD thus positions the CAA strategically in this environment.

The process of preparing this SD involved a model of asking and answering the following four basic questions;

- Where are we now?
- Where do we want to be?
- How do we get there?
- How do we track and measure our progress?

Detailed information outlining the process of developing this strategic direction is contained in a report that is separately produced by the Technical Team. The components of the process are summarised in Table 1. Below.

Table 1: Process of Developing the Strategic Direction

QUESTIONS ASKED	WHAT WAS DONE TO GET THE ANSWER (MAJOR ACTIVITIES)
Where are we now?	 Performed an Internal and External Assessment, which consisted of a situation inventory and environment scan  Performed a Customer and Stakeholder Identification, which consisted of a formal identification of those who will directly or indirectly use CAA's services
Where do we want to be?	 Developed Vision and Mission Statements, which are compelling conceptual images of the desired future.

QUESTIONS ASKED	WHAT WAS DONE TO GET THE ANSWER (MAJOR ACTIVITIES)
	<ul style="list-style-type: none"> Developed Operating Principles, which constitute the core values of the CAA Developed Strategic Objectives as well as Desired Outcomes
How do we get there?	<ul style="list-style-type: none"> Developed Action Plans, which embody the steps to implement the Strategic direction Developed the Critical Success Factors
How do we track and measure our progress?	<ul style="list-style-type: none"> Developed a Work Plan, which contains specific Sectional business-like actions that will be implemented within two years and facilitates resource allocation

1.2 Structure of document

This SD is divided into four parts;

Part one is “The Context” and has two Chapters. Chapter 1 constitutes the background to the formulation process while chapter 2 relates to the planning and operating environment.

Part two is the strategic analysis and constitutes two chapters, Chapter three relating to the Environmental Scan and Chapter four the Strategic direction.

Part three is the strategic framework and contains six chapters. These chapters, deal with issues relating to Vision, Mission and operating principles: objectives and direction action plans; critical success factors; financing and resource mobilisation and conclusion.

Part four- annexes outlines the action plans covering the period in question and a list of members comprising the planning and technical teams.

2.0 STRATEGIC OVERVIEW

2.1 Current status of CAA

The Civil Aviation Act of 2017, which establishes the Malawi Civil Aviation Authority (MCAA), was passed by Parliament in 2017. The MCAA Board of Directors was instituted later in September 2020 and the 1st Board of Directors meeting took place on 12th August 2021. The operationalisation of the MCAA is underway and various tasks are being carried out by an Interim Secretariat instituted by the Ministry. The Interim Secretariat (IS) was approved by the Board.

The process of recruiting a Director General and seconding staff is anticipated to be completed by **August 2023**. In the meantime, the Authority is receiving funding from Government through DCA's budget, for its operations which are carrying out various tasks by the IS leading to the full operationalisation of the MCAA.

2.2 CAA Governance and Management Structure

The Authority consists of six (6) board members appointed by the President and ex-officio members as follows;

- Secretary responsible for Transport or his designated representative;
- Secretary to the Treasury or his designated representative;
- Secretary responsible for Internal Security or his designated representative;
- Secretary responsible for Defence or his designated representative;
- Secretary responsible for Meteorological Authority or his designated representative;

The Board of Directors provides the strategic direction of the Authority and cognisant to the Civil Aviation Act 2017, shall meet at least once every three (3) months. The Director General recruited by Board is then expected to implement the strategic direction of the Authority. The DG shall hold office for a tenure not exceeding two terms of 5 years each term. The DG is empowered to recruit employees, subordinate to his position, to discharge the Authority's functions under the Civil Aviation Act, 2017. The expectation, however, is that in the initial stages employees of the CAA will comprise of officers seconded to it from the DCA. This will ensure a smooth transition as the DCA hands over power to the CAA.

Once in place, the Management of the Authority is expected to periodically appraise the Board of Directors on the implementation of its strategic direction.

2.3 Alignment of Strategic Direction to Main Policies

2.3.1 Malawi Vision 2063

Government launched Malawi Vision 2063 (MW2063) as the long-term vision for Malawi. It aims to transform Malawi into an inclusively wealthy and self-reliant middle-income nation by 2063. It is anchored on 3 Pillars (Agricultural Productivity, and

Commercialisation; Industrialisation; and Urbanisation) which will be catalysed by 7 Enablers. The transport sector features under the Economic Infrastructure enabler which has a vision for an aviation sector that is internationally competitive and expanded to attract more competition from global players.

To implement MW 2063, the National Planning Commission (NPC) has developed the First 10 Year Implementation Plan (MIP-1) which seeks to raise the country's income status to middle-income by 2030 and meeting most of the Sustainable Development Goals (SDGs). The Plan has identified modernisation of aviation industry as one of the main interventions under the Economic Infrastructure Enabler. The establishment of the CAA and the implementation of this Strategic Direction is expected to contribute towards this intervention.

2.3.2 National Transport Master Plan 2017

The Ministry of Transport and Public Works prepared a 30-year National Transport Master Plan (NTMP) to guide the sustainable development of an integrated multi modal transport sector. The NTMP includes a prioritized time bound plan for institutional (organizational, policy and regulatory) reform which, among others, calls for the establishment of a Civil Aviation Authority. It envisages that the establishment of the Authority will induce confidence in the aviation sector and unlock the potential for increased traffic into Malawi.

2.3.3 National Transport Policy

The National Transport Policy was revised in 2019 to incorporate proposals made in the NTMP as well as to take

into account emerging issues in the sector. The Policy recognises the need to implement provisions of the Civil Aviation Act of 2017 which calls for the separation of duties and establishment of a Civil Aviation Authority. The Authority will be charged with regulating the aviation industry with another entity being responsible for airport operations.

PART TWO

3.0 STRATGIC ANALYSIS

3.1 Overview









This part examines the environment within which the aviation industry exists by identifying internal and external factors that may affect the performance and development of the industry using SWOT and PESTEL analyses. It also identifies key result areas and issues that may impact on delivery of services in the industry.

3.2 SWOT Analysis

The Ministry of Transport and Public Works and the Department of Civil Aviation conducted a situation analysis which assessed both internal (strengths and weaknesses) and external (opportunities and threats) factors that may affect the aviation industry using the SWOT Analysis technique. The analysis used information obtained from relevant documentation within the industry, including reports, bulletins, and statistics, to identify the factors. Members of staff from the Department of Civil Aviation and other stakeholders also provided vital information during the process.

The results of the analysis are shown in Table 2 below:

Table 2:SWOT Analysis Results

Strengths	Weaknesses
 Unregulated development of industries and structures	 Limited expertise on the local market
 Lack of consumer protection	 Government bureaucracy
 Existence of legislation to govern civil aviation	 Inadequate infrastructure and equipment
 Regional legal frameworks in place	 Lack of clarity on aviation security institutional roles

✚ Environmental protection legislation	
Opportunities	Threats
<ul style="list-style-type: none"> ✚ Positive perception of safety record ✚ Political will to establish CAA ✚ Favourable geographical position to serve as a transit hub ✚ Potential for tourist numbers to increase ✚ Potential for increase in foreign operators due to improved regulatory environment 	<ul style="list-style-type: none"> ✚ Price of fuel ✚ COVID-19 pandemic ✚ Potential for Government to withhold generated revenues ✚ Unlawful acts against civil aviation

3.3 PESTEL Analysis

PESTEL Analysis was used to analyse the political, economic, social, technological, environmental, and legal factors that could affect the efficiency and effectiveness of service delivery and related developments within the context of the aviation industry. The purpose of the analysis was to ensure that the industry is vibrant and competitive enough for the benefit of all its key stakeholders. The key PESTEL factors are outlined in Table 2 below:

Table 3: PESTEL Analysis Results

Political Factors	Economic Factors
<ul style="list-style-type: none"> ✚ Clear policies and priorities – MW2063, NTMP ✚ Tax Policy ✚ Political will 	<ul style="list-style-type: none"> ✚ Exchange rate fluctuations ✚ Inflation ✚ Slow economic growth ✚ High interest rates ✚ Low disposable income

✚ Political stability	✚ High unemployment
Social Factors	Technological Factors
<ul style="list-style-type: none"> ✚ High population growth ✚ Young population ✚ Diverse and rich culture ✚ Friendly people ✚ High illiteracy ✚ Gender inequality – male dominated industry 	<ul style="list-style-type: none"> ✚ Limited telecommunication services ✚ Unaffordable telecommunication services ✚ Intermittent electricity supply ✚ Slow automation of processes and services ✚ Existence of modern air navigation surveillance equipment
Environmental Factors	Legal Factors
<ul style="list-style-type: none"> ✚ Noise pollution ✚ High emissions of Greenhouse gases ✚ Climate change ✚ Poor waste management 	<ul style="list-style-type: none"> ✚ Unregulated development of industries and structures ✚ Lack of consumer protection ✚ Existence of legislation to govern civil aviation ✚ Regional legal frameworks in place ✚ Environmental protection legislation

3.4 Stakeholder Analysis

The Ministry of Transport and Public Works and Department of Civil Aviation conducted consultations with relevant stakeholders and interested parties to establish their expectations from the CAA and what action can CAA take to meeting those expectations. The outcome of the consultations is summarised in the Table 4 below:

Table 4: Stakeholder Analysis results

Stakeholder Name	Expectation of stakeholders from CAA	Actions to meet Stakeholder's expectation
Government institutions	<ul style="list-style-type: none"> ✚ Prudent utilisation of resources ✚ Transparent and accountable governance system ✚ Timely information 	<ul style="list-style-type: none"> ✚ Contributing financially to Government ✚ Implementing policies and procedures ✚ Complying to statutory requirements ✚ Providing information periodically ✚ Advising on aviation matters
Air operators	<ul style="list-style-type: none"> ✚ Excellent service ✚ Fair enforcement of laws and regulations ✚ Timely invoicing ✚ Timely and accurate information 	<ul style="list-style-type: none"> ✚ Providing regulatory services ✚ Enforcing Safety, Security, Economic and Technical Standards ✚ Providing information periodically
Aviation related service providers	<ul style="list-style-type: none"> ✚ Excellent service ✚ Fair enforcement of laws and regulations ✚ Timely and accurate information 	<ul style="list-style-type: none"> ✚ Providing regulatory services ✚ Enforcing Safety, Security, Economic and Technical Standards ✚ Providing information periodically

Customers	<ul style="list-style-type: none"> ✚ Consumer protection ✚ Timely and accurate information 	<ul style="list-style-type: none"> ✚ Enforcing aviation regulations that protects the customer ✚ Providing information periodically
International, Regional and State regulators	<ul style="list-style-type: none"> ✚ Timely compliance to Standards ✚ Timely and accurate information ✚ Cooperation 	<ul style="list-style-type: none"> ✚ Entering into bilateral cooperative agreements ✚ Adopting and domestic internationally recommended Standards ✚ Implementing corrective action plans emanating from Audits ✚ Providing information periodically
Investors	<ul style="list-style-type: none"> ✚ Timely and accurate information ✚ Transparency on services offered 	<ul style="list-style-type: none"> ✚ Providing information on investment opportunities available
Parliamentary committees	<ul style="list-style-type: none"> ✚ Timely and accurate information and reports 	<ul style="list-style-type: none"> ✚ Providing responses and information as requested
General public	<ul style="list-style-type: none"> ✚ Quality services ✚ Safety 	<ul style="list-style-type: none"> ✚ Providing quality services to the general public

3.5 Key Strategic Issues

The identified strategic issues relate to the fundamental challenges that affect the effective implementation and achievement of the CAA's mandate, vision and mission. The key strategic are:

- Weak enforcement of regulatory frameworks across the aviation industry
- Outdated and inadequate aviation legislation and regulations
- Lack of a Comprehensive Human Resource Development Plan
- Stringent Environmental policies
- Inadequate aviation infrastructure
- Costly capital investments
- Low participation of the private sector in provision of infrastructure and services
- Lack of appropriate aviation security equipment
- Few operators in the aviation sub-sector
- Advancement in ICT
- Absence of current aviation related agreements
- Low levels of cooperation among aviation service providers in the industry
- Impact of HIV and AIDS
- Impact of COVID-19 pandemic

3.6 Key Result Areas

The Strategic Direction has identified the following Key Result Areas (KRAs) through which CAA will focus on as it delivers its mandate:

- Improve policy for air transport to improve economic regulation by December 2025
- Improve safety of air transport to ensure effective safety oversight by December 2025
- Improve security and facilitation of air transport to ensure that passengers travel, and goods are transported, safely and secure by December 2025
- Provide corporate services to ensure checks and balances for prudent utilisation of institutional financial and material resources as well as procurement of goods and services

The above KRAs have been strategically chosen to assist the CAA in creating an environment within the aviation industry that is highly competitive and serving the needs of all relevant stakeholders. The KRAs will be delivered through three (3) Strategic Outcomes as presented in Section 4.4 below.

4.0 CAA STRATEGIC DIRECTION

4.1 The 2023 – 2025 Strategic Direction

The 2023– 2025 Strategic Direction provides the strategic outcomes and targets that the CAA intends to achieve its Mandate, vision and mission.

4.2 Mandate, Vision, Mission and Core Values

4.2.1 Mandate

To regulate and be responsible for the safety, security, economic and technical oversight of civil aviation in Malawi.

4.2.2 Vision

A safe, secure and sustainable civil aviation system that is internationally competitive.

4.2.3 Mission

To provide a safe, secure and efficient civil aviation system through control and regulation, in line with international standards, in order to contribute to the socio-economic development of Malawi.

4.3 Core Values

Table 5: Core Values

Customer focus	The Authority shall undertake to meet and exceed its customer's expectation
Environmental sustainability	The Authority shall promote and adhere to applicable environmental standards at all times
Fairness	We shall conduct our functions and duties in a just, unbiased and non-discriminatory manner
Integrity	We shall demonstrate professionalism, honesty and commitment to moral ethical principles
Safety and security	The Authority shall endeavour to maintain a safe and secure civil aviation environment
Team work	We shall promote cross functional working relationships of organisational objectives
Work ethic	The Authority shall operate in a framework that fosters transparency, accountability and inclusiveness.

4.4 Strategic Outcomes

The aviation industry intends to achieve the following strategic outcomes by end of 2025:

- **Strategic Outcome 1:** Improved adherence to ICAO Policies
- **Strategic Outcome 2:** Adherence to ICAO Standards and Recommended Practices (SARPs) on aviation safety
- **Strategic Outcome 3:** Adherence to ICAO Standards and Recommended Practices (SARPs) on aviation security
- **Strategic Outcome 4:** Adherence to National-level legislation for the provision of management and support services

The key result areas, strategic outcomes and outcome targets are shown in Table 4 below:

Table 6: Key Result Areas, Strategic Outcomes, Strategic Targets

S/N	Key Result Area	Strategic Outcome	Outcome Target	
1	Improve policy for air transport to improve economic regulation by December 2025	Improved adherence to ICAO Policies	1	Fill all critical positions in the Civil Aviation Authority by 2024
			2	Foster sustainable air transport development by development and implementation of a National Civil Aviation Policy by 2025
			3	Adopt and implement ICAO core principles on consumer protection taking into consideration the ratification of the Montreal Convention (1999) and depositing the instrument to ICAO by 2025
			4	Improve market access liberalisation by aligning BASAs to the Yamoussoukro Decision where 80% of active BASAs are revised with ownership and control restrictions on air carriers removed, by 2025
			5	Implement ICAO policies on taxation to avoid excessive taxation and discriminatory levies on air transport in an effort to reduce air transport costs by 2025
2	Improve safety of air transport to ensure effective safety oversight by December 2025	Adherence to ICAO Standards and Recommended Practices (SARPs) on aviation safety	1	Progressively increase the Effective Implementation percentage, under the ICAO USOAP, to 70% by 2025
			2	Establish and implement a State Safety Programme (SSP)/ Safety Management System (SMS) and attain Level 3 by 2025

			3	Monitor progress of airport operator on establishment of aerodrome operational manuals for Kamuzu International Airport, in readiness for aerodrome certification.
			4	Establish an effective and operational Search and Rescue Plan with neighbouring countries by 2025
			5	Surveillance of Airport operators, Aircraft Maintenance Organisations, Approved Training Organisations and Aviation personnel, to ensure regulatory compliance.
			6	
3	Improve security and facilitation of air transport to ensure that passengers travel, and goods are transported, safely and secure by December 2024	Adherence to ICAO Standards and Recommended Practices (SARPs) on aviation security oversight	1	Progressively increase the Effective Implementation of the Critical Elements of aviation security, to 65% as agreed in the Windhoek declaration, by 2025
			2	Establish National level programmes and regulations to address national requirements emanating from aviation security legislation.
			3	Facilitate operationalisation of the National Civil Aviation Security Committee and National Air Transport Facilitation Committee by 2025.
			4	Join the ICAO Point of Contact (PoC) network by 2025
			5	Address all existing Significant Security Concerns and any new ones by 2025
			6	Formulate common security/facilitation goals and targets
4	Provides effective management and support services	Adherence to National-level legislation for the provision of management and support services	1	100% adherence to the Public Procurement and Disposal of Assets legislation
			2	100% adherence to the Workplace HIV/AIDS Management legislation

			3	100% adherence to the Malawi Public Sector subsidiary legislation
			4	100% adherence to the Corrupt Practices legislation
			5	100% adherence to the Public Finance Management legislation

4.5 OUTPUTS AND ANNUAL OUTPUT TARGETS

In order to achieve the outcome targets highlighted above, MCAA has determined outputs on each outcome target. Outputs are goods and services the Authority will produce in order to achieve each outcome and outcome target. They are the tangible deliverables that will result in the achievement of the outcomes. MCAA will focus on producing those outputs that will have the greatest impact on achieving its desired outcome targets and realising its mandate.

The achievement of the outputs has further been spread across the period of implementing the strategic direction as annual output targets.

The table below is an outline of outputs and annual output targets under each outcome.

Table 7: Outputs and Output Targets

Strategic outcome		Improved adherence to ICAO Policies	
Outcome target		Fill all critical positions in the Civil Aviation Authority by 2024	
Output #	Output description	Output targets (per FY)	
		2023-24	2024-25
1	Establishment order for CAA	Establishment order approved by Office of President and Cabinet	
2	Director General recruited and DCA staff seconded to CAA	Director General recruited and staff seconded	
3	Staff for critical positions recruited		Formally recruit staff
Outcome target		Foster sustainable air transport development by development and implementation of a National Civil Aviation Policy by 2024	
Output #	Output description	Output targets (per FY)	
		2023-24	2023-24
1	A National Civil Aviation Policy developed	A National Civil Aviation Policy developed and launched	National Civil Aviation Policy implemented
2	Government stakeholders sensitised on the Policy	All relevant MDAs consulted and sensitised on the final Policy outcome	

3	Industry stakeholders sensitised on the Policy	All relevant industry stakeholders consulted and sensitised on the final Policy outcome	
Outcome target		Adopt and implement ICAO core principles on consumer protection taking into consideration the ratification of the Montreal Convention (1999) and depositing the instrument to ICAO by 2024	
Output #	Output description	Output targets (per FY)	
		2023-24	2024-25
1	The Montreal Convention ratified by Malawi and deposited at the International Civil Aviation Organization (ICAO) depository	Legal consultations with Ministry of Justice and Foreign Affairs	Conventions ratified by Malawi and deposited at the ICAO depository
2	Civil Aviation (Consumer Protections) regulations enforced	Consumer protection regulations to the CAA Act, 2017 developed	Civil Aviation (Consumer Protections) regulations promulgated
Outcome target		Improve market access liberalisation by aligning BASAs to the Yamoussoukro Decision where 80% of active BASAs are revised with ownership and control restrictions on air carriers removed, by 2024	
Output #	Output description	Output targets (per FY)	
		2023-24	2024-25
1	Solemn commitment to the Single African Air Transport Market (SAATM) signed	Malawi's commitment to SAATM made and deposited to the African Civil Aviation Commission (AFCAC) and South African Development Community (SADC)	
2	Bilateral Air Service Agreements (BASA) reviewed	Malawi and Ethiopia BASA reviewed	Malawi and Kenya BASA reviewed

		Malawi and Mozambique BASA reviewed	Malawi and Zambia BASA reviewed
		Malawi and South Africa BASA reviewed	Malawi and Zimbabwe BASA reviewed
Outcome target		Implement ICAO policies on taxation to avoid excessive taxation and discriminatory levies on air transport in an effort to reduce air transport costs by 2024	
Output #	Output description	Output targets (per FY)	
		2023-24	2024-25
1	ICAO policies on User Charges (Doc 9082) adopted and enshrined in subsidiary legislation	Economic regulations on user charges and fees developed	
		Economic oversight on user charges and fees conducted	Continued economic oversight on user charges and fees conducted
		Introduction of Airport Development Charge (ADC) reviewed to assess its appropriateness	
2	ICAO policies on Taxation (Doc 8632) adhered		Removal of non-aeronautical related taxes on international air transportation lobbied to Government and Politicians

3	Strategy to reduce air transport costs developed	Impact of high level taxation on domestic air services assessed and strategy discussed in a bid to bolster growth of domestic air services	Multi sectoral engagement of all stakeholders (airlines, service providers, government & policy makers), to review all cost components on tickets and discuss strategy for reduction of high taxes and charges to achieve reasonable cost structure for air transport, held
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Table 8: Safety

Strategic outcome		Adherence to ICAO Standards and Recommended Practices (SARPs) on aviation safety	
Outcome target		Progressively increase the Effective Implementation percentage, under the ICAO USOAP, to 70% by 2024	
Output #	Output description	Output targets (per FY)	
		2023-24	2024-25
1	State corrective action plan addressed	Online framework on continuous monitoring assessment -universal safety oversight action plan updated	Online framework on continuous monitoring assessment -universal safety oversight action plan updated
Outcome target		Establish a State Safety Programme (SSP) and ensure that service providers develop plans to facilitate Safety Management System (SMS) implementation by 2024	
Output #	Output description	Output targets (per FY)	
		2023-24	2024-25

2	State Safety Programme (SSP)/ Safety Management System (SMS) established	A State Safety Programme (SSP) developed and established (approved by Director General)	
3	Safety Management System (SMS) establishment, facilitated		implementation of SMS by service providers ensured
Outcome target		Monitor progress of airport operator on establishment of aerodrome operational manuals for Kamuzu International Airport, in readiness for aerodrome certification.	
Output #	Output description	Output targets (per FY)	
		2023-24	2024-25
4	Progress for Kamuzu International Airport, in readiness for aerodrome certification, monitored.	Aerodrome operational manuals checked for compliance with national aerodromes regulations	Progress on rehabilitating runway, establishing airside visual aids, provision of rescue of fire-fighting services, and reconstructing apron monitored

Outcome target		Establish an effective and operational Search and Rescue Plan with neighbouring countries by 2024	
Output #	Output description	Output targets (per FY)	
		2023-24	2024-25
5	An effective and operational Search and Rescue Plan with neighbouring countries established	A National Search and Rescue Plan developed	
			Bilateral/Multilateral agreements on establishment of Search and Rescue Plan(s) with Tanzania, Zambia and Zimbabwe established
Outcome target		Surveillance of Airport operators, Aircraft Maintenance Organisations, Approved Training Organisations and Aviation personnel, to ensure regulatory compliance.	
Output #	Output description	Output targets (per FY)	
		2023-24	2024-25

6	Airport operators, Aircraft Maintenance Organisations, Approved Training Organisations and Aviation personnel surveillance	Regulations for Airport operators, Aircraft Maintenance Organisations, Approved Training Organisations and Aviation personnel developed and promulgated	Enforce regulatory oversight of Airport operators, Aircraft Maintenance Organisations, Approved Training Organisations and Aviation personnel
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Table 9: Security

Strategic outcome		Adherence to ICAO Standards and Recommended Practices (SARPs) on aviation security	
Outcome target		Progressively increase the Effective Implementation of the Critical Elements of aviation security, to 65% as agreed in the Windhoek declaration, by 2024	
Output #	Output description	Output targets (per FY)	
		2023-24	2024-25
1	Capacity for technical personnel performing State	Initial training to all technical personnel conducted	training (initial, on-job & recurrent) to all technical personnel conducted

	aviation security oversight and regulatory functions built	Initial training to all aviation industry personnel on implementation of applicable aviation security requirements conducted	training initial, on-job & recurrent) to all aviation industry personnel on implementation of applicable aviation security requirements conducted
Outcome target		Establish National level programmes and regulations, to address national requirements emanating from aviation security legislation, established by 2024	
Output #	Output description	Output targets (per FY)	
		2023-24	2024-25
2	National level programmes and regulations developed and promulgated	National Civil Aviation Security Plan developed and approved	Implementation of the National Civil Aviation Security Plan facilitated
		National Civil Aviation Quality Control Programme developed and approved	Implementation of the National Civil Aviation Quality Control Programme facilitated
		National Civil Aviation Security Training Programme developed and approved	Implementation of National Civil Aviation Security Training Programme facilitated
		National Air Transport Facilitation Programme developed and approved	Implementation of the National Air Transport Facilitation Programme facilitated

		Aviation security regulations developed and promulgated	Aviation security regulations enforced
Outcome target		Facilitate operationalisation of the National Civil Aviation Security Committee and National Air Transport Facilitation Committee by 2024.	
Output #	Output description	Output targets (per FY)	
		2023-24	2024-25
3	Progress for Kamuzu International Airport, in readiness for aerodrome certification, monitored.	Aerodrome operational manuals checked for compliance with national aerodromes regulations	Progress on rehabilitating runway, establishing airside visual aids, provision of rescue of fire-fighting services, and reconstructing apron monitored
Outcome target		Join the ICAO Point of Contact (PoC) network by 2024	
Output #	Output description	Output targets (per FY)	
		2023-24	2024-25
4	Malawi a member of the ICAO Point of Contact network	CAA submission of nominated point of contact on aviation security submitted to ICAO regional office	
Outcome target		Address all existing Significant Security Concerns and any new ones by 2024	
Output #	Output description	Output targets (per FY)	
		2023-24	2024-25

5	Significant Security Concerns identified during the last conducted aviation security audit by ICAO, addressed	50% of concerns from the corrective action plan on aviation security oversight system addressed	50% of concerns from the corrective action plan on aviation security oversight system addressed
Outcome target		Formulate common security/facilitation goals and targets	
Output #	Output description	Output targets (per FY)	
		2023-24	2024-25
6	Common security/facilitation goals and targets, for assessing performance at airports, formulated	Aviation security goals and objectives, for airports, formulated	
		Facilitation goals and objectives, for airports, formulated	

Table 10: Management and Support services

Strategic outcome		Adherence to National-level legislation for the provision of management and support services	
Outcome target		100% adherence to the Public Procurement and Disposal of Assets legislation	
Output #	Output description	Output targets (per FY)	

		2023-24	2024-25
1	Requirement for following prescribed procurement procedures, met	Procurement plan developed and approved	Procurement plan developed and approved
		Asset register developed	Asset register maintained
		Capital asset register developed	Capital asset register maintained
		Contracts effectively monitored	Contracts effectively monitored
		Workplace procurement committees established	Functioning Workplace procurement committee maintained
Outcome target		100% adherence to the Workplace HIV/AIDS Management legislation	
Output #	Output description	Output targets (per FY)	
		2023-24	2024-25
2	Requirement for HIV/AIDS and gender issues mainstreamed in the workplace, met	Workplace HIV/AIDS committees established	Functioning Workplace HIV/AIDS committee maintained
		Workplace wellness programme developed	Workplace wellness programme implemented
Outcome target		100% adherence to the Malawi Public Sector subsidiary legislation	
Output #	Output description	Output targets (per FY)	
		2023-24	2024-25
3	Requirement for Human Resource Capacity built, met	Training Needs Analysis conducted	
		Comprehensive Human Resource Development Plan developed	Comprehensive Human Resource Development implemented

		Annual recruitment plan developed and implemented	Annual recruitment plan reviewed and implemented
		All Economic, Safety and Security personnel/inspectors trained	
Outcome target		100% adherence to the Corrupt Practices legislation	
Output #	Output description	Output targets (per FY)	
		2023-24	2024-25
4	Requirement for mitigating corrupt practices in the workplace, met	Institutional Integrity Committee established	Operationalised Institutional Integrity Committee maintained
		Service Charter developed and implemented	Service Charter implemented
		Workplace Institutional Integrity Programme developed and implemented	Workplace Institutional Integrity Programme developed and implemented
		Corrupt practices reporting mechanism established and implemented	Corrupt practices reporting mechanism implemented
Outcome target		100% adherence to the Public Finance Management legislation	
Output #	Output description	Output targets (per FY)	
		2022-23	2024-25
5	Requirement for prudent utilisation of public resources, met	Annual budget developed and implemented	Annual budget developed and implemented
		Annual financial reports developed	Annual financial reports developed

		Internal control mechanism/systems established and implemented	Internal control mechanism/systems established and implemented
		Contracts effectively monitored	Contracts effectively monitored

PART THREE

5.0 CRITICAL SUCCESS FACTORS

The critical success factors are the elements that are necessary for the CAA to achieve its vision and mission, as follows;

- i. Highly skilled workforce for the CAA to effectively discharge its functions, supported with continuous capacity development programme;
- ii. Stable inflow and prudent utilisation of financial resources for the CAA to effectively fulfil its mandate;
- iii. Collaboration with ICAO, Regional Safety Oversight Organisations (RSOO) and CAAs to ensure harmony in provision of regulatory function;
- iv. Continuous consultative engagements with stakeholders where timely and accurate information is provided by the CAA **and feedback is provided by the industry stakeholders;**
- v. Responding to technological advancements and changes;
- vi. Aggressive corporate branding;
- vii. Continued political will.

6.0 RISK IDENTIFICATION AND MITIGATION MEASURES

6.1 DECENTRALISATION PROCESS

The Government has opted for a form of decentralisation that pass on political and administrative authority to the district level. The key objectives of this policy include creating democratic environment and institutions that promote good governance, development and community participation. The policy seeks to eliminate dual administration existing at the district level by establishing a unified structure called District Assembly to achieve cost effectiveness and efficiency in service provision and delivery. The policy also seeks to promote accountability and transparency in order to eradicate poverty.

Even though a number of significant achievements have been secured in other sectors of Government since the promulgation of the Decentralisation Policy and the Local Government Act, CAA's role in the near future might have to be refocused to the development of capacity building and systems development at District Assembly level.

6.2 CHANGES IN THE AIR TRANSPORT MARKET

In view of the CAA's specialised role within the overall context of the social and economic development in general, it has to position itself strategically in order to effectively respond to the economic trends in the air transport industry.

Whether generated externally or internally, additional programme demands are likely to generate financial constraints on the CAA. Therefore, in an environment of budgetary constraints, increasing programme demands are to be accommodated through greater efficiency, alternative service delivery methods, and the re-allocation of resources to higher priority areas.

6.3 TECHNOLOGICAL DEVELOPMENTS

Technological changes in the Aviation Industry are expected to continue at a significant rate in the coming years, and will have a crucial impact on the CAA's delivery of services.

The challenge for the CAA is to continuously make strategic investments in technology in order to provide effective and efficient services for the safe, efficient and cost effective air transport industry in the country.

6.4 ORGANISATIONAL PROBLEMS

The CAA might face challenges due to several factors; low remuneration levels, wrong attitudes towards work, structures not responsive to demands and unattractive conditions of service. The crisis will manifest itself through low productivity, the ability to deliver services in a timely and efficient manner and a lower than expected level of creativity and risk taking. With the ongoing reorganisation of the CAA coupled with financial limitations, there is need to come to terms with how more can be achieved with less.

6.5 INADEQUATE FINANCIAL RESOURCES

Due to the specialised nature of the functions, which require a very high capital investment, the CAA will face a lot of challenges to operate effectively due to inadequate financial resources i.e. to replace, maintain and adapt to technological changes. It is therefore imperative for the CAA to channel its resources to priority areas.

6.6 OUTDATED AND INADEQUATE LEGISLATION AND RELATED PROCEDURES

Faced with outdated and inadequate Aviation Legislation and related procedures, which provide guidelines for Aviation operations, there is a high risk of accidents and incidents. The CAA therefore, needs to ensure that up-to-date and adequate Legislation and related procedures are in place all the time through regular reviews.

6.7 STAFF DEVELOPMENT

For an efficient and effective delivery of services, the workforce needs to be equipped with the necessary skills. With the present challenges in the Aviation Industry which require a highly skilled workforce, the CAA needs to put in place a comprehensive staff development programme in order to maintain a high calibre of staff at all times.

6.8 AVIATION SECURITY

Faced with the threat of increased Aviation Insecurity worldwide, the CAA needs to strive to be vigilant in ensuring that proper and adequate AVSEC equipment and well trained human resources are available at all times. In an effort to fulfil this, the CAA with other stakeholders will have to put in place a National Civil Aviation Security Programme (NCASP) to provide guidelines for the development of security programmes for Airport tenants and Air Operators.

6.9 MANAGEMENT STYLES

Just like any other employee, CAA staff will look for inspired leadership from their superiors and desire to work in an environment that enhances interaction, participation and involvement. Most of them would be willing to exercise delegated responsibility that would mentor their development in management capabilities. It is imperative that CAA management be responsive to the demands as this determines level of productivity.

6.10 NON-AVAILABILITY OF STRATEGIC DIRECTIONS

Lack of Strategic directions affects the delivery of services, as there is no focus and yardstick to measure performance. It is proper that the CAA develops its Strategic direction in order to meet the increased challenges in the Aviation Industry as this would help it to reposition itself accordingly.

6.11 SEARCH AND RESCUE SERVICES

There is a need for the CAA to develop an efficient Search and Rescue Service to meet the present challenges in the Aviation Industry.

7.0 INSTITUTIONAL ARRANGEMENT FOR IMPLEMENTATION STRATEGY

8.0 STRATEGIC DIRECTION FINANCING

The Authority shall adopt at the onset of its operations, the Result - Based Budgeting¹ (RBB) as part of its budgeting process. The RBB, aligned with the proposed strategic objectives of MCAA and proposed business plan for the respective financial year, is a decision-making tool for selecting results and priorities, and allocating resources.

The revenue streams of the Authority shall be as follows cognisant to the Civil Aviation Act, 2017;

- Monies that may be approved by Parliament for the purposes of the Authority

¹ system that ensures that financial resources are allocated on the basis of outcomes (results) to be achieved

- Budget allocated by the Government as required-
- Grants and loans from the Government
- Grants and loans from any Body, Organization or Persons
- Money received by the Authority for the purposes of carrying out its activity-
- Fees, rents, dues and charges levied by the Authority for services rendered-
- Facilities provided or proceeds obtained from sale of property-
- Monies that may accrue to the Authority in the discharge of its functions-
- Interest on savings made by the Authority-
- Fees, fines and penalties, which may be imposed by the Authority-

It is envisioned that the Authority shall be financially sustainable, in part, from the above mentioned revenue streams and by retaining a percentage of the total aeronautical revenues that are currently collected by the Department of Civil Aviation (DCA) annually. The Authority is expected to be fully subvented, where it shall receive public resources from the Government for a period of three (3) years from year 1 of commencement of operations. Government shall begin to reduce financial support after the three-year period and maintain some degree of financial support and the Authority shall begin to support its own operational costs with full sustainability from year 5.

All costs associated with licensing, certification, authorisation, approval and surveillance in the areas of personnel licensing, operations, airworthiness, air navigation services and aerodromes, including all personnel and organisations involved, will be recovered through fees generated from applicants and holders of such licences, certificates, authorisations and approvals issued, renewed or validated.

Government funding /Grant to be allocated for the first three years shall be based on the annual revenue return/collected FY 18/19² instead of the latest FY, 19/20 considering that revenue collections were affected by the COVID-19 pandemic which led, to global suspension of international commercial flights. Proposed amounts of retaining revenues is as follows:

- FY 1 - 75 % estimated at **MWK 3,735,215,457.02** for the start-up;
- FY 2 - 50% estimated at **MWK 2,490,143,638.02**
- FY 3 - 40% estimated at **MWK 1,992,114,910.41**
- FY 4 – 20% estimated at **MWK 996,057,455.21**
- FY 5 – 0% estimated at **MWK 0**

² MWK 4,980,287,276.03

PART FOUR

9.0 ANNEXES

Annex I: List of Planning Team Members

Annex II: List of stakeholders consulted