

5. **Technical, Entrepreneurial and Vocational Education and Training (TEVET):** Malawi's TEVET system faces challenges in meeting the skills needs for development and growth. The lack of workforce skills in key areas of the economy, insufficient infrastructure and facilities, and the limited number of spaces in TEVET institutions hinder access to formal TEVET programmes. Hence, the TEVET system is unable to offer the volume required to meet labour market needs.

6. **Urbanisation and Rural-Urban Migration:** Rural-urban migration in Malawi is increasing, with migrants being predominantly young, economically disadvantaged and unskilled. Cities are struggling to provide adequate infrastructure and services to accommodate this population growth, and many young migrants find employment in the informal sector. However, when properly managed and anchored to industrial activities, urbanisation can represent an opportunity in Malawi, one of the most densely populated countries in Southern Africa and facing demographic pressure.

Addressing these challenges will require comprehensive and multi-sectoral approaches, focusing on youth empowerment, gender equality, private sector development, sustainable and circular resource management and improved technical and vocational education and training.

Identification of main stakeholders and corresponding institutional and/or organisational issues (mandates, potential roles, and capacities) to be covered by the action:

The proposed Action will involve a wide range of stakeholders.

The **primary beneficiaries** of the action will be the Malawian underemployed and unemployed youth, and rural and urban migrants. The action is specifically designed to address the challenges that these demographic groups face in building their livelihood whether through gainful employment or self-employment. The action aims to improve the overall livelihoods of these groups by addressing their specific needs, fostering economic empowerment and promoting social inclusion.

The action will have wider benefits to Malawian society by creating decent jobs through the adoption of advanced production methods and the establishment of new businesses. This strategic approach will not only boost job creation, but also catalyse sustainable local economic development, thereby positively impacting Malawian society.

Local Government: District Councils, in particular those directly involved in the Secondary Cities Plan of Malawi. In the short term, District Councils' role encompasses partnership building, entrepreneurship support and community engagement. In the medium and long term and with the progress of the decentralisation process in Malawi, their role may also encompass, policy formulation, strategic planning, resource allocation, education and training initiatives, and infrastructure development. Through all these roles, District and City Councils play a critical role in contributing to create a supportive environment for youth employment and sustainable economic development.

The National Planning Commission: The National Planning Commission has the overarching mandate of coordinating the effective delivery of the country's development agenda. The National Planning Commission leads the development of the Malawi Secondary Cities Plan; for this reason it will be involved in each effort to bring together key stakeholders and to make the implementation process as inclusive as possible.

The Ministry of Labour, Department of Technical and Vocational Training, responsible for providing policy guidance on all matters of technical and vocational training, with an overarching objective "to help improve the creation of wealth and standard of living of Malawians through the provision of technical, entrepreneurial and vocational skills for wage and self-employment". The Ministry of Labour will help identifying TEVET Institutes and providers, which may be involved in the development of new skills trainings to meet the private sector demands. Also the Technical, Entrepreneurial and Vocational Education and Training Authority (TEVETA) will be involved in these definitions.

The Ministry of Industry and Trade is the policy holder for entrepreneurship related laws and policies. The Ministry will be involved in identifying potential unexplored business opportunities able