

The Malawi Gazette Supplement, dated 6th October, 2023, containing
Regulations, Rules, etc. (No. 32A)

GOVERNMENT NOTICE NO. 54

PUBLIC FINANCE MANAGEMENT ACT

(No. 4 of 2022)

PUBLIC FINANCE MANAGEMENT (MALAWI CARBON MARKETS
TREASURY FUND) ORDER, 2023

IN EXERCISE of the powers conferred by section 44 of the Public Finance Management Act, I, SOSTEN ALFRED GWENGWE, Minister of Finance and Economic Affairs, on the written recommendation of the Secretary to the Treasury, make the following Order—

1. This Order may be cited as the Public Finance Management (Malawi Carbon Markets Treasury Fund) Order, 2023, and shall come into operation on 6th October, 2023. Citation and commencement
2. There is hereby established the Malawi Carbon Markets Treasury Fund (hereinafter referred to as the “Fund”) whose objective is to optimise opportunities and coordinate efforts for sustainable development through carbon markets and climate financing, for Malawians. Establishment and object of the Fund
3. The Fund shall be used solely for the purpose of financing the establishment, operationalisation, and sustenance of the Malawi Carbon Markets institutional framework and operationalization of the Malawi Carbon Markets Initiative. Purpose of the Fund
4. The Fund shall consist of moneys received for purposes of the Fund, including moneys— Capital of the Fund
 - (a) appropriated to Malawi Carbon Markets Initiative by Parliament, from time to time;
 - (b) received as gifts or grants;
 - (c) received as follow-through for various carbon credit projects;
 - (d) received as a share of proceeds from the national carbon credits as determined from time to time; and
 - (e) received as fees and royalties from participating organizations as determined from time to time.
- 5.—(1) The Secretary responsible for environment shall be responsible for administering the Fund. Responsibility for the Fund
- 6.—(1) The Secretary responsible for environment shall appoint a Fund Advisory Committee consisting of five members with various professional backgrounds including a representative of the Secretary to the Treasury which shall— Fund Advisory Committee
 - (a) advise the Secretary responsible for environment on—
 - (i) formulation of annual Estimates;
 - (ii) implementation of annual budgets;

- (iii) production of income and expenditure reports; and
- (iv) contributions from stakeholders in the carbon markets;
- (b) institute audits for the Fund; and
- (c) provide financial oversight of the Fund.

Annual
Estimates and
workplan

7.—(1) The Secretary responsible for environment shall, not later than 31st December in each financial year, submit an annual work plan, and its corresponding annual Estimates of income and expenditure for the Fund for the subsequent financial year to the Secretary to the Treasury, for approval.

(2) The Secretary to the Treasury shall approve, in writing, the annual work plans, the annual Estimates of income and expenditure of the Fund submitted in accordance with subparagraph (1).

(3) Estimates approved under subparagraph (2) shall not be varied without prior written approval of the Secretary to the Treasury.

Expenditure

8.—(1) The Secretary responsible for environment shall ensure that all payments are made in compliance with relevant written laws and Government policies.

(2) Subject to subparagraph (3) payments from the Fund shall not be made without prior written approval of the Secretary to the Treasury.

(3) The Secretary responsible for environment may make payments from the Fund of not more than two million kwacha without prior written approval of the Secretary to the Treasury, provided that the aggregate payment shall not exceed five million kwacha, within a period of thirty days.

Borrowing

9. The Secretary responsible for environment shall not raise money for the purpose of the Fund by means of overdraft or loan without prior approval of the Minister responsible for Finance.

Financial
records,
reports and
audit

10.—(1) The Secretary responsible for environment shall—

(a) cause to be maintained books and records of accounts of the income and expenditure of the Fund in accordance with Treasury Instructions; and

(b) comply with financial reporting obligations as prescribed by Treasury Instructions.

Cap. 37:01

(2) The Fund shall be audited by the Auditor General annually in accordance with the Public Audit Act.

Surpluses and
deficiencies

11.—(1) When submitting the annual Estimates in accordance with paragraph 7, the Secretary responsible for environment shall submit proposals for dealing with any annual financial surplus or deficiency of the Fund.

(2) The Secretary responsible for environment shall comply with directions of the Secretary to the Treasury on surpluses or deficiencies.

Annual
performance
reports

12. The Secretary responsible for environment shall no later than 31st March each year, submit to the Secretary to the Treasury, an annual performance report in a form as may be prescribed by Treasury Instructions.

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13. The Fund shall take effect on 6th October, 2023 and shall expire on 31st March, 2029. Duration of the Fund

Dated this 6th day of October, 2023

(FILE NO. C/RPD/6/3/3/20)

S. A. GWENGWE
Minister of Finance and Economic Affairs