Business Registration Without Tax Strings — Malawi's Lilongwe–Blantyre Formalisation and Bank-Session Experiment

City Innovation Library · Good practice · Malawi

Quality score: 67/100

Evidence strength: Moderate

Summary

A randomised trial with 3,000+ informal firms in Lilongwe and Blantyre found 75% took up free business registration, but only 4% registered for tax. Registration alone changed little. Adding a bank information session raised sales by 20% and profits by 15%.

Key dimensions

Dimension	Score
Evidence of impact / measured results	3/3
Transferability / demonstrated replication	2/3
Scalability	2/3
Sustainability / continuity	1/3
Innovation	2/3
Inclusiveness / equity	2/3
Multi-stakeholder collaboration	2/3

Evaluated by C-NAPSE

Data sources

C-NAPSE web research — accessed 2026-11-20

World Bank Africa Gender Innovation Lab and Development Research Group with Innovations for Poverty Action (IPA) and Malawi's Department of the Registrar General — accessed 2026-11-20

World Bank Open Knowledge: How Should the Government Bring Small Firms into the Formal System? (WPS 8601) — accessed 2026-11-20

PEDL Research Note: Making it Easier for Women in Malawi to Formalize Their Firms — accessed 2026-11-20

CEPR/PEDL: Campos, Goldstein & McKenzie — How Should the Government Bring Small Firms into the Formal System? — accessed 2026-11-20

World Bank Data Catalog: Business Registration in Malawi experimental data 2011–2015 — accessed 2026-11-20

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