



Department  
for International  
Development

# Operational Plan 2011-2015

## DFID Malawi

Updated June 2013

### Contents:

	<b>Introduction</b>	<b>2</b>
Section 1:	<b>Context</b>	<b>3</b>
Section 2:	<b>Vision</b>	<b>4</b>
Section 3:	<b>Results</b>	<b>5-6</b>
Section 4:	<b>Delivery and Resources</b>	<b>7-10</b>
Section 5:	<b>Delivering Value for Money</b>	<b>11</b>
Section 6:	<b>Monitoring and Evaluation</b>	<b>12</b>
Section 7:	<b>Transparency</b>	<b>13</b>
Section 8:	<b>Human Rights Assessment</b>	<b>14</b>
	Annexes	15-18



# Introduction

The UK Government is determined to help end extreme poverty around the world. We believe that international development is not just the right thing to do, but the smart thing to do. Britain has never stood on the sidelines, and it is in all our interests for countries around the world to be stable and secure, to have educated and healthy populations and to have growing economies. DFID aims to end aid dependency through jobs – building the economies of developing countries so that they can stand on their own feet.

No country can develop with only half of the population involved, that is why DFID is scaling up its support for women and girls across all of our country programmes, including an increased emphasis on girls education and preventing violence against women and girls.

We are also focussing on what works, investing in research and taking advantage of new technology to ensure that UK development support has the greatest impact.

DFID is committed to being a global leader on transparency, and in 2012 was ranked the top aid organisation in the world for transparency. Transparency is fundamental to improving accountability both to UK citizens and to citizens in the countries where we work. Transparency also helps us achieve greater value for money and improves the effectiveness of aid. As part of our commitment to transparency we publish Operational Plans for each area of our work setting out what we will achieve and how we will achieve it. In June 2013 DFID launched a new online tool, Development Tracker, to provide an easy way to access information and data about DFID programmes.

With less than 1000 days to go, we will continue to focus our efforts on delivering the Millennium Development Goals, creating wealth in poor countries, strengthening their governance and security and tackling climate change. The prize, in doing so, is huge: a better life for millions of people, and a safer, more prosperous world.



# 1) Context

**A Context of High Poverty and Growing Inequality:** Malawi is one of the world's poorest economies, with some of the worst development statistics for a non-conflict country. Between 2000 and 2010, Malawi made significant progress on many Millennium Development Goals (MDGs) but is still unlikely meet targets. This includes progress on infant mortality rates; under-five child mortality rates; HIV treatment; and access to water. Despite improvement in access to water, improvements in relation to access to sanitation have been slower, with only 51% of the population having access to and use of an improved sanitation facility. Slower progress has been made on universal primary education and improvement of maternal mortality and both remain off target to meeting the 2015 goals. Low progress has been made on gender equality. Attainment of gender parity at secondary schools remains a challenge. The population is expected to double from 13 million in 2010 to 26 million by 2030. This is contributing to increased pressure on a depleting natural resource base with worrying implications for climate change and an already stressed agricultural sector which accounts for one-third of GDP. Malawi is prone to hazards, particularly droughts and floods, which affect around 5% of the population a year. Rural poverty and income inequality is increasing.

**A Context of Political Risks and Opportunities:** Malawi's first multi-party democratic elections took place in 1994, after 30 years of one-party rule under President Hastings Banda who took over at independence. Since the return to multi-party politics, Malawi has witnessed inconsistent progress on key governance indicators and the governance situation remains challenging. Formal democratic institutions are weak and often bypassed. Local elections, important for accountability, have been repeatedly postponed since 2005. Problems of systemic corruption and patronage based politics continues to undermine service delivery. Between 2009 and April 2012, basic rights, including freedom of expression, assembly and legal due process came under pressure as opposition voices were suppressed by President Mutharika's government. President Mutharika's sudden death in April 2012 led to a peaceful and constitutional hand over of power to his vice president, Her Excellency Joyce Banda. The new leadership has a chance to radically reform Malawi's political system so that it is focussed on the delivery of public goods rather than political patronage. We will need to closely monitor to what extent there is a fundamental transformation in political governance and whether political reforms are sustained and consistent, especially in the run up to the 2014 national elections. Electoral institutions remain weak and will need major external support to ensure free elections.

**A Context of Economic Fragility and Economic Recovery:** During 2006 to 2010, Malawi experienced an impressive GDP growth rate averaging around 7% a year driven by strong harvests, an improved macro-economic environment and large aid inflows. The economic situation deteriorated between 2010 and 2012 in tandem with increasingly poor political governance. A large trade deficit, foreign exchange shortages and an increasingly over-valued fixed exchange rate undermined past gains. Malawi's IMF programme went off track in June 2011 and all General Budget Support (GBS) was suspended due to concerns over economic management, governance and human rights. In May 2012 the government devalued the exchange rate and adopted a floating exchange rate regime. These reforms to restore economic stability, while necessary, have triggered economic hardship as prices have risen, and will require time before full stability is restored. Inflation has increased to 28%, and the Kwacha has continued to depreciate. Foreign exchange shortages are likely to continue in the short term as the economy takes time to adjust. In the longer term the key challenge is to invest in sustainable economic growth by increasing exports, and diversification to reduce the reliance on tobacco. The most obvious possibilities are agriculture, mining and tourism.

**DFID Malawi In Context:** DFID is one of the largest donors to Malawi. We also have an influential role on development policy and analytical issues. Malawi continues to be aid dependent and graduation is a long way off, especially given the political, economic and human development challenges it faces. With tax plus aid, the Government of Malawi has less than £ 60 per person per year to provide all services to its citizens, so value for money and a strong results focus are absolutely critical. DFID is committed to work in partnership with the current government to help Malawi get back on track and improve its political governance. We will give strong support to the Government of Malawi to improve the lives of Malawian citizens and revive the economy. Our support and action to help the current government jump-start the economy and protect the poor is necessary during this critical time, but we are also conscious of the long term nature of reforms required.



## 2) Vision

**Overview:** Our analysis of the context in Malawi recognises the new opportunities and challenges facing the country. Three priorities will underpin our work:

**1.) Addressing Poverty and Inequality:** We will build on programmes that are already delivering impressive results including in Health, HIV, Agriculture and Education. We will scale up our work in areas where we can have high impact and areas that are contributing to increasing inequality and poverty. These include new programmes to address gender parity and improved quality in girls education; scaling up our water and sanitation programmes in under-served areas; investing in communities abilities in rural areas to tackle underlying vulnerabilities and shocks including the effects of climate change; addressing the high fertility rates and tackling barriers affecting girls and women. Our planned interventions will be mutually reinforcing: e.g: girls need toilets, closer water points and protection from abuse to attend school, and their education will slow population growth, deliver better health outcomes and higher earnings for them and Malawi. We will continue to support timely and effective humanitarian responses following disasters to protect the most vulnerable while increasingly looking for ways to build their ability to cope themselves in the future. We will ensure that resilience to hazards and climate change is embedded throughout our programmes.

**2.) Supporting Wealth Creation and Economic Growth:** While our initial priority will be to ensure and protect economic stability, we will scale up work with the Government, the private sector, development partners and regional initiatives to help put the country onto a more sustainable growth path and expand the private sector. A new private sector development programme will support agricultural diversification, address financing constraints to growing businesses and help reform barriers in the business regulatory environment. Recognizing inequities in infrastructure development a new rural roads programme in partnership with the World Bank will provide micro level infrastructure improvements that will open up more rural livelihoods to markets and public services. And we will develop with partners a Financial Sector Deepening Trust to expand access to financial services. Our work will be complemented by planned multilateral investments in regional infrastructure and trade facilitation, including DFID's regional work on the North-South Corridor and the Pan African Free Trade Area.

**3.) Promoting an Open Society and more Capable, Accountable and Responsive Governance:** Our governance work will continue to promote accountability, responsiveness and capability in the Malawian government, while underpinning the rest of our Plan by ensuring Malawi's limited resources are used to maximum effect. This includes empowering local citizens to realise their rights, increasing local and national accountability and space for debate, protecting the rights of excluded and vulnerable groups, increasing access to justice, safety and security, including reducing violence against girls and women and a major contribution to the fight against corruption and efforts to build the capacity of the government to better manage public finances. We will support the efforts of the new government to improve the governance context. We are finalizing a holistic programme of support for the 2014 elections and to strengthen democratic institutions.

**How We Will Work:** To address these priorities we will demand accountability and be accountable ourselves; emphasize the delivery of results; engage in well performing partnerships; ensure value for money and create a culture of listening and learning

**Alignment to DFID and Wider UK Government Priorities:** This Operational Plan is aligned to DFID's Business Plan 2011-15. We have also contributed to the FCO/BHC's business plan in Malawi. This Operational Plan also complements planned DFID regional work on several areas. It builds on the UK Government's transformative agenda which looks at the three enablers that will allow citizens to improve their lives: the elimination of poverty, open economies and open societies.

**What We Will Stop Doing:** Our Operational Plan reflects a rationalisation that began in 2010, based on where we can have the greatest development impact and add value to others' work. We have also tightened our focus to reflect UK Ministerial priorities (eg: access to water and sanitation in under-served areas) leaving infrastructure investments we had considered like large scale irrigation to multilaterals, many of which DFID funds centrally.



## 3) Results

### Headline results

Pillar/ Strategic Priority	Indicator	Baseline (including year)	Expected Results (including year) <sup>1</sup>
<b>Wealth Creation</b>	Number of additional people accessing credit through DFID support	0 (2010)	27,000 additional people (by 2014)
<b>Poverty, Hunger and Vulnerability</b>	Number of people directly supported by DFID to cope with natural disasters and the effects of climate change	0 (2010)	350,000 people (by March 2015)
<b>Health/HIV</b>	Number of births delivered with the help of nurses, midwives or doctors through DFID support	41,400 (2010)	113,600 births (cumulatively from 2011 to 2014)
	Number of additional women using modern methods of family planning through DFID support	0 (2010)	22,500 additional women (cumulatively from 2011 to 2014)
<b>Education</b>	Number of children supported by DFID in primary school	98,900 (2009/10) 49,600 girls	443,000 children of which 233,000 girls (in 2014 only)
	Number of girls in secondary schools with DFID bursaries	0 (2010)	14,000 in 2014
<b>Water/Sanitation</b>	Number of additional people provided with sustainable access to clean drinking water sources and an improved sanitation facility	0 (2011)	750,000 additional people of which 385,500 (51%) female (cumulatively from 2011 to 2014)
<b>Governance and Security</b>	Number of girls and women with improved access to security/justice services through DFID support	357, 600 (2010)	406,900 girls/women (by 2014)



### 3) Results (continued)

**Evidence supporting results:** The majority of the programme and results are based on **best available evidence**. These continue or scale up what we know works in Malawi and can draw on systemic data collection and verification mechanisms. Planned MDG results are ambitious but achievable, based on past project results and existing data. As far as possible we will rely on national statistics to track progress on key results. We will need to be much more analytic on how we understand and interpret figures and wherever possible triangulate data with additional sources. We will also draw on robust evidence available by other development partners as a means to verify the national monitoring systems. We will work to strengthen current administrative data sources and the regularity of planned surveys by supporting the National Statistics Office (NSO) to establish the National Statistical System (NSS) that will in the long run improve the reliability and quality of data. Other programmes are based on **incomplete evidence**, either from what has worked outside Malawi or smaller pilots. The Resilience programme will scale up successful pilots as we get better data on which approaches deliver the greatest impact. Our Wealth Creation plans tackle the top growth constraints identified through the recent joint donor Country Economic Memorandum analysis. The Access to Finance programme and targets are informed by successful initiatives in other countries (e.g. Rwanda, Kenya) including financial surveys conducted in Malawi. The Business Innovation Facility is still at pilot stage, but shows potential to address key private sector constraints, and will be assessed before scale up. Governance and Security plans to expand initiatives that are having a positive result (e.g. community scorecards, justice, support to the National Audit Office and Anti-Corruption Bureau) but high-level impact is harder to track so project designs will address this and involve regular monitoring to build out evidence base. Our support to civil society has been scaled-up as part of our work on empowerment and accountability, and we will invest in independent impact evaluation to drive continuous improvement in civil society projects and build local knowledge on "what works". In addition, our overall strategy will be informed by political economy analysis. With all forms of budget support we will continue to work closely with other donors locally and DFID centrally to tighten our assessment of the direct impact of general budget support on planned results, looking at the impact of both the funding and associated policy influencing. A recently established in-house Results and Evaluation team will provide advisory support to programmes to improve their evidence bases and improving the quality of monitoring and learning processes where programme evidence is weak or incomplete. Where possible we shall explore the possibilities of supporting results based financing in the social sectors.

**Value for Money (VfM) rationale:** There are high returns to investments in better basic services and their resulting synergies (e.g. African women with seven or more years in school have five children compared to seven or more for those with four years' education and similar gains exist with health investments). Our support focuses on interventions of most relevance to the poor and which benefit the greatest number. For example, the new Health Sector Strategic Plan 2011-16 adopts a basic health care package that draws on national and international evidence of value for money, as does our new family planning programme which enhances access by the poor in the most cost effective manner. On education, DFID's programme adopts the Global Partnership for Education (GPE) (formerly the Fast Track Initiative Initiative) guideline that 60% of resources should be for primary education, particularly given that education resources are very skewed towards higher education. At the same time, we are increasing our focus on wealth creation, which is critical to shift Malawi's longer term growth path and reduce aid dependency. Our investment in public financial management systems will also help to deliver better VfM. Through support to the Ministry of Finance, we are helping the Government switch to national budgets based on outputs not inputs. A detailed review of the Government of Malawi's spending on travel and transport in 2009/10 that DFID funded highlighted substantial scope for savings in this area (which represented 11% of Government spending). We will take account of a Public Expenditure Review that is currently underway to inform future funding decisions and monitor the adoption of efficiency measures in subsequent budgets should full General Budget Support resume. Where possible we will track unit costs and rates of return and use these to inform decisions. Regular monitoring and evaluation will ensure that we constantly check our value for money. Corruption and fraud continue to be a key risk to achieving value for money and DFID Malawi has a zero tolerance approach to cases of corruption and mismanagement. We actively pursue perpetrators of misuse of funds and will take necessary action against such perpetrators including pursuing the reimbursement of mismanaged funds.



## 4) Delivery and Resources

The scale of the challenge in Malawi makes prioritisation difficult given the high expectations of DFID and limitations in resource availability. But maximising our impact and adjusting to new operational requirements means we must narrow our focus (our staff/programme ratio is low compared to other big donors). This plan is driven by analysis of where we can achieve high results on DFID Ministers' priorities. It reflects divisions of labour e.g. multilaterals leading on large scale infrastructure with DFID's large investments in social sectors; the US and Global Fund lead on malaria. DFID continues to be central to the expansion and improved quality of education and health.

To make the best use of our capacity, minimise transaction costs for partners and maximise results in line with the UK's aid effectiveness commitments, joint donor work will increasingly be the norm. Almost all planned programmes are joint to some extent, with DFID managing others' funds (Enhancing Community Resilience Programme) or leading aspects (e.g. health procurement oversight). The joint Civil Society Fund will provide a more strategic, longer-term vehicle for increased NGO partnerships than we currently have, replacing the DFID/BHC Good Governance Fund and other ad-hoc funding mechanisms. We are also contributing to a joint Trust Fund to support the delivery of the government's PFM reform strategy. Analytical work and evaluations will also be done jointly wherever possible, with findings widely shared. We will explore how we can better contribute to addressing nutrition in Malawi potentially through joint programming and we will look for further opportunities to share staff (AusAid previously shared our Water/Sanitation Adviser and Education Unit work with counterparts daily). We will also do more staff development jointly (e.g. opening up courses we organise to other donors, civil society and Government colleagues where appropriate). Our choice of partners is based on our assessment of who locally is best able to deliver agreed results. This includes contracting multilaterals to implement specific programmes (e.g. United Nations Children's Fund (UNICEF) on victim support units, United Nations Development Programme (UNDP) on elections, World Bank on Access to Finance). Programme designs will take account of and be guided by DFID's Multilateral Aid Review (MAR). For example, we will monitor UN and World Bank overheads and consultancy costs carefully to ensure value for money, and agree tight results frameworks with disbursements linked to these to maximise delivery, including a strong focus on benefits for girls and women. Combining our flexible grant funding with World Bank credits (as we are doing in the Access to Finance programme) also helps the Bank to move faster. We will continue to support the shift to 'One UN' by making sure agency agreements are cleared with the Resident Coordinator and using the 'One UN Fund' where appropriate. Slow or poor delivery, or weak value for money, is a risk we always face when we work through others. But we will mitigate this by choosing our partners carefully and using those with a strong track record, by setting ambitious but realistic targets, by closely monitoring progress to spot problems early on and address these (through dialogue or support or adjusting them as necessary including where programme reviews or wider research suggest a better way to do things). We are prepared to close programmes that do not deliver results. We will also have a zero tolerance to corruption.

Our programme includes a mix of funding methods. Where Government systems are satisfactory and will maximise the impact of our funds, we will deliver through these systems (whilst developing their capacity). We will add safeguards as necessary (e.g. procurement oversight, independent audits) and provide assistance or advice on problem areas. Ministers suspended budget support in July 2011 due to a range of concerns on governance, human rights and economic management. Early indications from the new President are that efforts are being made to address these concerns, but more progress needs to be made before a full return to budget support can be considered. We will therefore keep the range of delivery mechanisms under review and may return to full budget support in the future depending on Government performance. Our plan allows flexibility to respond to changes in the governance or economic context. In health, HIV and education we plan to use sector budget support to leverage higher investment, policy reform and results on a national scale, complemented by NGO/private sector partnerships (e.g. family planning, girls' scholarships, community water schemes). We expect some percentage of our portfolio to be delivered outside Government, but will maintain close consultation with donors and Government to ensure a coherent strategy for delivering resources. Diversification allows us to pilot innovative approaches and take advantage of different skills (e.g. private sector efficiency, NGO community links). It also helps to manage risks.



## 4) Delivery and Resources (continued)

### Planned Programme Spend

Pillar/Strategic priority	2010/11 (outturn)		2011/12		2012/13		2013/14		2014/15		TOTAL (2011-15)	
	Resource £'000	Capital £'000										
Wealth Creation	11,838		12,506		9,050		6,750		9,078		37,384	0
Climate Change	1,121		1,204		388		0		0		1,592	0
Governance and Security	8,058		6,660		11,689		11,655		9,220		39,224	0
Education	15,851		17,317		22,062	2,100	21,850		22,199		83,428	2,100
Health	11,212		312		32,495		22,563		22,410		77,780	0
Malaria	0		0		0		0		0		0	0
HIV/Aids	13,324		347		3,748		4,750		4,500		13,345	0
Other Health (Fam Plan)	2,084		3,070		3,364		7,125		6,750		20,309	0
Water and Sanitation	1,034		1,241		2,857		7,012		6,822		17,932	0
Poverty, Hunger and Vulnerability	4,286		10,709		11,956		10,002		9,414		42,081	0
Humanitarian	902		8,191		11,304		500		450		20,445	0
Other MDGs- GBS*												
Global Partnerships	371		200		5,533						5,733	0
<b>TOTAL</b>	<b>70,081</b>	<b>0</b>	<b>61,757</b>	<b>0</b>	<b>114,446</b>	<b>2,100</b>	<b>92,207</b>	<b>0</b>	<b>90,843</b>	<b>0</b>	<b>359,253</b>	<b>2,100</b>

The 2010/11 figures reflect actual outturn as the baseline year before the current spending review period. Figures for 2011/12 and 2012/13 reflect actual spend and figures for 2013/14 and 14/15 are planned budgets within the spending review period. The 2013/14 figures differ from the previously published Operational Plan as the 2013/14 budget round has now taken place and updated allocations for this year have been agreed. 2014/15 figures are subject to updates in subsequent years.



## 4) Delivery and Resources (continued)

### Planned Operating Costs

	2010/11 (Outturn)	2011/12	2012/13	2013/14	2014/15	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Frontline staff costs - Pay	1,102	1,130	1,545	2,206	2,334	7,215
Frontline staff costs - Non Pay	453	566	474	281	457	1,778
Administrative Costs - Pay	312	214	182	282	289	967
Administrative Costs - Non Pay	4	111	126	80	85	402
<b>Total</b>	<b>1,871</b>	<b>2,021</b>	<b>2,327</b>	<b>2,849</b>	<b>3,165</b>	<b>10,362</b>

Note: Figures for: 2010-11 and 2011-12 are actual outturn; 2012-13 is provisional outturn; 2013-14 and 2014-15 are planned budgets



## 4) Delivery and Resources (continued)

### Planned Efficiency savings

Category	Details	Residual cost in the SR period £'000
Strategic Reprioritisation	Joint donor civil society fund replacing individual grants under Good Governance Fund (lower transaction costs for DFID and NGOs).	10,400
Further examples of Programme efficiency		

Administrative Cost Savings Initiative	2011/12		2012/13		2013/14		2014/15	
	PAY £'000	Non Pay £'000						
Reduction in Consultancy Payments		15						
Reduction in Travel								
Reduction in Training		30		10				
Reduction in Estates and Property Costs		15		20				
Reduction in costs as a result of Office Restruct	30				40			
Other Reductions	20	10						
<b>Total</b>	<b>50</b>	<b>70</b>	<b>0</b>	<b>30</b>	<b>40</b>	<b>0</b>	<b>0</b>	<b>0</b>

Note: DFID Malawi has already achieved major savings in running costs including 62% saving in consultancy costs, 68% reduction in travel and 40% reduction on estates between 2009/10 and 2010/11. Future budgets assume continued efficiency savings including to support our Green commitments, but past cuts mean the scope for further large savings is limited. Flat-lining spending equates to an efficiency saving of at least 7- 10% (local inflation, although some costs e.g. utilities, fuel, housing are increasing much faster than this). Progression of a Single Platform for BHC/DFID corporate service functions and a wider root and branch review of staffing needs for BHC/DFID should over the period of the plan realise further efficiency savings for the UK Government on administrative costs.



## 5) Delivering Value for Money (VfM)

The UK National Audit Office (NAO) undertook a detailed value for money audit of DFID Malawi's programmes (2003-08) which concluded that some aspects of our programme are particularly good value for money, citing the Farm Input Subsidy Programme seeds and the Health Programme's emphasis on the most appropriate interventions to address the burden of disease. The NAO and Public Accounts Committee (PAC) noted that, in some cases, it was hard to *prove* value for money. It also highlighted the need to continue strengthening programme appraisal, monitoring and evaluation and recommended the need to integrate more direct feedback from Malawians on the quality and level of services they receive. DFID Malawi has already taken action to address some of the NAO and PAC recommendations. Our economist developed an in-house training course to help other staff expand their skills. In line with the recent Independent Commission on Aid Impact (ICAI) report recommendations on DFID's approach to Anti-Corruption we are developing an office-wide Anti-corruption strategy to help us focus our external support to Malawi's anti-corruption goals, improve safeguards on our country programmes and ensure robust procedures are followed in our own fraud management. This strategy will help ensure value-for money for us and the Malawian government by safeguarding both British and Malawian tax-payers money.

**Challenges:** Key challenges expected in driving further value for money improvements in our work during the Operational Plan period include: (a) Driving forward the design, approval and implementation of a large pipeline of new programmes during 2011/12 using the new Business Case format, to take forward the priorities in this Operational Plan and deliver planned results; (b) Working with and through others (donors, Government, NGOs) who might give less priority to value for money and timeliness, or be less familiar with applying concepts like economic rate of return or opportunity cost to aid programmes; (c) Monitoring Value for Money through Government of Malawi and other partner systems, especially given data weaknesses, and securing improvements in procurement processes controlled by others (in both health and education, independent oversight tracks this and identifies potential savings); (d) Driving down unit costs is not straightforward, given rising local costs outside our control (e.g. increase in prices after devaluation), or current under-investment (the cost per child educated should go up, matched by better results); (e) Improving our feedback mechanisms and processes so they better capture opinions and perspectives from Malawians and how they experience results, impact and value for money.

**Actions:** To ensure a comprehensive understanding of the Value for Money of DFID Malawi's programme between 2011 and 2015 we will adopt a three phase approach where we will:

**Phase 1 (By early 2013):** Finalize the draft DFID Malawi Value for Money Strategy and draft Anti-Corruption Strategy to be implemented over the Operational Plan period; Deliver a more comprehensive training to all staff, with materials continuously updated and improved; Train Business Case Champions within DFID Malawi to provide support to teams developing Business Cases using the new format; Establish a peer driven internal scrutiny team/programme board of senior advisers that will assess draft Business Case proposals, in addition to the central QA process; Establish a results and evaluation team that will help strengthen programme appraisal, monitoring and evaluation processes; Continue to identify and drive efficiency savings in our running costs.

**Phase 2 (By end 2013):** Undertake a stock take (and systematic monitoring) of the quality of existing logframes and business cases to make sure they have suitable outputs and outcomes to track value for money and quality of results; Develop processes which strengthen direct feedback from Malawians on a selection of DFID programmes; Strengthen relations with the National Statistical Office (NSO) to build stronger mechanisms for collecting quality data that could yield information on value for money; Encourage the Government of Malawi to develop its own action plan, linked to the new medium term Public Financial Management Reform Programme and tracked through the Governance, Financial and Economic Management Group; Review progress made under the Value for Money Strategy and improve financial forecasting processes.

**Phase 3 (From end 2013):** Have an established core support relationship with NSO that offers access to and influences better quality and regularly available data; Move the Value For Money focus beyond efficiency savings to looking at effectiveness; Have a wholly owned and applied Value for Money strategy.



## 6) Monitoring and Evaluation

**MONITORING:** Monitoring and Evaluation (M&E) is already a top priority for DFID Malawi. The action points below are intended to strengthen our current approach and make sure we both achieve agreed results, learn and innovate from our work. To help strengthen our Monitoring and Evaluation DFID Malawi has invested in a Results and Evaluation Team that will lead on improving the quality and usefulness of our M&E processes. A DFID Malawi Monitoring and Evaluation strategy will be developed by end 2012 and will lay out the overall principles and approach to M&E that will be adopted by the country programme.

**How** – Progress against the Operational Plan and Results Framework will be monitored quarterly by the Leadership Team, using light touch team reviews with more detailed reviews at mid and end year. The results and evaluation team will support programme teams to review and strengthen their result frameworks. For programmes where results are expected to be monitored through national systems we will strengthen our engagement and support to the National Statistical Office (NSO) to improve data quality. We will establish more robust methodology notes for every result to add rigour and honesty to our analysis and assumptions. For programmes where national and respective line ministry systems cannot capture adequate information we will work with partners to develop methods and processes that provide representative samples and evidence to inform our work. We will draw on other (often donor delivered) data to verify national data systems. As a guiding principle we will seek to place Malawian citizens at the heart of our feedback processes to capture their experiences, voices and perspectives and improve our regular contact with those whose lives we claim to see changes in. Apart from having a focus on trying to prove our work, we will place a greater emphasis on learning and improving our work through regular field based informal reflections with our partners beyond our engagement with paper reports.

**Who** – We will work closely with the NSO and relevant line Ministries to strengthen national monitoring and evaluation systems. Implementing partners will be responsible for monitoring programmes directly. The Results and Evaluation Team will work closely with DFID programme staff to improve our own internal monitoring capabilities which will serve to triangulate monitoring information. We hope to encourage more critical peer reviews within DFID and with our partners.

**When** – Frequency of monitoring will vary across programmes depending on each programme context. Internally we will review or work at least twice a year against our operational plan and individual results frameworks. Programme annual reviews will be planned in advance according to agreed timings and encourage wide participation wherever possible. Methodology notes for results frameworks will be reviewed and updated by December 2012 in consultation with the Results and Evaluation Team.

**What** – Performance and Annual Reviews will monitor progress against our outputs and outcomes. We will harmonize all the various reporting frameworks so that they seamlessly capture performance trends from individual programme reviews (as opposed to being separate ad-hoc and often meaningless exercises). Where trends are off track, remedial actions will be designed in consultation with programme partners and the internal programme board.

**EVALUATION:** An evaluation plan will be developed by the Results and Evaluation team in consultation with DFID Malawi Programme team members and the Evaluation Department in Head Office. A tentative calendar estimates that at least 10 end of programme evaluations will take place during the period of this Operational Plan. We anticipate that at least 40% of the programme budget 2011-15 will be subject to independent evaluation. These will be confirmed once the Results and Evaluation team is fully established and developed the full evaluation plan in consultation with the evaluation teams. A capability needs assessment will be carried out to identify the necessary support and type of methods to be used to ensure evaluations are rigorous, relevant, innovative and most importantly useful.

**BUILDING CAPACITY OF PARTNERS:** With government partners we will particularly work with the NSO and M&E leads in line ministries to strengthen M&E processes especially through the National Statistical System (NSS). With all our partners our approach will be to encourage M&E to be used as a learning process as opposed to a policing process thereby encouraging more openness and reflexivity. Taking lead from the National Audit Office (NAO) recommendations, we will particularly work with partners to improve our downward accountability mechanisms to ensure we get direct feedback from Malawian citizens on the quality, experience, efficiency and effectiveness of our support. This will be particularly important where evidence supporting results is weak and where synergies between partner systems can be established. We will offer context specific support to partners to strengthen their M&E processes.



## 7) Transparency

Transparency is one of the top priorities for the UK Government. We will ensure that we continue to meet our commitments under the UK Aid Transparency Guarantee including publishing detailed information about DFID projects, including programme documents and all spend above £500. We will continue to ensure that information is accessible, comparable, accurate, timely and in a common standard with other donors and that we provide opportunities for those directly affected by our projects to provide feedback

A key priority will be making sure that all documents are written in high quality, plain English, appropriate for an external audience (whether in the UK or Malawi). This principle also applies to other material that will be published (e.g. payment information). We will also continue to employ good information management practices within the office, so documents are readily accessible if requested.

We will increase the amount of information we routinely share with our partners and members of the public in the UK and Malawi and encourage other donors, NGOs and Government partners to do the same. Where possible, we will translate basic DFID project information summaries into Chichewa (using our own staff as far as possible to minimise costs, and considering other languages as appropriate e.g. for projects in specific regions). A short summary of this Operational Plan will be translated. We will look at ways to use radio and mobiles, as well as newspapers and TV (where this is cost effective) and the internet (internet penetration is less than 1% of the Malawi population but does provide a hub where civil society groups and the media can access information for future use). Public material will focus on what we are doing, resources allocated, why, and results being achieved. The Government of Malawi is tracking aid flows and projects, supported by the Development Gateway Foundation and the International Aid Transparency Initiative (quarterly and annual reports, online version planned). DFID like other donors provides regular data for this and we are discussing how to make other information available this way e.g. project summaries and reports. A group of international NGOs working in Malawi are also making information about their work more readily available via a shared website, including financial information.

We will support others to improve their transparency and learn from innovative transparency initiatives. Planned accountability work will expand current initiatives with civil society, local communities and Government to help them access information and track performance of our programmes as well as wider service delivery and governance issues (e.g. expanding use of community 'scorecards' for health, education, agriculture, water/sanitation, supporting community budget monitoring). Tilitonse, the DFID-led joint donor civil society governance fund, and Kalondolondo, our community-based monitoring programme, will be the main vehicles for this, supporting our existing programmes in the sectors, although we will incorporate additional accountability and transparency work into sector programmes where necessary (e.g. as we already do on the Farm Input Subsidy Programme, or the new Education Performance Report we helped the Government launch in 2010). We will use findings to inform our own programme design and monitoring, as well as debates (e.g. how to improve equitable access to services) and encourage the Government to use findings to improve policy and impact. We will also support and encourage Government efforts to improve transparency on the budget process (building on the new Quarterly budget reports, and last year's public consultation on the new budget) and use of public expenditure reviews and tracking surveys. If there is sufficient local support, we will also support the Access to Information Bill, which has not progressed beyond cabinet, as well as promoting Open Government Partnership (OGP) membership to the government of Malawi.

We will strengthen our culture of consultation as part of improving transparency with our partners and encourage greater direct feedback on our work from Malawians in a bid to improve our accountability to developing partners. We will improve our listening culture as part of our commitment to improve transparency



## 8) Human Rights Assessment Malawi

The UK recognises that the realisation of all human rights underpins sustainable development. Through its development programmes, the UK aims to support civil society and governments to build open economies and open societies in which citizens have freedom, dignity, choice and control over their lives, and institutions are accountable, inclusive and responsive.

### Human rights context

- Economic and social rights: Malawi is ranked 170<sup>th</sup> of 186 countries in the Human Development Index (2012), and while it has made significant progress on many of the Millennium Development Goals (MDGs) it is still unlikely to meet most targets. Adequate standard of living has worsened due to increasing poverty, especially in the rural areas. The recently released Integrated Household Survey (IHS 3: 2011) notes that the poverty rate in Malawi remains at 51% and has not registered a significant reduction since 2004. Rural poverty increased from 55.9% to 56.6% during the same period. Between 2010-2012 the economic situation deteriorated significantly. In May 2012, the Government devalued the exchange rate and adopted a floating exchange regime. These reforms to restore economic stability have increased economic hardships with price rises for basic commodities, high inflation and continued depreciation of the Kwacha. On rights to health and education there was progress in some areas between 2000 and 2010. Infant mortality reduced from 103 per 1000 live births in 2000 to 66 per 1,000 live births in 2010 (DHS, 2010). Under five child mortality reduced from 189 to 112 per 1000 live births during the same period (DHS, 2010). Slower progress has been made on universal primary education (Malawi MDG Report 2011).
- Non-discrimination: Malawi has a Gender Inequality Index of 0.573 and is ranked 124 out of 148 on the index. Maternal mortality remains high at 675 per 100,000 live births (Malawi MDG Report, 2011). Gender parity at secondary school remains a challenge with the ratio of girls to boys in secondary school standing at 0.78. Inequality is worsening and the IHS 3 (2011) notes that the GINI co-efficient (a measure of income inequality) worsened in urban areas from 0.484 in 2005 to 0.491 in 2011 and in rural areas from 0.339 to 0.375. Violence against girls and women is at alarmingly high levels – 48% of women say they have suffered from violence or abuse (DHS, 2010). Although the government has not repealed legislation criminalizing same sex marriages, the Minister of Justice has stated that the laws will not be enforced. While Malawi currently has its first woman head of state, women's representation in politics remains low with Malawi ranking 58 out of 139 having only 22.3% representation in Parliament according to the Inter-Parliamentary Union (IPU 2013) rankings.
- Civil and political rights: In 2013 Freedom House noted that Malawi made gains in its political and civil rights indicators after the peaceful transfer of power to President Joyce Banda following President Mutharika's death and allocated a ranking of *partially free*. Malawi registered the biggest leap in the Reporters without Borders press freedom index (2013), rising 71 places from 146 to 75, reflecting improved press freedom and freedom of speech compared to the period under the Mutharika administration. The Universal Periodic Review reported in January 2011 and the Government accepted 65 of the 127 recommendations put forward, but rejected 39 (a further 6 recommendations were accepted and a total of 44 were rejected following the plenary in March 2011). Implementation of recommendations will be reviewed at the next UPR process in 2015.

### Direction of travel

- Social and economic rights are on a negative trajectory following worsening economic conditions, high inflation and costs of living, and increasing poverty and inequality.
- Inequalities are growing and result in uneven progress across rural-urban, regional, social and gender lines.
- Civil and political rights are improving and 2014 national and local elections will be an important indicator of progress.

### UK approach and focus

- The UK will strongly support positive trends on social and economic rights through development programmes executed primarily in partnership with government.
- We will step up work to address inequalities through on-going programmes in support of the most vulnerable Malawians, examples include an increased emphasis on women and girls in education and justice programmes, and increasing support to underserved areas such as our Water and Sanitation work.
- The UK will continue to work closely with the Government, non-governmental organisations and international development partners to promote and safeguard human rights, including placing a strong focus on respecting human rights in the underlying principles governing aid to the Government. With the recent change of government and the opportunity for the new President to strengthen human rights, the rule of law and government accountability, we are actively working with the FCO to promote positive change and stand ready to provide additional support to help reverse the past declines in respect for human rights, and move toward greater realisation of human rights for all Malawians.
- We will help build more accountable institutions. Our work on Public Financial Management reform will aim to promote transparency in government budgeting. We also directly support accountability institutions, including the Anti-Corruption Bureau and the Police Force. We are also designed a programme to support other democratic institutions, including the Electoral Commission and Political Parties, to help ensure peaceful and credible elections in 2014.
- We will strengthen voice and accountability by working with and supporting civil society organisations to help citizens hold authorities to account and promote inclusiveness, as well as efforts to improve access to information.



# Annex A: Revisions to Operational Plan 2012/13

*Summary of key revisions to the Operational Plan published as a result of the refresh:  
(Note: Operational Plan was revised and republished in January, 2013)*

Section	Description Of Changes	Type of Change
Context	Minor addition: " <i>Malawi is prone to hazards, particularly droughts and floods, which affect around 5% of the population a year</i> " highlighting new work from the Multi Hazard Assessment	Minor Change
Vision	Minor addition " <i>We will ensure that resilience to hazards and climate change is embedded throughout our programmes</i> " reflecting the vision of embedding resilience and climate change in our work	Minor Change
Programme Spend	Changes: 2011/12 updated to show final outturn position, 2012/13 to show provisional outturn and 2013/14, 2014/15 updated to show most recent plans set out in departments resource allocation round.	Changes - Updating of Data
Operating Costs	Changes: 2011/12 updated to show final outturn position, 2012/13 to show provisional outturn and 2013/14, 2014/15 updated to show most recent plans set out in departments resource allocation round.	Changes- Updating of Data
Human Rights Assessment	New Slide	Changes - New Slide
Annex 1: Revisions to Operational Plan	New Slide highlighting revisions in OP Refresh	Changes - New Slide
Annex 2: Results Progress	New Slide highlighting results progress to date	Changes - New Slide



# Annex B: Results Progress

Progress towards headline results as at 31<sup>st</sup> March, 2013\*

Pillar/ Strategic Priority	Indicator	Baseline (include year)	Progress towards results (include year)	Expected Results (include year)
<b>Wealth Creation</b>	<i>Number of additional people accessing credit through DFID support</i>	0 (2010)	<i>As of March 2013, 5,000 additional people had been supported. Progress on track and current forecasts suggest that final results will be higher than published with more results from the Enhancing Community Resilience Programme (ECRP). Access to Finance programme still under development.</i>	27,000 additional people by 2014
<b>Poverty, Hunger and Vulnerability</b>	<i>Number of people directly supported by DFID to cope with natural disasters and the effects of climate change</i>	0 (2010)	<i>As of March 2013, 40,000 people had been supported directly. Current forecasts suggest that this result may be off-track and forecasts to be 334,000 people by March 2015 due to adjustments in attribution calculations.</i>	350,000 people by March 2015
<b>Health</b>	Number of births delivered with the help of nurses, midwives or doctors through DFID support	41,400 (2010)	<i>Programme implementation progress on track. Currently awaiting reporting of results from the Health Management Information System (HMIS) to confirm progress of results achieved.</i>	113,600 births (cumulatively from 2011 to 2014)
<b>Health</b>	Number of additional women using modern methods of family planning through DFID support	0 (2010)	<i>Programme implementation progress on track. Currently awaiting reporting of results from the Health Management Information System (HMIS) to confirm progress on results achieved.</i>	22,500 additional women (cumulatively from 2011 to 2014)
<b>Education</b>	Number of children supported by DFID in primary school	98,900 (2009/10)	<i>Programme implementation progress on track. Currently awaiting reporting of results from the Education Management Information System (EMIS) to confirm progress of results achieved.</i>	443,000 children of which 233,000 girls (in 2014 only)
<b>Education</b>	Number of girls in secondary schools with DFID bursaries	0 (2010)	<i>As of March, 2013, 8,000 girls had been supported in secondary school with DFID bursaries. Progress on track.</i>	14,000 girls by 2014
<b>Water / Sanitation</b>	Number of additional people provided with sustainable access to clean drinking water sources and an improved sanitation facility	0 (2011)	<i>As of March, 2013 a total of 130,000 people were supported (of which 80,000 was achieved in 2012/13 year). Progress on track.</i>	750,000 additional people (cumulatively from 2011 to 2014)
<b>Governance and Security</b>	Number of girls and women with improved access to security / justice services through DFID support	357,600 (2010)	<i>Programme implementation progress on track. No results to report currently due to indicator methodology (based on next DHS - 2015).</i>	406,900 girls / women (by 2014)

\* These results may not be directly aggregated with other country results due to different measurement methodologies



## Annex C: Girls and women

**Background.** Malawi is one of the poorest countries in the world and ranks 120 out of 136 countries in the Gender Inequality Index. MDG 3 is off track. Women work longer hours, earn less, receive less education, are subject to high levels of domestic violence, are more at risk from HIV and have limited access to resources and decision making.

**Education.** Up to grade 6, parity up to primary grade 6 achieved but only one in four girls completes eight years of primary school; of these 72% pass the Primary School Leaving Certificate Examination (PSLCE). Only 40% of girls progress to secondary school. Only 38% of teachers are women. The literacy rate for women is 60% compared to 80% for men.

**Poverty, Hunger, Vulnerability.** 25% of households are headed by women and these tend to have higher rates of poverty than those headed by men. Agriculture dominates Malawi's economy and women are 70% of the workforce, mostly producing food for themselves and their families (80%).

**Health.** 10 women die everyday from pregnancy or childbirth related complications. Only 42% have access to family planning methods and women have 5.7 children on average, often starting in their teens. Mosquito nets are provided free for pregnant women and young children, and 50% of pregnant women are now using them. But malaria is still a major killer. HIV also continues to affect women disproportionately.

**Governance and Security.** 48% of women say they have suffered from violence or abuse and 65% of girls. Traditional courts decide most local cases but just 25% have one or more female judges. 67% of women come together to raise an issue compared to 74% of men. 54% of women say they are dissatisfied with the Government's performance.

**Wealth Creation.** Only 17% of women have bank accounts (19% average for the country).

Priority	Expected Results 2011-15 due to DFID Malawi Programmes
Direct assets for girls and women	<ul style="list-style-type: none"> <li>- 7,560 additional women with access to financial services</li> <li>- 210,000 women better able to cope with floods and droughts including 40,000 additional women benefiting from village savings and loan schemes.</li> <li>- At least 25% of 1.4 million households receiving subsidised seeds with DFID support to FISP are Female Headed Households;</li> <li>- 750 new dairy farmers will be women</li> <li>- 17,000 female headed households supported to increase their yields by adopting Conservation Agriculture.</li> <li>- 375,000 extra girls and women with access to safe drinking water, plus better basic sanitation and hygiene to prevent diarrhoea</li> </ul>
Better health, choice for women on whether and when they have babies	<ul style="list-style-type: none"> <li>- 25,00, additional women using modern methods of family planning through DFID support by 2015</li> <li>-113,624 Cumulative number of births delivered with Skilled Birth Attendants (SBA) through DFID support by 2015</li> <li>- 80% of pregnant women and children under five sleeping under treated mosquito nets through DFID and wider support</li> <li>- 60,000 pregnant women with HIV provided with treatment to prevent them infecting their new babies through DFID and wider support</li> </ul>
Get girls through secondary school	<ul style="list-style-type: none"> <li>- 15,000 girls with DFID bursaries to help them stay in secondary school</li> <li>- 233,418 girls in primary schools</li> <li>- 3,000 mothers' groups working across Malawi to support girls in school</li> <li>-1,000 new teachers (380 women teachers, as important role models)</li> <li>- 4,200 new toilets and latrines in schools, which are particularly important for girls once they reach puberty</li> </ul>
Prevent violence against girls and women	<ul style="list-style-type: none"> <li>- 406,981 girls and women with improved access to security/justice services through DFID support</li> <li>Over 100,000 women have more choice over their lives and can hold decision-makers to account. 30,000 women helped to raise issues of concern with formal representatives like their MP</li> <li>- Safe spaces, support and counselling for adolescent girls</li> </ul>



# Annex C: Girls and women (continued)

## THE APPROACH

### 1. Understanding the problem to achieve better results

- To achieve real change in the lives of girls and women in Malawi we need to understand the problems they face. There is already a lot of research that we can use and reasonable data, including a Gender and Social Exclusion Analysis and hopefully soon the Integrated Household Survey results.
- We are also looking at how we can learn lessons from past programmes, and check that programmes target women properly. For example, we are working with the Government of Malawi to confirm the number of women who benefit from the national Farm Input Subsidy Programme that DFID supports.

### 2. Taking a longer term, more strategic approach

- We need to make sure girls and women can access the things that will help them take charge of their own lives. Girls' education is important to their own future and the health of their family, and Malawi's development. As is access to justice – land disputes and domestic violence are common cases heard by the community mediation mechanisms DFID supports. Also giving women more choice over whether, when and how they have babies. Many women start having babies very young, and close together. The risks to them and their children are high. Tackling this means improving access to family planning, but also improving education and nutrition and better clinics and more doctors and nurses so they can give birth safely.
- We know many problems are complex. There are many reasons that girls drop out of school, from cultural pressure to marrying young, to money (fees, or the family's need for them to do other work), to the long distance they have to travel to schools and the risk of being attacked on the way or by teachers, to poor toilet or classroom facilities, or poor quality teaching. We need to tackle all these together, if we want to make a real difference.

### 3. DFID Malawi's Office Wide Strategy

- Making sure that women and girls benefit as much as they possibly can from the UK's development assistance to Malawi is not just the job of 'gender specialists'. It is the role of every member of DFID Malawi.
- Gender will be built into all our programmes – not as an 'add on' but as a central feature of all new programmes. Plus targeted programmes to tackle specific issues, including violence against women.
- All DFID Malawi programmes will track how we are benefitting women and girls, including by breaking down data on results and looking particularly at this in monitoring and evaluation work.
- All research work or consultancy work we do or support on any issue must cover gender issues properly.
- Within DFID Malawi, this stronger focus on gender will be led by a group of Gender Champions - "Mizwanya ya Gender".

### 4. Future priorities

Major new priority programmes include:

- A package of measures to help keep girls in school, including toilets, scholarships, cash transfers and Mother groups. This is alongside support to the Government to improve the quality of teaching and school facilities.
- Doubling our support to family planning (already doubled in 2009/10)
- Focussing a new Justice programme on women and girls. This includes protection and services for victims of abuse, and child justice work
- Scaled up support for civil society initiatives that can make a real difference to the lives of girls and women  
And are supported by
- More policy work with the Government of Malawi, MPs, other donors and civil society including the local media, to make sure the issues that girls and women face get attention. This will include action to improve the 'enabling environment' e.g. important legislation or by understanding and tackling cultural or social discrimination.