

Malawi: Jointly towards a new Development Assistance Strategy

Context: Experience from Malawi indicates that in the shift from aid effectiveness to cooperation for effective development, it is better to build on existing systems and efforts and develop further what is already in place. Malawi developed its own Development Assistance Strategy which set out the strategy for putting the [Paris Declaration on Aid Effectiveness](#) into practice in Malawi for the period of 2006 to 2011. The Action Plan that was developed for implementing the Development Assistance Strategy was structured according to the five Paris Declaration principles on aid effectiveness: ownership, alignment, harmonization, results, mutual accountability. After the Development Assistance Strategy expired in December 2011, the Government of Malawi undertook reviews in order to see how far and how well the strategy was implemented by then. The reviews concluded that the strategy had been an important tool which significantly improved the way in which the Government and development partners interact. Despite these positive results, the review also concluded that significant challenges still exist. Among the most important ones is the need for donors to align to Malawi's national systems and procedures, for development partners to harmonize their procedures, as well as the need for involvement of non-state actors in the implementation process. Other challenges include the functionality of Sector Working Groups in Malawi which play a role in the implementation of the strategy, fostering mutual accountability for development results, dysfunctional division of labour and aid fragmentation, and strengthening monitoring & evaluation systems within government.

Objective: Malawi is developing a new Development Cooperation Strategy, as a successor to the previous Development Assistance Strategy, which will be the main instrument to move forward on the implementation of the Busan agenda at country level in Malawi. The new strategy will build upon previous achievements, and will take into account the recommendations from the reviews of the previous strategy. It will build on the results of the the 2010 Evaluation and 2011 Paris Declaration Monitoring Survey, and several regional and global post-Busan processes.

The new development cooperation strategy is being developed in the spirit of partnership and mutual accountability. It is in line with Malawi's broader public sector reforms - especially the flagship Public Finance and Economic Management Reform Program (PFEM RP), which the Government is implementing with support from a Multi-Donor Trust Fund administered by the World Bank and a new Joint



UN Programme on Development Effectiveness and Accountability (DEAP). The PFEM RP outlines the direction of Government activities to improve its public financial and economic management.

In the spirit of Busan which includes using country-owned results frameworks and avoiding parallel structures, the proposed Joint Results Framework for the new strategy will include selected impact and outcome indicators from the national development strategy entitled "Malawi Growth and Development Strategy". Also, several Global Partnership indicators which require country level reporting by Government and development partners will be included so that country data is available for the global monitoring process. This will be complemented by country-specific indicators mainly on unfulfilled targets from the Paris Declaration.

Approach and results: A Task Force has been formed with the government, development partners, civil society, academia and the private sector; to guide and steer the Development Cooperation Strategy formulation process. To ensure inclusive ownership of the new development cooperation strategy, all relevant stakeholders will be consulted during the formulation process. New analytical dashboards are using Aid Management Platform data to support decision making and monitoring for development results. The Ministry of Finance is already using this technology for aid analysis, better alignment of development cooperation funding with national priorities, reduction of fragmentation of funding (donor concentration, sector fragmentation), and as a reference for dialogue with its partners.

In 2012 all development partners working in Malawi together undertook a Joint Country Analysis. This presents an improved basis for programming and is an important step towards operationalizing a functioning Division of Labour mechanism under Government leadership. The AMP data will further support Division of Labour process through informing development effectiveness indicators, including the aid fragmentation indicator.

In 2011, the Ministry of Finance also implemented the world's first pilot geocoding initiative which geocoded the location of aid activities on AMP using a methodology compliant with IATI standards. Through this initiative, projects from more than 20 development partners working in all 28 districts of Malawi can be viewed on an interactive map. The first geocoding maps were showcased in Busan and published in the Government's 2010/11 Financial Year Aid Atlas. The Geographic Information Systems (GIS) module is now integrated into the Aid Management Platform allowing aid maps to be updated directly. A number of maps are produced using socioeconomic indicators from the National Statistics Office comparing project locations to local needs. A workshop is planned with policy makers in October 2013 to discuss the implications of the geocoding results for development programming.

Success factors/value addition to the implementation of Busan:

As a country-led and country-owned strategic document, the new Development Cooperation Strategy will take forward the principles of ownership, focus on results, inclusive development partnerships, and transparency and accountability as embodied in the Busan partnership agreement. The Aid Management Platform, on the other hand, is the main vehicle for ensuring transparency of development cooperation funding. A public Aid Management Platform portal will improve public access to information on aid funding and locations. A domestic review process under the new Development Cooperation Strategy will improve the focus on development results and mutual accountability.

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