

EMBASSY OF IRELAND, MALAWI

COUNTRY STRATEGY PAPER

2016-2020



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Section 1: Executive Summary

1. The Irish Embassy in Malawi opened in late 2007. An interim programme of support in food security and agriculture, was delivered during the research and design phase, from 2007 to 2009. The first Malawi country strategy (2010-2014) supported major national and local initiatives across four thematic areas: food and nutrition security; social protection; building resilience; and improved governance. On the successful implementation of this strategy, Ireland's bilateral partnership with the Government and people of Malawi reached a high point with the visit of President Michael D. Higgins in November 2014.
2. In 2015, an independent evaluation of the five-year programme found that the country strategy was appropriate and coherent with the Government of Malawi's policies and strategies. The evaluation also presented evidence of progress under a range of individual partnerships and highlighted Ireland's catalytic role in the development of innovative programmes. The 2014 OECD DAC peer review of Irish Aid, also included a review of the Malawi programme and this positive review added to the body of evidence and learning from the CSP 2010-2014. A one year interim programme for Malawi was approved in 2015 while a comprehensive economic and internal analysis was undertaken to advance the strategic planning process for the period 2016-2020.
3. With a whole of Embassy approach, the strategy will contribute to all five themes of Ireland's foreign policy "*The Global Island*". The mission supports some 100 Irish citizens resident in Malawi including a number of Irish missionaries and development workers while also providing services for a growing number of Irish visitors to Malawi and providing visa services for Malawian visitors to Ireland. Trade with Malawi is growing albeit from a very low base (exports grew by 19% to €4.2 million in 2014) with the Embassy actively supporting Irish business interests. With just three EU Members States present, Ireland plays a central role in shaping EU policy for Malawi while also cooperating actively with other key multilateral actors including the UN, World Bank and IMF.
4. While maintaining an agile and responsive approach across the other four themes of *The Global Island*, the main focus of Ireland's engagement with Malawi will continue to be on the theme of "Our Values" responding in particular to the sub-themes of a fairer, more sustainable and more just world. Based on the analysis undertaken by the Embassy and guided by Ireland's policy for international development, *One World One Future*, the overall goal will be 'to increase the resilience of poor households to economic, social and environmental shocks in line with Malawi's growth and development strategy'. Malawi constitutes a particularly challenging environment for development cooperation. The country strategy will be aligned with the Government of Malawi's National Growth and Development Strategy and will further Ireland's aid effectiveness commitment in promoting collaboration and joint programming with other Development Partners.

SECTION 1: EXECUTIVE SUMMARY

5. The Embassy has designed its programme through an informed risk analysis with an awareness of local structures and reform cycles. The planned high level outcomes: improved sustainable livelihoods; and improved governance systems, will contribute directly to key results as set out in Irish Aid's, *One World One Future* Framework for Action. Building on successful partnerships and drawing on the programme experience and results to date, the current strategic direction and programme focus will be maintained. The Embassy will also maintain the strong risk management focus necessary to operate in this increasingly challenging context.
6. Key strategic priorities include: shifting from an annual humanitarian response towards a longer term resilience approach; increasing agriculture and dietary diversity; and promoting greater public accountability. These issues will be prioritised at all levels of the mission's political engagement using a whole of Embassy approach. Programme decisions will increasingly be supported by an analysis of incentives and barriers to development.
7. Responding to the recommendations of the evaluation, the Embassy will continue to rationalise programme partnerships, reducing the number of partners as appropriate. Performance, capacity, risk and emerging results are amongst the key criteria guiding rationalisation. The Embassy will also continue to promote opportunities to engage in joint programme funding mechanisms such as the Enhancing Community Resilience Programme and civil society support through Tilitonse.
8. Programme plans and approaches will be adjusted and strengthened in response to ongoing performance analysis, reviews and evaluation findings. The strategy will guide the Embassy to scale up successful interventions in collaboration with other Development Partners where appropriate. Ireland's, direct funding support to Government of Malawi will remain limited under this strategy, as long as fiduciary risk remains high.
9. Management approaches will be cognisant of the need for regular reviews to maintain flexibility within the programme and annual planning cycles to facilitate appropriate responses to risks and opportunities arising in the increasingly challenging context.

Section 2: Ireland in Malawi

10. Ireland's bilateral relationship with the people and Government of Malawi reached a highpoint in 2014 with the visit of President Michael D. Higgins. The Embassy in Malawi contributes to all five themes of Ireland's foreign policy – *The Global Island*. While supporting the themes of 'Our People'; 'Our Prosperity' and 'Our Influence', this country strategy paper remains firmly focused on 'Our Values': to work for a fairer, more just, secure and sustainable world while also incorporating "Our Place in Europe" as one of only three EU Member State Embassies. Our work in this regard is informed by and delivers on, Ireland's policy for international development, 'One World, One Future'.
11. In relation to the first theme of "*The Global Island*", **Our People**, the Embassy will continue to provide a full range of consular services to some 100 members of the Irish community in Malawi. The introduction in 2015 of a reciprocal visa requirement between our two countries has added a new dimension and increased demand for these services. The Embassy will maximise opportunities to promote Ireland's culture, arts and creative industries and the annual St Patrick's Day celebrations will showcase Irish connections, including through dance, music and sport.
12. Ireland's engagement in Malawi since 2007 provides a solid platform for our work under the second theme, **Our Values**. As set out below, this county strategy will contribute to Malawi's growth and development strategy through building the resilience of poor households to economic, social and environmental shocks. Human rights and the cross-cutting issues of gender, HIV and AIDS, environment and good governance, will be important considerations across all programmes. Following on from the global agreement on sustainable development goals, this strategy provides a framework to progress towards national targets.
13. Contributing to our third theme, **Our Prosperity**, the Embassy will support Irish companies with an interest in investing in Malawi. Trade with Malawi is growing albeit from a very low base - exports grew by 19% to €4.2 million in 2014, while imports were relatively minor and unchanged at €200,000 in the same year. This strategy is based on an analysis of Irish business interests in Malawi responding to the four sectors with greatest potential for Irish companies in Africa¹: energy with a major focus on renewables; infrastructure; mining; and water. Potential in the agriculture and food processing sectors will also be considered, including opportunities to benefit from the Africa Agri-Food Development Fund².

¹ IBEC/ Irish Engineering Enterprises Federation/ Enterprise Ireland /Department of Foreign Affairs and Trade assessment report 2012.

² <https://www.irishaid.ie/media/irishaid/allwebsitemedia/20newsandpublications/publicationpdfsenglish/aafdf.pdf>

SECTION 2: IRELAND IN MALAWI

Embassy and Honorary Consul General³, will actively engage with and support Irish companies, maintaining and providing information and contacts in areas of interest. In addition, the Embassy will continue to facilitate Malawians to pursue studies through education institutions in Ireland including through Irish Aid's Fellowship scheme. Malawi normally has in excess of 300 people studying and working in Ireland at any one time.

14. In delivering on the fourth theme, ***Our Place in Europe***, the Embassy will continue to maintain a strong, productive and constructive relationship as one of only three⁴ EU Member States resident in Lilongwe. Through ongoing consultation, under the global EU-led initiative on joint programming, Ireland will seek to maximise our combined contributions to development programmes, advocacy, and long term impact including opportunities for increased EU funding to programmes piloted by Ireland. Working with colleagues in Ireland, the Embassy will also provide input for constructive engagement on issues relating to Malawi and the region at relevant EU fora.
15. Delivering on the fifth and final theme of ***Our Influence***, the Embassy will continue to prioritise public diplomacy and support opportunities for promotion and oversight of Ireland's work in Malawi, including through high level and official visits; such as, the successful state visit and the Oireachtas Joint Committee on Foreign Affairs and Trade visit in recent years. A proactive and coordinated approach to this goal will be pursued through effective engagement with diplomatic channels and media networks. Building on the past success of Ireland's policy and advocacy at national level, and working in collaboration with EU and other development partners, the Embassy will promote policy objectives linked to the planned programme outcomes.
16. The Embassy programmes and policy objectives are also complemented by the work of **Irish based NGOs and missionary organisations** funded from Irish Aid headquarters⁵. Under this strategy, these partners will be encouraged to increase collaboration on common policy areas in particular, the Embassy will regularly engage with Programme Grant partners operating in Malawi (Action Aid, Concern, GOAL, Oxfam Ireland, Self Help Africa and Trócaire). In addition, through effective use of the small grants scheme, the Head of Mission, will seek other opportunities to promote Irish interests and *Our Values*. Furthermore, the Embassy management team will prioritise the retention and development of a professional and highly motivated team capable of representing Ireland and supporting the delivery of quality programmes and consular services.

³ Honorary Consul General, based in business community in Blantyre, the commercial capital of the country, is a senior banking executive and brings 30 years of commercial experience in Malawi to the role.

⁴ Germany, UK (pre-Brexit) and Ireland

⁵ For a detailed overview see Annex 8

Section 3: Context Analysis

17. Malawi is one of the poorest countries in the world with over half of the 16.7 million population living in poverty⁶. In recent years, economic growth and social conditions have lagged behind the region's average and Malawi has fallen into a fragility trap, with a cycle of underdevelopment, instability, and weak institutions. Despite low human development indicators, and a high HIV prevalence, Malawi has made some good progress in social sectors, as evidenced in the health, education, and water and sanitation indicators, in the past decade. This is a noteworthy achievement in the sub-Saharan African context, particularly with Malawi's high rate of population growth.

Table 1: Basic Country Facts and Trends

	Comparable figure from 5 years ago (or similar timeframe)	Most recent data for the country
Total population	14,769,824 (2010) WB	16,695,253 (2014) WB (projection)
Position on UN HDI	Rank: 153/169 Value: 0.385 (2010) UNDP	Rank: 173/188 Value: 0.445 (2015) UNDP
Population below international poverty line (\$1.90 USD)	71% (2010) WB	69.9% (2015) WB (projection)
Population growth rate	3.0% (2010) WB	3.1% (2014) WB
Net primary school enrolment rates	83% (2010) MDG Report 2011	85% (2012) MDG Report 2014
Under five mortality rates	122/1000 (2010) MDG Report 2011	85/1000 (2014) MDG Report 2014
Maternal mortality ratio	807/100,000 (2010) MDG Report 2011	574/100,000 (2014) MDG Report 2014
HIV incidence (rate)	10.6% (2010) UNAIDS	10.3% (2013) UNAIDS
Mo Ibrahim Index	55.7/100 (2009) Mo Ibrahim Foundation	56.7/100 (2015) Mo Ibrahim Foundation
Transparency International Corruption Perception Index	Rank: 85/178 Score: 34/100 (2010) Transparency International	Rank: 112/168 Score: 31/100 (2015) Transparency International
ODA (as a proportion of GNI)	19.2% (2010) WB	22.7% (2014) WB

⁶ World Bank Data, 2014

SECTION 3: CONTEXT ANALYSIS

18. However, after more than five decades of relatively peaceful independence, most Malawians still rely on subsistence farming for income, with the majority of farmers depending on smallholdings of less than 0.7 hectares. Agricultural production and productivity issues are compounded by climate change, weak markets, environmental degradation and low adoption of technology. Persistent food and nutrition insecurity and limited livelihood options, lead to minimal dietary diversification, resulting in poor nutrition status for over 40% of children under 5 in Malawi.
19. Malawi produces sufficient food most years, but seasonal cycles are precarious and natural disasters and market issues exacerbate the supply gaps. Communities in disaster prone areas, and households particularly vulnerable to poverty, often lack the resources to mitigate against frequent social, economic and climatic shocks.
20. Development progress for several decades has been characterised by the need for stronger systems of governance, accountability and citizen participation. As shown in table 2 the trend in humanitarian caseload over the past five years is particularly worrying – it is estimated that 6.5 million Malawians will qualify for emergency support in 2016/17⁷.

POLITICAL CONTEXT

21. Malawi has relatively recently (1994) transitioned to a multi-party democracy. After achieving independence from Britain in 1964, President Hastings Kamuzu Banda ruled the country for thirty years. Since 1994, Malawi has been managed by four presidents: Bakili Muluzi (1994-2004), Ngwazi Bingu wa Mutharika (2004-2012), Joyce Banda (2012-2014) and the current incumbent, Professor Arthur Peter Mutharika, since May 2014.

A major legacy from President Bingu wa Mutharika's first term in offices was the introduction of the Farm Input Subsidy Programme (FISP).

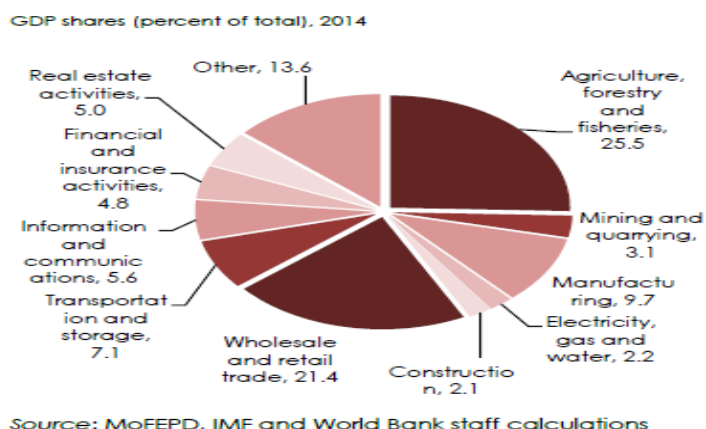
22. Following President Bingu wa Mutharika's unexpected death, Joyce Banda was appointed President in April 2012. Her term was noted for strong international donor engagement and for the currency devaluation which led to increased exports and high inflation. Donor budget support was resumed under her Presidency and ODA increased for a short time – until the emergence of 'Cashgate'. The current President, Professor Arthur Peter Mutharika, was elected in May 2014. He had served as Minister in the cabinet of his brother, the late President Bingu wa Mutharika after a career as a law professor in Washington, USA. The President has stated his intention to investigate Cashgate thoroughly. He appointed former Africa Director of the IMF, Goodall Gondwe, as Finance Minister.

⁷ Caseload estimate from the MVAC assessment report June 2016

SECTION 3: CONTEXT ANALYSIS

ECONOMIC CONTEXT

23. Agriculture is the single largest sector of the Malawian economy accounting for almost 26% of GDP, and almost 80% of employment of the Malawian workforce⁸. Maize is, by far, the dominant crop in terms of the area under cultivation, the number of farmers involved in growing it, and in terms of its centrality to the diet of Malawians.



24. In terms of export growth, however, it is cash crops, particularly tobacco, which are dominant. Along with diversifying away from this macro-economic dependence on tobacco as the main export commodity⁹, a key economic development challenge for Malawi is the country's infrastructure. The Malawian government's long-term strategy paper "Vision 2020" (launched in 2000) recognises the need for good governance, sustainable economic growth, infrastructure development, food security, science and technology, and sustainable environmental management¹⁰.
25. Over the period of MGDS II (2011-2016), the economic situation has become increasingly fragile. During President Joyce Banda's term, the Malawi Kwacha was devalued by 49% and then allowed to float against the US dollar. Together with high inflation rates (average of 20%, 2011-2014) the changes resulted in steep increases in price levels for basic goods and services. The graphs below illustrate the trend in inflation in comparison to other countries in the region. The average growth rate in Malawi over the last CSP period 2010-2014 was 4.7%.¹¹

⁸ FAO, 2014 figures. http://faostat.fao.org/CountryProfiles/Country_Profile/Direct.aspx?lang=en&area=130

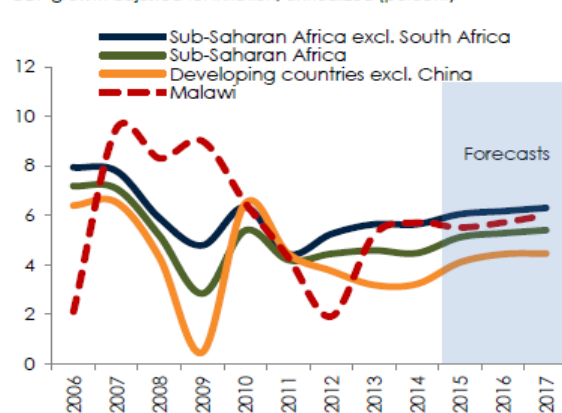
⁹ Tobacco accounts for about 80% of Malawi's agricultural export and 60% of the national export value. There is a need to diversify, especially into production of sugar and tea as important alternatives for export-oriented farming by agricultural estates and their smallholder subcontractors. With support from DPs, the government is promoting production of legumes and has introduced a pilot program to promote cotton production. Other potential commercial agricultural products are pepper, coffee, and horticultural crops as well as dairy and poultry production. (Source: World Bank, 2013.)

¹⁰ From: AfDB (2013) *Malawi Country Strategy Paper 2013-2017*

¹¹ Economist Intelligence Unit (2015)

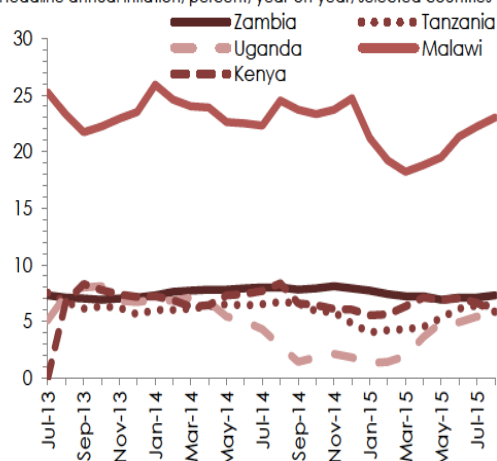
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GDP growth adjusted for inflation, annualized (percent)



Source: World Bank Global Economic Prospects

Headline annual inflation, percent, year-on-year, selected countries



26. Overall the economy has remained very fragile. With persistent macro-economic problems and uneven policy implementation, Malawi has been unable to achieve its key objectives of sustainable growth and low inflation under its growth and development strategy¹².
27. The country benefits from a number of bilateral, regional and multilateral agreements. It is a member of the African Caribbean and Pacific (ACP) group, the Common Market for Eastern and Southern Africa (COMESA), and the Southern African Development Community (SADC). Malawi's membership of SADC and COMESA play a key role in its trade, with three of its five key trade partners being South Africa, Egypt and Zambia. Globally and outside Africa, the main trade partners are the European Union (EU), Canada, the United States and China. In June 2015, Malawi signed the Tripartite Free Trade Area (TFTA) which will integrate three existing trading blocs – COMESA, the East African Community (EAC) and SADC.

POVERTY AND HUMAN DEVELOPMENT CONTEXT

28. With a GDP per capita of just US \$ 255 in 2014, according to World Bank data, Malawi was ranked as the country with the lowest GDP per capita in the world¹³. According to the 2012 Integrated Household Survey (IHS) report, Malawi's poverty level is estimated at 50.7%, a marginal reduction from an estimated 52.4% in 2005. The IHS report also indicated that nearly 25% of the population was ultra-poor¹⁴ in 2011, an increase from 22.3% in 2005. The Southern region of Malawi has the highest poverty rate at 63%, followed by the Northern region with 60% and then the Central region with 49%. Rural households are particularly vulnerable, about 17% of the population in urban areas are living in poverty compared to 57% of the rural population.

¹² IMF, December 2015

¹³ Source: <http://data.worldbank.org/indicator/NY.GDP.PCAP.CD/countries>

¹⁴ Ultra-poor: a group of people who eat below 80% of their energy requirements despite spending at least 80% of income on food – Lipton (1986).

Climate Change and Disaster Risk Reduction¹⁵

29. Due to high dependence on rain fed agriculture, Malawi is highly vulnerable to climate change¹⁶, having experienced almost a one degree Celsius increase in mean annual temperatures already, and with average temperatures predicted to increase by 1.5 to 3 degrees Celsius by 2050¹⁷. Warming inter and intra-annual precipitation is highly variable and predicted to become more so, although change in the volume of total rainfall is uncertain. This has been borne out in the 2014-2015 growing season. Late rains, followed by flooding and then drought conditions, have led to a severe decline in key crop production, while still having average annual rainfall amounts.
30. Climate change is likely to negatively impact an already food insecure nation. It is estimated that the maize based food systems may experience yield losses from 18% to 22% by 2050¹⁸. In the 2015-2016 growing season maize yields were estimated to be down by 39% on the same season in 2013/14 due to climatic shocks. Farmers need alternative solutions, such as, climate smart agriculture (CSA), to mitigate the impacts on agriculture productivity and to maintain or improve the health of the soil.

Food insecurity and humanitarian need

31. In most years Malawi can produce enough food. Surplus production normally takes place in the northern part of the country while southern districts usually are in deficit. Nearly half of the Malawian population cannot afford daily meals that provide sufficient energy and variety¹⁹; the diet is monotonous and mainly depends on maize porridge (*nsima*) combined with cassava and/or potatoes. Consumption of pulses and animal products is very low, especially in rural areas.

Despite the growing needs, rural households do not have sufficient access to farm inputs for climate-resilient crops, and available agriculture technologies need to be tested and modified for the local context. The food market, particularly for maize, is dominated by centrally controlled policies and patronage while farmers' individual options and collective actions are limited. Since the introduction of the Farm Input Subsidy Programme (FISP) for the 2005-2006 season, Malawi has until the 2014-2015 season, produced a national food surplus.

¹⁵ The approach to Disaster Risk Reduction includes disaster preparedness e.g Enhancing Community Resilience Programme

¹⁶ Case Study: Malawi's Agriculture, Climate Change and Food Security Country Analysis and Programming Recommendations Natasha Grist April 2015. ODI Evidence on Demand series

¹⁷ Intergovernmental Panel on Climate Change 5th Regional Report on Climate Change Projections, 2014

¹⁸ Intergovernmental Panel on Climate Change 5th Regional Report on Climate Change Projections, 2014

¹⁹ GoM / WFP (2012), Comprehensive Food Security and Vulnerability Analysis (CFSVA) and Nutrition Assessment Malawi, Lilongwe, October 2012.

SECTION 3: CONTEXT ANALYSIS

Despite this, a considerable number of people have required humanitarian support to meet their basic needs. In the period from 2007-2011 an average of 346,456 people required food support annually, increasing to 1,713,061 over the 2012-2014 period. In 2015 it was estimated that 2.866 million Malawians required humanitarian support and this has increased further to some 6.5 million people in 2016. See table two for a detailed analysis of the increase in humanitarian caseload since 2007.

32. Chronic poverty is a root cause of food insecurity in Malawi²⁰. Among the ultra-poor are the elderly, chronically ill, and female and child-headed households. Social vulnerability is often combined with more limited household means to generate income and/or to produce food: low levels of education, high dependence on informal daily labour, small plot sizes, and low agricultural productivity with high dependence on rain-fed cultivation, limited access to inputs like fertiliser and improved seeds and limited access to farm credit and agricultural training.

Consumption Year	Maize Production Million Metric Tonnes	Maize Surplus Million Metric Tonnes	Vulnerable Population
2007/2008	3.2	1.2	63,234
2008/2009	2.9	0.5	613,291
2009/2010	3.6	1.2	275,168
2010/2011	3.2	.53	508,089
2011/2012	3.9	1.2	272,500
2012/2013	3.6	.5	1,972,993
2013/2014	3.6	.19	1,855,183
2014/2015	3.9	.98	1,311,009
2015/2016	2.78	-.22	2,866,000
2016/2017			6,500,000

Table 2: humanitarian case load

Fragility

33. The 2015 Fund for Peace, Fragile States Index classified Malawi as the 44th most fragile of 178 states analysed. This places Malawi in the very high warning category. Malawi's ranking has not changed significantly over the past 10 years; its fragility is associated mostly with demographic pressure, uneven economic development, poverty and economic decline, public services and external interventions, and human flight and brain drain.

²⁰ "Factors affecting food security in the country include chronic poverty, low agricultural productivity, poor infrastructure, a limited amount of arable land, high costs of agricultural inputs and recurrent weather shocks" (Comprehensive Food Security and Vulnerability Analysis of Malawi, 2010, Ministry of Agriculture and Food Security, WFP, FAO).

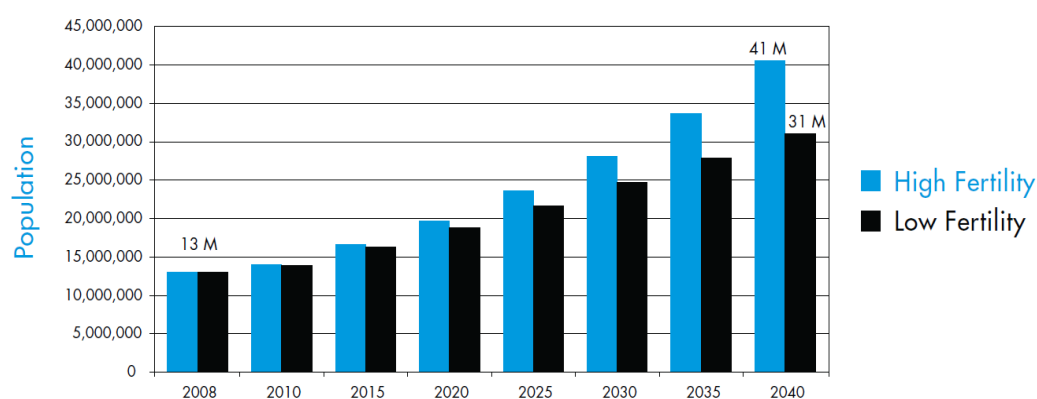
SECTION 3: CONTEXT ANALYSIS

Nutrition

34. The extent of the problem of hunger in Malawi is reflected in its nutrition indicators; 42% of children under the age of five are stunted (MDHS, 2010). Between 2008 and 2012, it is estimated that 81,783 child deaths in Malawi were directly associated with under nutrition, representing 23% of all child mortalities. It is estimated that 60% of the working-age population suffered from growth retardation before reaching the age of five. There are vast corresponding social and economic costs related to under nutrition in Malawi, estimated at almost US\$597 million per year, equating to 10.3% of GDP.²¹ Micronutrient deficiency is another key finding of the 2010 MDHS; anaemia affects approximately 40% of children under five.
35. With the roll out of the Scaling Up Nutrition (SUN) movement nationally, community and facility based interventions have been introduced in most districts and the support systems and capacity of the Department of Nutrition, HIV and AIDS (DNHA) has been strengthened. However, major gaps remain in implementation, particularly at the District and community level. Furthermore, the centralised M&E systems are not yet fully functional.

Population Growth

36. Malawi has an estimated population of almost 16.7 million and is one of the most densely populated countries in the region²² and in Africa. With a total fertility rate of nearly 6 children per woman and a population growth rate of 3.1%, projections indicate that if the current fertility rate is maintained, the population will grow to 41 million by 2040. However, even reducing fertility rates by half, the population is projected to grow to 31 million by 2040.



Source: Rapid: Population and Development in Malawi, GoM, 2010

²¹ Government of Malawi and WFP, “Cost of Hunger in Malawi, The Social and Economic Impact of Child Undernutrition in Malawi” (2015)

²² Malawi has a density of 134.3 people per square kilometre, compared with 18.7 for Zambia, 31.4 for Mozambique, and 50.4 for Tanzania.
<http://data.un.org/CountryProfile.aspx?crName=malawi>

Energy

37. Over 90% of the population rely on bio-mass (mainly fuel wood and charcoal) to meet their energy needs with the majority of this workload borne by women. Less than 10% of the population has access to electricity. Meeting the energy needs of the population in a more sustainable manner is likely to remain a key factor in halting Malawi's downward spiral of environment and soil degradation.
38. With present energy sector focus and investment levels it is expected that at best, only 20% of the population will have access to electricity by 2025, with the remaining 80% continuing to rely on biomass, kerosene and other energy and light sources. Promotion of improved and sustainable energy sources for the 80% is vital to meet the energy demands of the growing population.

Gender Equality

39. Malawi ranked 129th of 151 countries in the Gender Inequality Index in 2014. Despite constitutional and legislative protection against discrimination²³, women and girls in Malawi experience pervasive discrimination in many areas of their lives resulting in increased vulnerabilities and unequal opportunities in comparison to men. Although 52% of farm labour is undertaken by women²⁴, they have minimal control over access to land, farm inputs and technology, resulting in lower yields²⁵ leading to limited economic empowerment.
40. Gender inequality also manifests itself in higher poverty rates among female-headed household (57%) in comparison to male-headed households (47%). Early child bearing, high fertility levels and a lack of control over resources and decision-making impact negatively on the lives of women and their children. The Demographic Health Survey (2010) provided revealing statistics relating to these issues. Approximately 28% percent of women in Malawi reported experiencing domestic violence in their lifetime.²⁶ This situation is exacerbated by lack of access to justice.
41. The numbers of women in the top echelons of Malawi's public service are very low. For example, women constitute only 24% of decision-making posts in the public service in 2015²⁷. Women's representation in Parliament (32 of the 192 members) declined to 17% in 2014 from 22% in the 2009 elections.

²³ Gender Equality Bill passed in 2013

²⁴ World Bank 2015

²⁵ IFPRI, "Women: Still the Key to Food and Nutrition Security." (2005)

²⁶ MDHS, 2010

²⁷ Tilitonse Fund Political Economy Analysis Report, December 2015

Human Rights

42. Malawi has signed and ratified all major human rights conventions and respect and enforcement of these conventions has improved since 2012. However, there remain serious human rights problems in the country, including with respect to child rights and domestic violence.²⁸ Homosexuality remains a crime in Malawi. There has also been a recent increase in cases of violence concerning persons with albinism²⁹. There is very little confidence in the criminal justice system and a significant amount of pre-trial remandees are being held in unlawful detention in overcrowded prisons³⁰.

NATIONAL DEVELOPMENT FRAMEWORK

43. Generally good policy frameworks are in place and Malawi's current Growth and Development Strategy, if implemented, has the potential to build resilience and achieve growth. However, the political will, commitment and leadership required to implement the stated Government plans for reform has been questioned. More particularly in recent years, there has been little evidence of progress in the political and economic reforms essential to rebuild trust in state institutions following revelations of large scale misappropriation of public funds in 2013. In the absence of these reforms, development partners in Malawi endeavour to provide significant ODA support through direct projects, rather than using Government systems and oversight institutions.

Policy Context

44. The Malawi Growth and Development Strategy, 2011-2016 (MGDS II) comprises six thematic areas³¹ and nine priorities including: Agriculture and Food Security; Energy, Industrial Development, Mining and Tourism; Public Health, Sanitation, Malaria and HIV/AIDS; Integrated Rural Development; Climate Change, Natural Resources and Environmental Management.

45. A review of MGDS-II was undertaken by Government and Development Partners in 2015 and the initial report highlights some progress in the achievement of several 2015 (MDG) targets while the Government's proposed public sector and PFM reform plans remain appropriate. The main challenges the draft report identifies is the need for: an acceleration in GDP growth; more prudent fiscal and monetary policy; more effective aid management; improved governance practices; and more effective social protection interventions. The need for increased political will to carry out the national development agenda was also highlighted.

²⁸ Human Rights Watch, 2014

²⁹ UN Human Rights Commission, 2014

³⁰ Crime and Victimization Public Perception Survey Final Report, Adam Smith International/DFID, 2015

³¹ Sustainable Economic Growth; Social Development; Social Support and Disaster Risk Management; Infrastructure Development; Improved Governance; Cross Cutting Issue

46. Ireland's programme outcomes are aligned closely with the MGDS priorities. Other national policies and plans central to Ireland's programme strategy are: public financial management and public sector reforms; social support policy; and the disaster risk management policy.

Public sector reform

47. Public Sector Reform has been one of the stated priorities for the government. Although limited actual reforms have been undertaken to date, a recent analysis highlighted that some 80 Public Sector Reform reports were completed in recent years. The most recent Public Service Reform Action Plan was published in February 2015 with key commitments and action programmes, endorsed by eight Ministries.

Although, the rhetoric regarding *broad* sector reform has yet to be matched by concrete action, there is evidence of progress where donors have provided specific technical and project support at institutional level, e.g. improving financial accountability at district level and legal aid and police services at central level.

Public Financial Management

48. While there have been significant financial and technical investments in PFM in Malawi, many of the reforms in recent years have been limited to enacting new laws that are not yet fully implemented; and to creating new institutional bodies that function poorly or have limited impact.
49. An assessment of PFM systems in Malawi was undertaken by Irish Aid's Policy Unit in March 2016 and significant concerns were noted. Several assessments over the past decade have found that for the national budget preparation, the formulation process results in a budget that is overambitious which does not reflect stated priorities. Delays in the production of financial statements and audit reports add to the general lack of fiscal information accessible to the public. Furthermore, a combination of poor budgeting, poor cash management, and lack of budget discipline results in payments made outside the official system and controls. The accounting, recording and reporting is also weak and the internal capacity of the national audit office is limited.
50. Transparency is limited. There is no citizen's budget, and information on resources allocated to public services is not easily accessible. Irish and other donor support for civil society and community based organisations has led to success stories which demonstrate progress in addressing transparency and accountability at local level. However these efforts are limited and impact remains to be seen at a national level.

51. While the recent PFM assessment identified a number of issues the report noted that the Embassy is supporting its current programme in a responsive manner, while at the same time making every effort to mitigate the remaining fiduciary risk to Irish Aid funds. The report recommended that the Embassy limit use of government's PFM systems to dedicated project accounts with separate accounting and reporting systems until such time as Government systems have been strengthened.
52. A range of other general recommendations were made including monitoring of dedicated bank accounts used for Government related programmes and controls with respect to funds deposited at the central bank. In addition the report provided recommendations for risk mitigation with respect to each of the current programmes.

MDGs and Sustainable Development Goals

53. Despite low human development indicators, according to the Government MDG Progress Report, Malawi is likely to meet four of the eight MDGs³² – a noteworthy achievement in the sub-Saharan Africa context. The localisation of Malawi's commitment to the newly agreed global Sustainable Development Goals (SDGs) is expected to advance key national development targets for 2030.

DEVELOPMENT COOPERATION CONTEXT

ODA flows

54. From 2006 to 2010, Malawi received considerable international donor support for its national strategy, averaging US\$800 million per year. In the course of this period, various donors shifted from pooled sector support to general budget support. However, as earlier described, in 2011, an IMF budget support tranche was suspended³³, as was budget support by other donors, which, though later resumed, was again suspended in 2013.
55. Total ODA has been decreasing in recent years impacted mainly by the suspension of general budget support - in 2013 total ODA was approximately \$1.1bn but reduced in 2014 to \$930 million (OECD DAC). The majority of donor funding goes to direct project support. Ireland's ODA contribution has been less than 2% of the total.
56. Annex 3 provides an overview of which donors are active in key sectors and the amount of funding for the top ten donors in 2014/15. The World Bank contributes the most development assistance while United States and the United Kingdom are the largest bilateral donors.

³² Reducing child mortality; combating HIV/AIDS, malaria, and other diseases; ensuring environmental sustainability; and developing a global partnership for development.

³³ The reason for this was that Malawi did not comply with the successful completion of a second review under the three-year US\$ 79.4 million Extended Credit Facility, and Malawi refused to implement the much-needed devaluation of the Malawi Kwacha.

Aid Effectiveness

57. In December 2014 the government and donors agreed a new Development Co-operation Strategy (DCS) 2014-2018, replacing the previously agreed and poorly functioning Development Assistance Strategy. The DCS includes two high level annual meetings, the Development Co-operation Group meeting and the High Level Forum. In its initial year, the Development Co-operation Group (DCG) has focused on moving away from the annual humanitarian cycle towards a resilience building approach based on a position paper developed by Ireland. The next High Level Forum is scheduled to focus on the humanitarian emergency and the planned national response.
58. There has been limited progress made with the aid effectiveness and co-ordination agenda in 2015/16. At a global level the Malawian Minister for Finance continues to co-chair the global partnership for effective development co-operation, with counterparts from Mexico and the Netherlands.
59. Despite coordination by various Sector Working Groups (SWGs), some challenges in the area of harmonization and managing for results remain. Malawi receives sector budget support, pooled funding and project support. Most of the aid is concentrated on economic governance, health, agriculture, education and water and sanitation.
60. The Embassy has a very strong working relationship with the EU mission. Given the overlap between the EU's next planned European Development Fund (EDF) 11 (2016-2020) and Ireland's strategy, negotiations are ongoing regarding joint programming in areas including, agriculture and nutrition, resilience building and civil society support. Due to the small number of EU donors in Malawi (Ireland, Germany, and UK) Ireland has a close relationship with the EU delegation resulting in an influential voice on EU issues.

Section 4: Learning and Results

Summary of Results and Learning to Date

61. Evaluation and Audit Unit's comprehensive evaluation of the 2010-2014 CSP, found that Ireland's strategy of engagement in Malawi was a relevant response to the needs and the evolving context in Malawi. Across all pillars of the programme, the evaluation report found a coordinated and consistent response to issues in terms of policy advocacy and coordination.
62. Specifically, the evaluation highlights Ireland's "major role" in promoting the food security and nutrition agenda in Malawi; its "key role" in advancing the adoption of the SUN movement in Malawi; and positive influence in having the legumes component integrated within the FISP. In addition, the evaluation identifies Ireland's policy advocacy as "particularly effective" in advancing Malawi's National Social Support Programme (NSSP). However, the challenge of sustainability for social protection programmes was highlighted and it was recommended that the Embassy monitor the associated risk.
63. On the question of sustainability, despite the limited funding channelled through government systems, the evaluation found that the programme sought to work with the government of Malawi at all times. Furthermore, when collaborating with other partners, Ireland's programmes were aligned with the government's priorities and needs, and also focused strongly on building capacities of people and institutions.
64. The evaluation found that there is a need for greater and improved coordination both with government and development partners. It was recommended that opportunities for joint programming with other development partners should be explored with a view to increased alignment and coordination.
65. The evaluation noted that the Embassy was managing a significant number of diverse partnership and in some cases partners were implementing programmes with similar objectives. It was recommended that a review of partnerships, including organisational assessments, would be undertaken. At a more general level, the evaluation recommended that consideration be given to more linkage across programmes, for example, to explore how nutrition-related initiatives might target social safety net beneficiaries.
66. In addition to the 2015 CSP evaluation, the Embassy has supported partners to conduct reviews and evaluations to measure progress and inform future strategy and overall programme direction.
67. Results and learning at outcome level across the three pillars of the 2010-2014 CSP are outlined below.

Agriculture and Nutrition

68. Over the CSP period, Ireland's partnership with the Potato Research Institute (CIP) on Irish and orange fleshed sweet potato (OFSP) contributed to a national increase in production. Irish potato production increased from 775,000 metric tonnes in 2010 to over a million metric tonnes in 2014 - a 37% increase. Sweet potato production also increased from 2.9 million metric tonnes in 2010 to 4.3 million in 2014 - an increase of almost 50% in four years. Ireland's partnership with the International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) contributed significantly to increasing the volume of certified ground nut seed from 250 metric tonnes in 2009 to 2,000 metric tonnes in 2013, an eight fold increase in 5 years.
69. The evaluation also highlighted the positive impact of the Concern Universal implemented Local Development Support Programme (LDSP) which reported that real income for the targeted households doubled over five years from the baseline in 2010.

Resilience

70. Under outcome two, the evaluation found that over the CSP period, significant progress was achieved in terms of the social protection policy and regulatory framework. There was also a substantial increase in the number of households benefiting from the Malawi national social cash transfer programme. From a baseline of 23,651 in 2011, this increased to approx. 150,000 in 18 districts by June 2015. Furthermore, a notable achievement was the Balaka cash transfer programme supported by Ireland and reaching 8,519 households. Balaka was the first district under the National Social Cash Transfer Programme to roll out electronic payment transfers³⁴ to beneficiaries.
71. The Balaka program has provided valuable lessons to the Malawi Government and the other development partners in the drive towards the scaling up of electronic payments modalities for the cash transfer program. In addition, an innovative pilot linked social cash transfers to energy efficient cook-stoves using a market based approach.
72. By the end of 2015 the Enhancing Community Resilience Programme (ECRP), reached a total of 780,897 direct beneficiaries, a review found positive changes in in terms of household income, asset value and food security. Change in the median capital asset value per targeted households increased by 106% in one year. In addition the number of districts engaged in district risk reduction activities more than doubled from 2010 to 2015.

³⁴ The rationale for using an electronic payment system is that it is time saving, more cost efficient, less open to human error and abuse, and more secure.

73. During the period up to 2015, an estimated 382,000 households adopted the use of improved cook stoves in Malawi with the support of Irish Aid. Furthermore, a National Cook-stove Steering Committee was formed resulting in improved coordination of stakeholders, including Government, private sector and civil society. In addition the national cook-stoves roadmap has been developed and clearly articulates the pathway for Malawi to achieve the national target of having 2 million improved cook-stoves in use by 2020.

Governance

74. Despite the challenges in the political economy environment in Malawi, Ireland's governance program has achieved success in a number of areas. Tilitonse, the multi-donor fund (UK, Norway and Ireland) for civil and community based organisations was established in late 2011 and has facilitated a diverse range of local and national initiatives to promote more inclusive, and responsive governance in Malawi. This support is coupled with the promotion of collaborative engagement with local authorities and private sector stakeholders. A 2014 review of the programme found the support for citizen action, and citizen-state interaction has led to increased responsiveness from local and national authorities. Stories of change, which have been documented and disseminated³⁵, include examples of success in the improvement in management of water resource, local road infrastructure, and transparency in relation to local registration for farm inputs subsidies.
75. Ireland together with other development partners supported the 2014 elections and a high voter participation rate was recorded at over 70%. Following the implementation of the Joint Capacity Development Programme for Local Governance (JCDPLG) which included the recruitment of Financial Analysts (now Chief Accountants) in all districts, more development partners are now channelling support through the councils and the level of resources channelled through district level structures from central government has risen steadily, from 8.396bn MK in 2009 to 34bn MK in 2015.
76. The Public Financial and Economic Management Reform Programme (PFEMRP) brought together a number of related reform initiatives under a common basket funding administered by the World Bank and funded by Irish Aid, DFID, EU and GIZ. The 2016 PFM assessment recommended that the Embassy consider channelling future PFM support to specific issues directly linked to Irish Aid's other areas of interest such as the National Local Government Finance Committees.

³⁵ A newsletter can be accessed <http://tilitonsefund.org/wp-content/uploads/2014/11/TILITONSE-NEWSLETTER-EDITION-1-20141.pdf>

Ireland's Comparative Advantage

77. In reviewing key findings and lessons learned from ongoing monitoring and evaluations, the Embassy has identified a number of areas where it perceives a comparative advantage in the context of Malawi's donor community. These areas include:

- An ability to generate learning from partnerships at **local level** and to use this to inform policy and advocacy approaches at **national level** is a key comparative advantage that Ireland will continue to exploit in the future;
- A **track record in innovating** new, evidence-based development interventions at a small scale, coupled with a **catalytic role** in mobilising finance and support for these interventions.
- The Embassy is **uniquely positioned across a diverse range of key policy areas** to contribute to national policy development. Specifically, considering the contribution agriculture, nutrition, resilience Ireland is uniquely placed to take a leading role in the promotion and development of a national resilience approach;
- The Embassy has an **established track record and strong technical expertise** in the field of **social protection**, as one of the country's longest standing actors in this area. This is particularly relevant in the context of the social cash transfer programme expansion across the country.

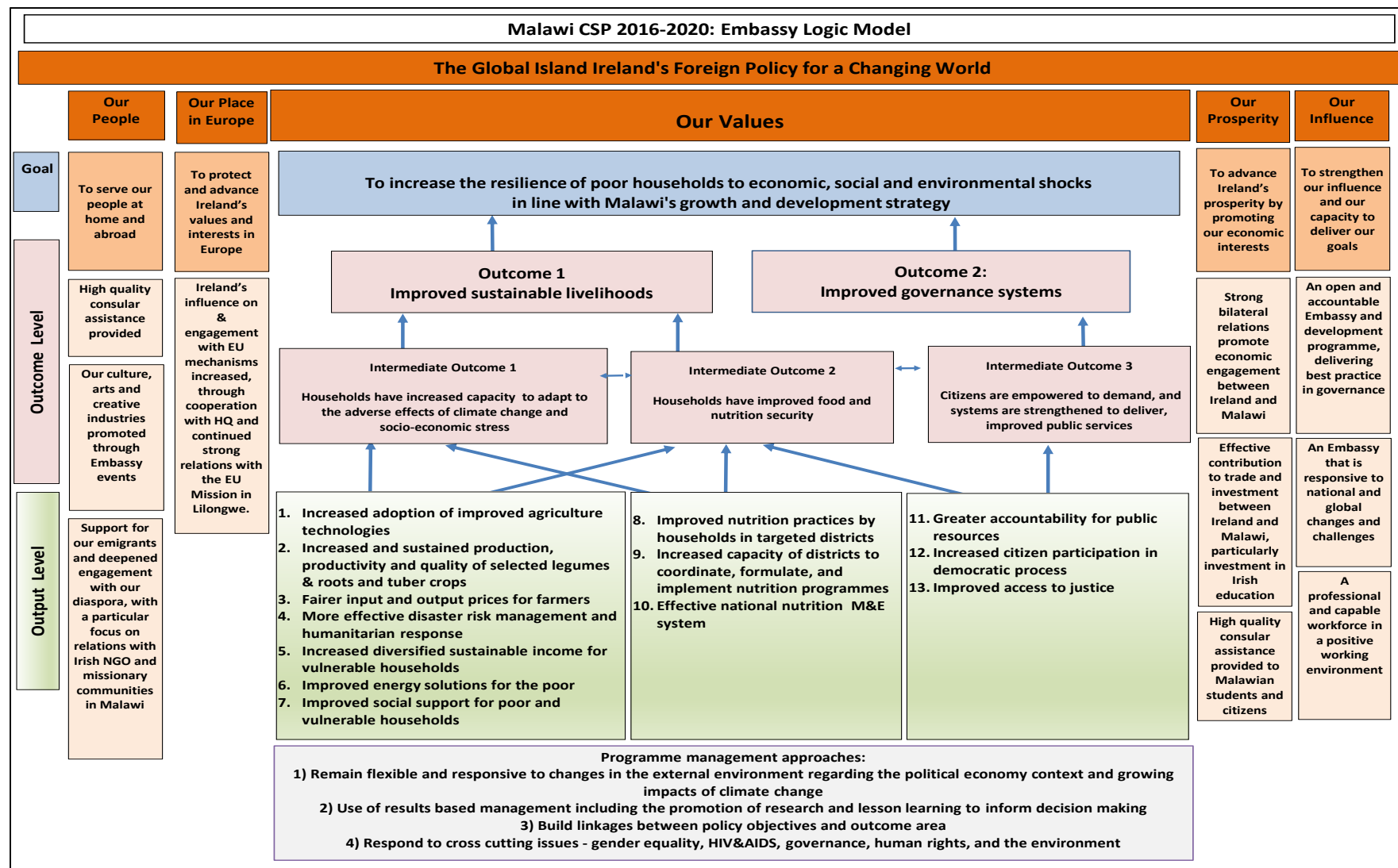
78. These areas of comparative advantage have informed the analysis undertaken in the development of this strategy including the development of issues papers, political economic analysis and programmes workshops with the support of Irish Aid colleagues and external expertise.

Section 5: Programme Strategy

79. The programme strategy set out below draws on wide consultation and analysis of Ireland's engagement and contribution to development in Malawi. The strategic planning process commenced with Ireland's OECD DAC peer review in 2014, followed in 2015 by a comprehensive evaluation of the previous CSP. The Embassy team with the support of HQ colleagues and external expertise developed a series of thematic papers. This analysis informed the strategic direction which was developed through a number of programme workshops with participation from internal and external experts in preparations. This work reaffirmed the appropriateness of the strategic direction and areas of focus of the first country strategy for Malawi while highlighting opportunities for expansion of selected programme areas, while refocusing partnerships and strengthening systems. The Directions Paper on which this strategy was based was approved by senior management in February 2016.
80. The section below presents the overall programme logic model, illustrating the expected results chain, as summarised in the theory of change. This is followed by an overview of the programme outcomes which will contribute to the overall goal. The programme outputs are also set out in detail. As presented in the logic model many of these outputs are expected to contribute to both higher level outcomes and ultimately the goal. A performance measurement framework has been developed to guide the monitoring and evaluation of the programme and to record progress towards the anticipated results.

SECTION 5: PROGRAMME STRATEGY

LOGIC MODEL



THEORY OF CHANGE

81. The overarching Theory of Change is based on the hypothesis that building the resilience of poor households to economic, social, and environmental shocks, will contribute to long term growth and development in Malawi. As highlighted in the preceding context analysis, in a challenging fragile context, poor households in Malawi are frequently impacted by economic shocks, such as volatile food and market prices; climatic and environmental shocks, such as erratic rainfall and soil depletion; and social stresses, such as migration and chronic illness.
82. To bring about positive long term change and reduce vulnerability for the targeted communities, Ireland's strategy will contribute to two high level outcomes: more sustainable livelihoods and improved governance. To progress towards these outcomes at national level, the strategy will be implemented through a range of partnership programmes designed to deliver intermediate outcomes for targeted poor communities. The three intermediate outcomes planned are: increased capacity to adapt to climate change and socio-economic stress; improved food and nutrition security; and improved citizen empowerment and public accountability.
83. Ireland's programmes will remain firmly focused on the poorer and more vulnerable households, while continuing to strengthen Government systems through national initiatives for the benefit of all communities in Malawi. The social protection programme aims to reach the poorest 10% of the population. Agriculture and capacity building resilience programmes target resource poor smallholder farmers and households in high risk areas. The nutrition programmes target the undernourished with particular focus on women, children and the chronically ill.
84. Advancing national policy priorities is central to Ireland's overarching theory of change for Malawi. Key strategic priorities are: shifting from an annual humanitarian responses towards a longer term resilience approach; increasing agriculture and dietary diversity; and promoting greater public accountability. In this regard, Ireland's engagement with Government of Malawi and other development partners and actors, will continue to leverage from a 'whole of embassy' approach. Specific policy change objectives have also been identified under programme outputs, whereby Ireland will contribute to policy through joint programmes, technical working groups and policy fora. Aligned to the overall theory of change, these specific policy objectives will include, for example, increased Government commitment to social protection programmes, adaptation of climate smart agriculture technologies, and a national registration system for all citizens.
85. The planned outcomes are expected to mutually reinforce progress towards the achievement of the long term goal of increased resilience. Furthermore, most programme outputs are expected to contribute to all three intermediate outcomes outlined above.

For example, initiatives to improve nutrition practices will be complemented by the promotion of crop diversity and fairer prices for farmers: furthermore these three outputs will contribute to improved food security at household level. The promotion of energy solutions for the poor will continue to be integrated with social protection and disaster risk reduction initiatives, leading to improved sustainable livelihoods for vulnerable households. Strengthening citizen empowerment and establishing national citizen identification, will complement efforts to deliver more effective social protection and other public services in the longer term.

86. Ireland's approach to advancing cross-cutting priorities was found to be commendable in the evaluation of Malawi's first country strategy. Unfortunately, the HIV prevalence rate remains high³⁶ and there has also been limited progress in gender equality, environmental protection and governance issues over the past decade. For the new strategy, gender, HIV, environmental and governance considerations, will continue to be mainstreamed throughout the programmes in Malawi. In addition, in line with One World One Future policy, human rights issues will increasingly be considered in the development of new initiatives and the governance programme will be expanded to include outputs with respect to access to justice.
87. While the strategy will not include outcomes specifically addressing gender and HIV, ongoing programme cycles and particularly targeting criteria for all programmes will consider each cross-cutting issue in the relevant context. A gender analysis and audit will be undertaken to strengthen the Embassy's approach to gender issues. As such, for example, women's empowerment and the needs of the chronically ill will be an important consideration in disaster risk reduction, social protection and agricultural technology initiatives.
88. Appropriate development and management approaches will be employed in the delivery of the planned outcomes. Based on Ireland's experience in Malawi to date, it is clear that realism, patience, persistence and local knowledge, will be essential to manage for development results. Ongoing analysis will underpin future programme decisions. Thus, a flexible approach at every stage in the programme development cycle will be critical for its success, particularly in advancing the expected policy change.
89. The strategy recognises that Malawi represents a particularly challenging environment with respect to fiduciary risk. Irish Aid's recent (March 2016) public financial management (PFM) assessment report highlights that while there has been a deterioration in government financial data in recent years, and that anticipated 'post-Cashgate' improvements in internal controls and oversight have not yet materialised. In line with the report's recommendations, Ireland will continue to use dedicated project accounts and separate accounting and reporting systems for Irish Aid funds and limit the use of Government of Malawi systems.

³⁶ UNAIDS' (2013) estimates show a small reduction in adult HIV prevalence to 10.3%, a slight decrease from 11.8% in 2004.

Irrespective of the funding modality, mitigating against mismanagement or misappropriation of Irish Aid's funds will remain a priority in programme management.

90. While the CSP is focused on two high level outcomes, in keeping with Ireland's global priorities³⁷ the Malawi country strategy is also aligned with the Government of Malawi's Growth and Development Strategy (MGDS) which is scheduled for update in 2016-2017. In addition, while monitoring future Government commitments and national plans, Ireland's strategy will include support for specific elements of public sector reform programmes including: public finance management, social support policy, and disaster risk management.
91. However, based on experience from past public sector reform, Ireland will focus its support on large reform programmes with donor-driven performance indicators. Ireland will continue to seek opportunities to support specific reforms issues, such as, public finance management and local government initiatives where there is Government ownership and satisfactory progress.
92. The localisation of Malawi's commitment to the global Sustainable Development Goals (SDGs) is expected to advance key national development targets for 2030. Ireland's country strategy will directly contribute to a number of the global targets for Malawi, particularly under: Goal 1 (poverty); Goal 2 (hunger); Goal 7 (energy); Goal 13 (climate action); and Goal 16 (peace and justice). In addition it is expected that programme outcomes will further contribute to Goal 5 (gender), Goal 8 (decent work and growth), and Goal 10 (inequality).
93. The Malawi country strategy will also contribute to the different strands of Ireland's foreign policy including; engagement with international institutions, humanitarian response, human rights, security, and trade considerations. As one of the few EU donors with a presence in Malawi, Ireland's participation and leadership in coordination and development effectiveness is particularly important at national level.

³⁷ Ireland's policy for international development, One World, One Future outlines three goals: 1) Reduced hunger and stronger resilience; 2) Sustainable development and inclusive economic growth; 3) Better governance, human rights and accountability

PROGRAMME OUTCOMES

Intermediate Outcome 1

Households Have Increased Capacity to Adapt to the Adverse Effects of Climate Change and Socio-economic Stress

94. This intermediate outcome will respond to the needs of households most at risk from economic, social, environmental and climatic shocks in Malawi. Interventions under this outcome will target communities in disaster prone areas, and households particularly vulnerable to poverty. Support for vulnerable communities to prepare, adapt and mitigate against the adverse effects of stresses and shocks is expected to lead to increased household resilience.
95. Building on the progress to date, Ireland will continue to support the national social protection agenda in Malawi with a strong focus in promoting the scale up of the Malawi National Social Cash Transfer Programme and ensuring regularity, and predictability of monthly payments to beneficiaries.
96. This will be achieved through the promotion of innovative approaches such as electronic payments systems and ensuring that transfers to beneficiaries are delivered in a regular, predictable and cost effective manner. Support will also be provided to strengthen linkages across social protection and other national programmes with a stronger focus on graduation.
97. Ireland will continue to collaborate with development partners and NGOs to increase support for the scaling up of the enhanced community resilience interventions including; disaster risk management, conservation agriculture, crop and livestock diversification, promotion of on farm and enterprise and other livelihood options; and energy solutions. These interventions will build on past results from the Enhancing Community Resilience programmes.
98. The outcome is aligned with MGDS priorities in the areas of social protection and disaster risk reduction and closely aligned with One World One Future Framework for Action more specifically Goal One - Reduced hunger, strong resilience and Goal Two - Sustainable development and inclusive growth. It will also directly contribute to Outcome 1 - When crises and conflicts occur, the loss of life is minimised and human suffering is alleviated and on a more limited level with Outcome 2 - Poor citizens, communities and states are better prepared for, better able to cope with, and better placed to recover from stresses and shocks. Ireland will ensure the linkages and integration between this and other outcomes such as agriculture, nutrition and governance are maintained.

Social support and resilience programmes directly target vulnerable households including those living with HIV and aim to increase women's economic empowerment. The low cost energy solution projects being implemented will contribute towards the reduction of the demand side of firewood and consequently reduce deforestation and environmental degradation while also reducing the workload typically borne by women and girls.

Intermediate Outcome 2

Households have Improved Food and Nutrition Security

99. This intermediate outcome responds to the persistent food and nutrition insecurity facing Malawian smallholder farmers. Most rural households face the challenge of limited livelihood options, low agriculture productivity, limited crop and dietary diversification leading to high rates of child and maternal under nutrition.
100. This intermediate outcome aims to deliver more sustainable agricultural practices, increasing productivity and lifting smallholder farmers from subsistence to long-term self-sufficiency. These interventions will provide opportunities for more diversified crops and increased agricultural income, which complemented by community based nutrition interventions will lead to greater resilience at the household level. Through evidence based research and collaboration with development partners and research institutions Ireland's strategy will promote value chain approaches, fairer prices for farmers and improved and sustainable technologies.
101. Improved nutrition at household level will be achieved by promoting dietary diversification, promotion of essential nutrition actions, ensuring greater access to high quality nutrition interventions at district and community level including addressing micro-nutrient deficiencies. Ireland's strategy will be to work with government, UN and NGO partners at the community level to support implementation of the nutrition strategy and facilitate evidence-based high level policy dialogue across sectors.
102. This outcome aligns with the Malawi Growth and Development Strategy (MGDS) priorities for improvements in agricultural productivity, nutrition, diversification and food security. It is also closely aligned with *One World One Future* Framework for Action, more specifically **Goal One** - reduced hunger, strong resilience and **Goal Two** - sustainable development and inclusive growth. It will also directly contribute to **Outcome 3** - improved food and nutrition security and **Outcome 4** - better functioning, climate resilient food systems and markets and on a more limited level will contribute to **Outcome 5** - developing country economies are more inclusive and sustainable.

103. Maintaining synergies across thematic areas, programmes under this outcome will be nutrition-centred and maintain a focus on women and vulnerable groups, including households dealing with HIV & AIDS. The promoted interventions contribute to building resilience of households to the impacts of climate change. Linking with work carried out under our governance pillar, Ireland will aim to promote transparency, accountability and demand for quality agriculture and nutrition services.

Intermediate Outcome 3

Citizens are Empowered to Demand, and Systems are Strengthened to Deliver, Improved Public Services

104. This intermediate outcome responds to the issues of accountability and governance systems, which have impacted on the development environment in Malawi. The outcome will be achieved through a range of initiatives seeking to increase citizen voice, particularly for women. The interventions will support action on public accountability and local service delivery, while supporting institutional reforms in the selected areas of public financial management, democratic election processes and access to justice.
105. As highlighted in the context analysis, governance issues are exacerbated by limitations in the checks and balances through parliament, and the weaknesses in oversight bodies and civil society.
106. The strategy will provide for limited support to public sector reforms, prioritising issues which are critical for the long term development outcomes and which are also backed up by realistic implementation plans, resources, and political commitment. Thus, the strategic reform issues selected are: public financial management, citizen registration, electoral support and access to justice. Continuation of Ireland's support for these issues during the full strategic period will be dependent on close monitoring of progress towards targets and continued Government support to deliver results.
107. Ireland will participate in the ongoing reform dialogue and relevant technical working groups. The Embassy will leverage from existing networks and partnerships and in close collaboration with EU and other Development Partners will seek to maximise opportunities for active political engagement on reform issues.
108. The strategy will also facilitate increased support for the demand side of governance, which is also especially weak in Malawi. Grants for governance initiatives will be provided to civil society and community based organisations working with vulnerable communities impacted by the lack of accountability and poor local service delivery. In collaboration with UK, EU and Norway, Ireland will build on the positive change achieved and opportunities emerging under the multi-donor Tilitonse civil society support fund.

The strategy will support the establishment of a local foundation for more sustainable change and increased citizen voice including women's participation in decision making.

109. This outcome is closely aligned with *One World One Future* specifically with **Goal 3** – better governance, and human rights and accountability. It will also address **Outcome 9** - governance systems and structures and **Outcome 10** - citizens' rights in the Framework for Action. In addition it will contribute to Ireland's priority areas on Fragile States; Essential Services; and Human Rights and Accountability.
110. Maintaining synergies across the CSP outcomes, Ireland will aim to promote transparency, and accountability across all partnership programmes in Malawi. Collaboration across the programme outcomes will ensure that the governance programmes and advocacy efforts will be complemented by the evidence from monitoring of progress and real time knowledge of barriers to development results, for example in the delivery of agriculture, nutrition, and social protection services.

PROGRAMME OUTPUTS

Output 1: Increased Adoption of Improved Agriculture Technologies

111. Ireland will support the adoption of improved agriculture technologies/innovations in four main areas: i) legumes (groundnuts, pigeon peas, and beans), ii) cereals (sorghum and millet/rice), iii) roots and tubers (potato, orange flesh sweet potato (OFSP) and cassava); and iv) climate smart agriculture/conservation agriculture. These technologies/innovations have proven to respond well to the climate change challenges facing the country and fit well within the resilience focus of the CSP. These targeted crops are especially important for women farmers.
112. For the targeted crops, the implementation model will be designed around a public and private sector partnership (PPP) with international (CGIAR) and national agriculture research institutions (leading the process), academia, private sector institutions, government institutions (national and district level), non-governmental organizations, and smaller holder farmer associations/cooperatives. Furthermore, where possible, Ireland will continue to participate in joint funding and programming on some of the programmes with other cooperating partners or through consortia.
113. The involvement of Ireland in the legumes and roots/tubers value chains will significantly contribute to increased agriculture productivity in the country, promote crop diversification (on the understanding that government will continue to concentrate support on maize production), promote nutrition-dense foods (legumes) hence contribute to nutrition outcomes and increase household incomes thereby increasing households resilience to various risks and shocks.

Furthermore, deliberate effort will be made to ensure that women and vulnerable groups are targeted in the promotion of these value chains which will enhance their productivity and bargaining power within and outside the household.

114. Ireland will continue to work with NGOs and farmers associations that implement CSA technologies with smallholder farmers and will have a stronger engagement with the national committees and institutions to promote a more harmonized and coordinated implementation of CSA practices. Furthermore, watershed management as a more encompassing approach will also be supported.

Output 2: Increased and Sustained Production, Productivity and Quality of Selected Legumes, Roots and Tuber Crops

115. With increased adoption of improved technologies/innovations, as outlined in Output 1 above, smallholder farmers will have access to high quality inputs/outputs and production technologies/innovations, which will contribute to increased and sustained production and productivity of the targeted crops.
116. The increase in productivity is also impacted by evidence based and practical on farm research being integrated into quality agricultural extension services. The NGOs and research institutions that Ireland will partner with have proven expertise and successful outcomes in this area and it will remain a key focus within these partnerships.

Output 3: Fairer Input and Output Prices for Farmers

117. A key challenge for Malawi's smallholder farmers is getting a fair price in local markets for both agricultural inputs and outputs. Ireland's partners will work at many levels to address this issue; through improving accessibility of high quality inputs and the promotion of collective marketing and storage facilities through farmer associations which will improve the value of the produce. In this regard implementing partners will strive to develop effective, high value chains and promote small-holder farmers' access to structured markets, which will contribute to increased incomes, agricultural productivity, and food security.
118. The continued focus on improving smallholder farmer's access to formal/structured markets will also impact positively upon the farm gate prices secured by the farmers. Effective public private partnerships (PPPs) will be essential to ensure structured markets are in place and work positively for the smallholder farmers. The PPPs will work to develop high yielding varieties, improve lab technology, increase access to improved varieties, promote value addition/agro processing and ensure access to formal markets for smallholder farmers in Malawi.

119. Through its active engagement in the annual humanitarian response and our engagement with the national Strategic Grain Reserve (SGR) and Commercial Grain Committee Ireland will continue to advocate for Government, as the principal buyer of maize, to play a more supportive role in delivering the annually set minimum price for maize and other crops.

Output 4: More Effective Disaster Risk Management and Humanitarian Response

120. As part of Ireland's policy priorities the Embassy will continually and actively engage with national level humanitarian response committees such as the Humanitarian Response Committee and the Strategic Grain Reserves (SGR) and Commercial Maize Committee with a focus on improving transparency, accountability and ensuring value for money in the re-stocking of the SGR. Ireland is well placed to promote innovative and effective restocking options for the SGR, aimed at addressing serious market failure issues in the country. Based on Ireland's active assistance in monitoring maize flows and costs and previous support for re-stocking the SGR, the Embassy has built up knowledge and expertise to support Government efforts to achieve better value in restocking the SGR, while also delivering better prices for maize to smallholder farmers
121. Ireland will continue to support humanitarian cash-based responses where markets are responsive and functional with a stronger focus on long term resilience building and effective linkages to other social protection interventions. Since 2014 Ireland has been supporting, the use of a cash based rather than a food based humanitarian response through an international NGO consortium. Good progress has been made in linking targeted households into village saving and loans programmes, in spreading key nutrition messages and practices, and in promoting fuel efficient cook stoves. This work is important to bridge our humanitarian and development interventions. Based on funding requirements and review of performance partners will be engaged to implement interventions to support the national humanitarian response.
122. Ireland will continue support for the planned next phase of Enhancing Community Resilience Programme (ECRP) which aims to build the resilience of households through disaster risk management and diverse livelihood interventions. Currently jointly funded by Norway and UK the second phase is expected to attract new donors including EU. Future support for the Evangelical Association of Malawi resilience-building interventions will also be considered.
123. This output should provide a springboard for the move towards a national resilience building approach.

Output 5: Increased Diversified Sustainable Income for Vulnerable Households

124. This output is expected to provide opportunities for households to move beyond subsistence farming to more sustainable and resilient livelihoods. Many households rely on farm-based income which is dependent on rain fed agriculture. Ireland's resilience and livelihoods programmes will seek to address this issue through promotion of varied on-farm and off-farm livelihood options e.g. crop enterprise, livestock, climate smart agriculture, village savings and loans and improving the maize markets to deliver better returns to the farmers.

Output 6: Improved Energy Solutions for the Poor

125. Ireland will continue to support the promotion of improved and sustainable energy sources for the 80% of the population who are expected to remain beyond grid coverage for the coming decades. The strategy will promote expansion in the delivery of energy solutions to ultra-poor rural households, based on experiences from the successful Balaka social cash transfer pilot. This programme has already demonstrated its potential for scale up with recent commitment by a multi-donor fund (EnDev), to use the approach across a number of districts for delivery to further 80,000 SCT households.
126. Focus will also be placed in ensuring the integration of improved cook stoves in other Irish Aid supported resilience and food security and nutrition programs. The SCT stoves pilot programme provides an opportunity for addressing the wider energy challenge at household level and the potential to use carbon finance as a sustainable financing model to partially or fully fund solar lighting household solutions. Ireland will therefore support the development of community carbon re-investment models based on lessons from the current support to the Concern Universal Sustainable Energy Unit.
127. Unless Malawi can meet its population's growing energy demand, it is in danger of losing all its remaining tree cover and forest reserves. To address this challenge Ireland will support the scaling up of sustainable biomass production projects drawing on lessons from the sustainable biomass pilot being implemented by Total Land Care, with support from Ireland. Efforts will also be undertaken to ensure that sustainable biomass interventions are well integrated in all Irish Aid supported resilience/livelihood programmes.

Output 7: Improved Social Support for Poor and Vulnerable Households

128. Ireland will continue supporting the continued implementation of electronic payment services for the Balaka Social Cash Transfer programme while exploring the possibility of scaling up the program to one other additional district. The Balaka Cash Transfer programme, is one of the pioneers of the use of electronic payments systems for the social cash transfer programmes in Malawi. Ireland will advocate for the expanded use of electronic payment systems in the SCT and in the delivery of other social protection programmes.

129. Ireland will continue to support systems and institutional strengthening for the social cash transfer programme with a strong focus on ensuring regularity, and predictability of monthly payments and scale up of the programme to the intended 320,000 households (approx. 10% of the population) by the end of 2017.
130. Ireland will continue to work with government, UN and NGO partners to promote a more effective and sustained national approach to social protection through increased political buy-in and contribution from the national budget. This will include advocating to ensure that social cash transfer payments are in line with best international practice that not more than 20% of the entire costs are used for programme delivery and administration costs, with a minimum of 80% of funds reaching the beneficiaries. Under this intervention Ireland plans to also work with CSOs to strengthen the capacity of communities to demand services and greater accountability.

Output 8: Improved Nutrition Practices by Households in Targeted Districts

131. Ireland will continue to collaborate with Department of Nutrition, HIV and AIDS (DNHA) and with NGO, academic and UN partners to ensure full scale up of national nutrition interventions at the district and community level. Contribution to national nutrition policy dialogue, national nutrition advocacy agenda, technical working groups, and the international SUN movement will be informed by this output.

Direct funding support for selected districts will be provided to Ireland's NGO partners working with local district authorities, communities and health facilities. Care groups will be an entry point for nutrition specific and sensitive interventions. Through care groups, households will be reached with high impact interventions such as promotion of breast feeding, promotion of appropriate complementary feeding practices, dietary diversification promotion and promotion of micronutrients and fortified foods. A key element of the planned output is support for the monitoring and integration of services and promotion of linkages with agriculture, social protection, health, WASH and humanitarian response interventions.

Output 9: Increased Capacity of Districts to Coordinate, Formulate, and Implement Nutrition Programmes

132. Addressing the gap between the agreed national policy and the implementation on the ground, Ireland will support UN, academic institutions and NGO partners to strengthen nutrition capacity and effective implementation at the district and community level. Through political engagement and as donor convenor for SUN, Ireland will also champion the collaboration and coordination across key stakeholders and support civil society advocacy.

133. Ireland's support for selected districts will focus on strengthening district, area and village nutrition coordinating committees to plan and oversee appropriate local nutrition services including nutrition education and community outreach for timely referrals and follow ups. In partnership with WFP the programme will seek to integrate current Supplementary Feeding Programmes (SFP) with other CMAM services as well as nutrition care support treatment for adolescents and adult, social protection and livelihoods support. WFP will also build the capacity of Ministry of Health staff to support quality improvement of SFP and full coverage of SFP in the district to increase access of services to the community which will result in timely management of malnourished cases.

Output 10: Effective National Nutrition Monitoring and Evaluation Systems

134. Despite routine data collection across all districts and major investments in Government capacity, the monitoring and evaluation systems to support the national nutrition programmes remain weak. Under this output Ireland will seek to address the challenges with respect to, reporting, utilisation and dissemination of nutrition data. Timely analysis of trends in nutrition status and monitoring of results is critical to support the shift from emergency response to long term resilience approaches.

Output 11: Greater Accountability for Public Resources

135. Acknowledging Malawi's history on implementation of broad public sector reform, this planned output will focus on key challenges linked to the achievement of Ireland's strategic programme outcomes. In this regard, Ireland will maintain a persistent focus on public financial management (PFM) which is fundamental for the success of all Government led national and local development initiatives.
136. In collaboration with the EU, UK, Germany, World Bank and IMF, Ireland will contribute to technical and policy fora and encourage political leadership to ensure sustained support for greater accountability for public resources. Specific policy priorities will include the implementation of existing internal controls in the accounting and reporting by central and local authorities; developing management capacity of local authorities; and the systematic and timely follow up on key audit issues.
137. Direct support for increased accountability at national and district level in the initial years of the strategy will be through current programmes – including the Financial Reporting and Oversight Implementation Project (FROIP) which is administered by World Bank. These programmes will be subject to close monitoring and ongoing review of progress against agreed commitments. Performance improvements during the strategic period will be necessary for annual funding support to be maintained in each case.

138. The Embassy will continue to explore alternative approaches and consider new initiatives to address public sector reform in Malawi. Furthermore, public accountability will remain a priority in the management of each planned programme linked with Government departments and ministries, including support for the agriculture sector and social cash transfers.

Output 12: Increased Citizen Participation in Democratic Processes

139. Ireland's support for civil society and community based organisations will be maintained through the multi-donor Tilitonse programme. It is expected that pooled funding commitments for this programme will be increased (from UK, Ireland, Norway and EU) based on the successful results to date. Tilitonse supports more inclusive, accountable, and responsive governance in Malawi through grants to projects led by civil society and community based organisations. The programme will build on the successful local initiatives such as, strengthening community engagement with local authorities; improved gender equality; improved service for people with disabilities; and the formation of local governance and mining coalitions. It is planned that the multi-donor funded activities will be transitioned to a new local foundation to encourage more sustainable outcomes.
140. An important national development priority during the strategic period, is the proposed establishment of a national citizen register, which will facilitate voter participation in democratic processes and increase public service accountability to citizens. The proposed National Registration and Identification System (NRIS) will replace existing disparate registers currently used across government and non-government services and projects. A multi-annual proposal is under development by Government, in partnership with UNDP and Irish Aid. This programme will require significant Government commitment in addition to funding support from Ireland and other donors. Ireland will continue to contribute to policy change and monitoring of electoral processes and it is expected that NRIS will be implemented prior to the 2019 Malawi general election.

Output 13: Improved Access to Justice

141. Through a partnership with the Irish Rule of Law International (IRLI) the Embassy is planning to increase support for key institutions in the criminal justice system with the aim of improving access to justice for vulnerable people and communities. IRLI, which received previous support from the Irish Aid Civil Society Fund supports placements for volunteer Irish and international programme lawyers who are positioned strategically within the key institutions: the Legal Aid Bureau and the Office of the Director of Public Prosecutions. IRLI, is planning to expand its work in Malawi and working with local partnerships will seek to enhance sustainability of outcomes. This will be achieved through education programmes; targeted training on restorative justice and human rights; strengthening legal assistance to detainees; supporting Legal Aid Bureau clinics and a legal literacy programme.

Section 6: Management Approaches

Programme Management

142. Under this strategic plan, management will make increased use of political economy analysis to steer programme decisions in the challenging governance context. Acknowledging the broad political economy, the Embassy will endeavour to maximise opportunities for active political engagement at national level in the priority areas outlined above. The strategy will guide programme management in employing a flexible and responsive approach to decision-making.
143. Ireland's direct funding support to the Government of Malawi will remain limited under this strategy, while fiduciary risk remains high. Considering the progress in public financial management and public sector reform in recent years, it is unlikely that many bi-lateral donors will be in a position to resume budget support before 2020. In this regard, regular public financial management assessments will continue to inform Ireland's programme plans and any increase in the use of government systems.
144. In response to the continued fragility and worrying humanitarian needs, this strategy will guide a renewed and increased focus on resilience building initiatives with strong and continued engagement in humanitarian support.
145. There will also be a continued focus on results based management and research and learning to inform programme decisions under the new strategy. This approach will draw on the evidence and experience gained to date through Ireland's partnerships with Government of Malawi, UN, NGOs and academic institutions. Results and performance measurement frameworks will be developed to facilitate adaptive and flexible programme design with a view to continuous learning. A monitoring and evaluation plan for the strategy, to be developed with input from HQ Evaluation and Audit Unit, will guide the Embassy in planning for effective monitoring and reporting on performance across partnerships and to support effective communication of results.
146. Ireland's first strategic plan for Malawi, adopted a laboratory approach to programme development working with strategic partners to innovate and develop interventions for targeting real outcomes for the poor in Malawi. Under the new strategy, the Embassy is positioned to promote the scale up of donors' and Government support for selected successful initiatives, including: community resilience building, and crop production and diversification.

147. The strategy will promote linkages between policy objectives and outcomes across programmes as outlined in the Theory of Change section above. Strengthening of Embassy support for cross-cutting issues will be continuous, building on the positive findings noted in the 2015 evaluation. Gender, environment, governance and HIV/AIDS will continue to be mainstreamed across programmes. There will be increased focus on these issues in programme design and the monitoring and evaluation plans. In addition, in line with *One World One Future*, gender and human rights issues will increasingly be considered in the development of new programmes and partnerships. This work will be informed by a gender audit and analysis of the previous strategy. The governance programme will be expanded to include partnership to address access to justice issues. This will complement the Head of Mission's political engagement with rights issues in Malawi, including gender equality and other sensitive issues.

Partnership Management

148. The strategic plan will guide the Embassy to streamline and rationalise Ireland's partnerships in Malawi, with the objective of narrowing and deepening engagements within the planned outcome areas. Responding to the recommendations from the 2015 CSP evaluation, the Embassy has commenced this streamlining process for partnerships. Efforts are being made to engage more in joint funding mechanisms such as ECRP and Tilitonse and, where possible, common programme output areas, such as for agriculture research, will be combined under single agreements. It is expected that the number of partnership agreements will be reduced to 19 by 2017 (from 29 in 2014).
149. Existing and potential partners will be considered in the development of new programmes under each outcome area. New partnership engagements are based on regular assessment and reviews which consider: the partners' potential contribution to strategy and programme outcomes; capacity of partners' management and governance systems; evidence of performance and results based approaches. The Embassy's management capacity will remain an important consideration in plans to engage in any new partnerships.
150. In the context of weak institutional capacity and high fiduciary risk, partnership support will be subject to rigorous monitoring and risk assessment. Based on past experience, it is expected that regular adjustments in partnership plans and agreements will be necessary to effectively manage the risks and opportunities emerging over the strategic period. Flexibility in annual expenditure allocations across partners and profiles will be necessary for effective management of this challenge.

151. In addition to the local partnerships, the Embassy plans to regularly engage with the **international NGOs funded from Irish Aid HQ** schemes. Building on successful engagement to date, such as, the international Gender Based Violence campaign, and fairer maize markets, the strategy will promote continued collaboration with Irish NGOs. Key policy areas for collaboration will include: breaking the cycle of annual emergency response; gender based violence and good governance. The Embassy will also continue its strong engagement with multilateral partners, particularly with the EU, but also with the UN and the World Bank/IMF on political, human rights, and humanitarian issues as well as through regular donor coordination and where feasible joint programming.
152. During the first year of the strategy, with support from HQ, the Embassy plans to align existing programme management processes with the new grant management system.

People Management

153. The strategy acknowledges that attracting and retaining staff in the current environment is challenging. There is high demand within the development community in Malawi, particularly for advisors and financial staff. Maintaining a professional and motivated Embassy team will be critical to ensure effective programme partnership management and strong representation of Ireland's position in various fora with Government and other stakeholders.
154. The 2015 CSP evaluation and the report from the OECD DAC field visit to Malawi noted that the success of the programme to date owed much to the high level commitment of staff, and both highlighted that vacancies represent a significant risk. Embarking on the new strategy, the staffing situation at the Embassy is relatively good but with several newly recruited team members continued investment in training and development will be paramount.
155. The Head of Mission holds a weekly meeting with all Embassy staff, and the programme team also meet on a weekly basis. This facilitates effective internal communication and collaboration across the whole of Embassy. The management team, including the Head of Finance and the Audit and Risk Advisor will meet on a monthly basis to address broader Embassy issues, including the overall business plan and budgets. The finance and audit staff in the Embassy also receive support from HQ and are in regular communication with Evaluation and Audit Unit and Finance units. The management team at the Embassy will prioritise performance management and development plans for staff. To appropriately manage staffing issues in the Malawian context will also require continued support and flexibility from HQ, for example with respect to career progression within the Embassy structures; training opportunities; sanctioning of vacant positions; and timely and appropriate salary reviews for local staff.

SECTION 6: MANAGEMENT APPROACHES

156. The timely transition of senior staff including the Head of Development and Head of Mission, the replacement of local staff vacancies and approval of promotion opportunities will be critical during the period of the strategy.
157. An organogram outlining staffing resources is provided in Annex 3.

SECTION 6: MANAGEMENT APPROACHES

PROGRAMME BUDGET

Description	Partners (2016 where identified)	2016 IDC Euro '000	2017 Euro '000	2018 Euro '000	2019 Euro '000	2020 Euro '000	5 year Total Euro '000
Intermediate Outcome 1: Households have increased capacity to adapt to the adverse effects of climate change and socio-economic stress	Min of Gender/ UNICEF/ ECRP/ EAM/Total Land Care						
Intermediate Outcome 2: Households have improved food and nutrition security	GoM/ World Bank; ICRISAT/CIP/NASFAM/ Concern Universal /WFP/UNICEF/LUANA R						
Intermediate Outcome 3: Citizens are empowered to demand, and systems are strengthened to deliver, improved public services	MDTF Word Bank /Tilitonse/NLGFC/ UNDP						
Programme Quality & Support							
Overall Total Budget	Euro '000	€13,000	€13,700	€14,000	€14,500	€15,000	€ 70,900

158. The annual IDC approved budget for 2016 is Euro 13.7 million for the Malawi programme. The total budget proposed for the five year strategy is Euro 70.9 million. The proposed increase will be allocated mainly to the social cash transfer and community resilience programmes.
159. The programme budget allocations are informed by the advisors' assessment of opportunities and potential partners' capacity for delivery of the planned outputs and outcomes. Under this strategy the Embassy will seek to maximise collaboration with other donors and joint programming arrangements.
160. Given the scale of the development needs in Malawi there is significant potential for further scale up within the programme outcomes should funds become available. A number of projects developed in the course of the 2010-2014 CSP that are now ready to go to national scale, and discussions are underway with respect to support from other Development Partners, including in the area of social protection, national registration and agriculture development. Currently Ireland's contribution to joint programmes and pooled funds is relatively small and, should additional funding become available in future years, such initiatives can absorb and could benefit from a significant increase.

Administration

161. The average annual operational costs for running the Embassy and the programme are in the region of €1.8m. Working in a fragile context, with high inflation, regular power cuts, water shortages, extreme weather events, and security issues, presents real challenges for budgeting and cost control. Procurement is also challenging due to the limited local choice and availability of goods and services. In managing this annual administration budget, additional support and flexibility from HQ may be required for response to unplanned emergencies which tend to occur with some frequency in Malawi (such as costly storm damage in 2015).
162. During the period of this strategy, it may be necessary to move the Embassy as present office accommodation is reaching its limit and there are long term issues with respect to ease of access and power supply in the current building. In agreement with HQ every effort is being made to plan for a "cost neutral" move, however, there may be some relocation expenses involved.
163. Additional staff will bring further demands on ICT equipment. As the Embassy was opened eight years ago, much of the ICT equipment is now due for replacement.
164. In the Malawi context, roadworthy, reliable and safe vehicles are essential for field work to be undertaken by staff. In this respect, it is proposed to replace the older fleet vehicles over the period of the CSP.

Risk Management

165. Given Malawi's increasing fragility and challenging economic context, active risk management, continued surveillance and political analysis will remain a priority for the Embassy during the strategic period. The Embassy will be guided by the Department's Risk Management Policy in reviewing and managing risk. The Embassy has identified a number of key risks to the success of the country strategic plan. Strong political leadership and good governance are essential prerequisites for development in Malawi. Secondly, the deteriorating humanitarian situation is likely to undermine development results achieved. Other issues identified in the Embassy Risk Register include poor partner capacity; weak PFM systems; lack of effective development coordination; high staff turnover; poor health and safety facilities.
166. Actions and responsibilities to manage the risk and consequences are outlined in the risk register which will continue to be reviewed regularly by the management team. Managing risk will also remain the standing first agenda item on the weekly programme meetings with programme advisors. Effective risk mitigation and appropriate management responses will require ongoing flexibility in terms of programme and resources management under this strategy.

Section 7: Annexes

ANNEX 1: ABBREVIATIONS

ACB	Anti-Corruption Bureau	EU	European Union
ACP	African Caribbean and Pacific	FAO	Food and Agriculture Organisation
AfDB	African Development Bank	FISP	Farm Input Subsidy Programme
CA	Conservation Agriculture	FROIP	Financial Reporting and Oversight Implementation Project
CABS	Common Approach to Budget Support	GDP	Gross Domestic Product
CIP	International Potato Centre	GIZ	Gesellschaft für Internationale Zusammenarbeit
CMAM	Community-based Management of Acute Malnutrition	GNI	Gross National Income
COMESA	Common Market for Eastern and Southern Africa	GoM	Government of Malawi
CSA	Climate Smart Agriculture	HDI	Human Development Index
CSOs	Civil Society Organisations	HIV	Human Immunodeficiency Virus
CSP	Country Strategy Paper	ICRISAT	International Crops Research Institute for the Semi-Arid Tropics
CU	Concern Universal	ICT	Information Communication Technology
DAC	Development Assistance Committee	IFMIS	Integrated Financial Management Information System
DCG	Development Co-operation Group	IHS	Integrated Household Survey
DCS	Development Co-operation Strategy	IMF	International Monetary Fund
DFID	Department for International Development (UK)	IRLI	Irish Rule of Law International
DNHA	Department of Nutrition, HIV and AIDS	JCDPLG	Joint Capacity Development Programme for Local Governance
EAC	East African Community	LDSP	Local Development Support Programme
EAM	Evangelical Association of Malawi	LGBTI	Lesbian, Gay, Bisexual, Transgender and Intersex
ECRP	Enhancing Community Resilience Programme	LUANAR	Lilongwe University of Agriculture and Natural Resources
EDF	European Development Fund	M&E	Monitoring and Evaluation
ENGAGED	Enhancing Governance, Accountability, Growth, and Energy in Dedza		

SECTION 7: ANNEXES

MDGs	Millennium Development Goals	PFM	Public Financial Management
MDHS	Malawi Demographic and Health Survey	PPP	Public Private Partnership
MGDS	Malawi Growth and Development Strategy	RNE	Royal Norwegian Embassy
MK	Malawi kwacha	SADC	Southern African Development Community
Mt	Metric tonne	SCT	Social Cash Transfer
MVAC	Malawi Vulnerability Assessment Committee	SDGs	Sustainable Development Goals
NAO	National Audit Office	SEMU	Sustainable Energy Management Unit
NASFAM	National Small Farmers Association of Malawi	SUN	Scaling-up Nutrition
NGO	Non-Governmental Organisation	SWG	Sector Working Groups
NRIS	National Registration and Identification System	TCD	Trinity College Dublin
NSSP	National Social Support Programme	TFTA	Tripartite Free Trade Area
ODA	Overseas Development Aid	TI	Transparency International
OECD	Organisation for Economic Cooperation and Development	TLC	Total Land Care
OFOW	One World One Future	UN	United Nations
OFSP	Orange Fleshed Sweet Potatoes	UNDP	United Nations Development Programme
PFEMRP	Public Financial and Economic Management Reform Programme	UNICEF	United Nations Children's Fund
		WB	World Bank
		WFP	World Food Programme

SECTION 7: ANNEXES

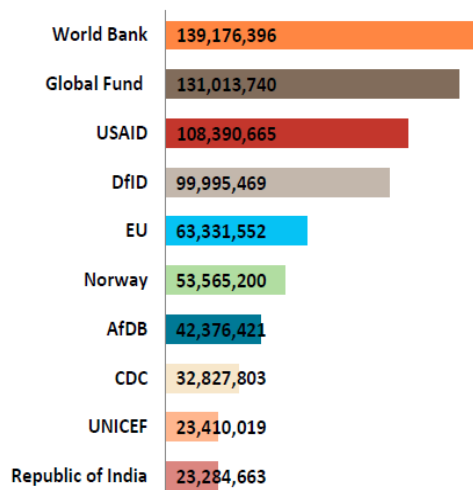
ANNEX 2: DEVELOPMENT PARTNERS IN MALAWI

DIVISION OF LABOUR FOR DEVELOPMENT PARTNERS IN MALAWI

DESCRIPTION	WORLD BANK	DFID	EU	USA	NORWAY	GERMANY GIZ KFW	FLANDERS	IRELAND	JAPAN
Agriculture	X	X	X	X	X			X	X
Health	X	X	X	X	X	X	X		X
Nutrition		X	X	X		X		X	
Decentralisation	X	X	X	X		X		X	X
Disaster Risk Management		X	X	X	X	X	X	X	X
Education	X	X	X	X	X				
Water and Sanitation		X	X	X					X
Infrastructure	X	X	X	X			X		X
PFM		X	X		X	X		X	
Trade and Industry	X	X	X	X			X		X

Disbursements by Top 10 Funding Organizations, 2014-15FY (USD)

During 2014-15FY, the following 10 development partners disbursed the largest amount of assistance in Malawi. The World Bank was the largest funder, disbursing more than 139 million USD.



Source: Ministry of
Finance, 2015

SECTION 7: ANNEXES

ANNEX 3: EMBASSY STAFF ORGANOGRAM

Head of Mission		PA to Ambassador:
Head of Development		
Development Specialist Senior Advisor	Audit and Risk Advisor Second Secretary Head of Accounts Head of Admin/HR	
Programme Staff Agriculture Advisor Agriculture Advisor Nutrition Advisor Vulnerability Advisor Governance Advisor Governance/Local Development Advisor Monitoring and Evaluation Advisor Programme Officer (JPI) Development Officer Development Officer	Administration and Consular Staff Consular/Admin Officer Front Office Secretary	Finance Staff Accounts Officer
Drivers		

SECTION 7: ANNEXES

ANNEX 4: OVERVIEW OF OTHER IRISH AID FUNDING TO MALAWI

Between 2012 and 2014, almost €16 million of funding from Irish Aid's Civil Society and Development Education Unit funding has been channelled through civil society organisations for long-term development interventions in Malawi.

Channel	2012	2013	2014	Total
Programme Grant	€4,837,838	€4,688,658	€4,453,558	€13,980,054
Project Funding	€10,600	€477,460	€88,673	€576,733
Misean Cara	€261,865	€385,002	€544,968	€1,191,835
Total	€5,110,303	€5,551,120	€5,087,199	€15,748,622

In 2012, Irish Aid began a **Programme Grant** scheme to support holistic change through long-term development interventions by NGO partners with proven capacity and expertise. Between 2012 and 2014, six of these programme partners – Action Aid, Concern, GOAL, Oxfam Ireland, Self Help Africa and Trócaire – allocated Irish Aid funding to programmes in Malawi.

Organisation	2014
Trócaire	€1,315,072
Goal	€1,300,000
Concern Worldwide	€882,000
Self Help Africa	€435,486
Oxfam Ireland	€325,000
Action Aid	€196,000
Total	€4,453,558

Trócaire's programme aims to reduce gender inequality and the vulnerability of women in Malawi to HIV, to increase the capacity of Malawian citizens and civil society organisations to influence policy and hold leaders to account, and to increase household food security by improving agricultural practices.

Goal supports rural communities in Nsanje District, focusing on the delivery of an integrated health and livelihood security programme with an emphasis on disaster risk reduction and climate change adaptation.

Concern Worldwide focuses on increased food security and livelihood stability for poor people in Nsanje, NkhotaKota and Lilongwe Districts. The programme worked with smallholder farmers to diversify agricultural production in order to improve nutrition, access to markets and income.

Self Help Africa aims to increase the wealth and security of smallholder farmers in rural areas. It focuses on increased production of key crops, improved access to markets, increased turnover and increased access to food.

Oxfam Ireland aims to reduce the incidence and mitigate the impact of HIV and AIDS in Malawi and has improved access to health services and anti-retroviral drugs for people living with HIV and AIDS. Oxfam also supports advocacy to influence policy and bring about legislative improvements.

ActionAid Ireland focuses on addressing violence against women and promoting women's rights and women's economic empowerment. It aims to mobilise women and girls to challenge and reject gender-based violence and to support women to gain greater access to resources, more control over their income and more time to engage in commercial activities.

Irish Aid's project funding, known as the **Civil Society Fund (CSF)**, provides annual and multi-annual grants to NGOs for small to medium-sized projects. Between 2012 and 2014 six partners were supported under this scheme for projects in Malawi – Tearfund Ireland, Irish Rule of Law International, Camfed International, the International Commission of Jurists, the UCC Dept. of Food Business and Development, and the Meningitis Research Foundation.

In addition, Irish Aid supports missionary orders through **Misean Cara**, which allocates funding through grants to missionary congregations for their development work. Between 2012 and 2014, Irish missionaries working in Malawi received almost €1.2 million in Irish Aid funding. There are also a number of other smaller Irish NGOs active in Malawi, including the Billy Riordan foundation, Wells for Zoey, Organisation Zikomo and Cara Malawi.