

# **The United Nations and the Malawian Growth and Development Strategy Paper: Process, Content and Outcomes amid Changes in the Architecture of Aid**

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## Executive Summary

The Malawian Poverty Reduction Strategy Paper (MPRSP) was developed at the request of the World Bank and the IMF so that the country could benefit from debt relief under the enhanced Highly Indebted Poor Countries (HIPC) initiative, a Poverty Reduction and Growth Facility arrangement and other concessionary assistance. The interim-Malawi Poverty Reduction Strategy Paper (I-MPRS, 2000 - 2001) was followed by the full Malawi Poverty Reduction Strategy Paper (2002 – 2005). Completed under the leadership of President Bakili Muluzi– it was an attempt to bring a more ‘people-oriented’, holistic approach to poverty reduction, and thus required the involvement of the government, donors, and Malawian civil society. It was followed, in 2007, by the second PRSP, namely the Malawi Development and Growth Strategy (MGDS). This study focuses on the role of the UN in the MPRSP and MGDS. It is part of a multi-country review of UN Country Teams’ involvement in the PRSPs produced by eight country governments (Zambia, Honduras, Laos, Mongolia, Afghanistan, Azerbaijan, Uganda, and Malawi). These studies aim, collectively, to identify and suggest mechanisms that could contribute to a more effective, more visible, and more coherent involvement of the UN in the PRS process.

This report considers the role of the Malawian UNCT in the PRS process in terms of the process, the content and the outcomes.

### **Process:**

Malawi’s first MPRSP completed in 2002 was built upon four pillars: Sustainable Pro-Poor Growth, Human Capital Development, Improving the Lives of the Vulnerable and Governance and Political Will. However, it was heavily critiqued for being too donor-influenced and top-down. These criticisms, coupled with the Paris Declaration on Aid Effectiveness of March 2005, meant that there was limited involvement of donors in the MGDS for two reasons: firstly the key donors in Malawi collectively decided to stand back from the second PRSP process in order to give government space and to facilitate national ownership and leadership of the MGDS. Secondly, as the GOM itself took control over the MGDS process it limited the role of international donors, stressing that the MGDS was a ‘government-owned process’. The MGDS, focuses on six key priority areas, namely agriculture and food security; infrastructure development; energy generation and supply; irrigation and water development; integrated rural development; and prevention and management of nutrition disorders, HIV and AIDS strategy which are identified as central to achieving Malawi’s overall objective of reducing poverty through economic growth. The UNCT was consulted on various MGDS sectors together with other development partners. It also raised awareness of cross-cutting issues such as gender and human rights and helped to conceptualise concepts like governance and privatisation. UN involvement became more central when the Government focused on MGDS operational targets, assisted by the fact that such targets are closely aligned with the Millennium Development Goals (MDGs). This carved the way for ‘MDGising the MGDS.’ Government leadership on the alignment of the MGDS with the MDGs was not, however, an issue. Instead internal inconsistency within different line ministries and departments made it hard to articulate one government position.

The UNCT developed the United Nations Development Assistance Framework (UNDAF) which aimed to identify the UN’s strategic focus in support of the MGDS objectives by focusing on government capacity to manage – through accountability systems and the delivery of quality social services to every women, man and child – its development assistance. The UNDAF is therefore fully aligned with the MGDS, accepting the pillars, priorities and outcomes of the MGDS. It uses a ‘building block approach’ in which the UNCT systematically set about evaluating its own performance before attempting to develop future plans. In contrast to the first UNDAF, in which country offices stressed

their individual priorities, this process incorporated mechanisms for greater UNCT cohesion and demonstrated the UNCT's commitment to 'greater UN reform' to Malawi's development partners.

**Content:**

The UN was requested by the Government of Malawi to assist in a comprehensive review of the MPRSP and in preparation of the MGDS. In rendering the MGDS 'MDG aligned', the Malawian Government requested support from the UN Millennium. Experts from the Millennium Project and from the UNDP undertook a capacity needs assessment (modelled after the MDG costing tool) and capacity building for MDG-based planning. In terms of the needs assessment, many donors expressed a preference for developing Malawi's growth strategy based on the existing resources and emphasizing the need for prioritization within the MGDS. The debate that ensued strengthened the UNCT internally, emphasised their consistency and commitment to Malawian development, showed government the importance of involving stakeholders early on in a policy process and highlighted the implications of different estimations of the development budget.

**Outcomes:**

After the completion of the first MPRSP, Malawi's government aimed to keep a check on implementation through the 'structures and procedures used to monitor the national budget' (Afrodad, 2003: 32). This set the context in which the UN sought to work in the area of Monitoring and Evaluation (M&E). The Joint Programme in M&E was set up to strengthen M&E systems at different levels and in so doing, enabling the government to monitor its own achievements. It also assists donors to assess government's activities and inform donor decisions.

The Government of Malawi and its donors have developed a joint working arrangement known as the Common Approach to Budget Support or CABS. The underlying rationale is to harmonise donor efforts, to reduce transaction costs and to improve communications (within donor circles and between donors and government). UNDP is a member (observer) of CABS. However, because UNDP is not a donor, it is perceived as marginal to CABS. Marginalisation in CABS is decreasing, as donors are now looking to the UNDP to assist with strengthening and building national capacity aimed at the transparent and efficient use of national resources, including DBS. Since 2005, development partners have been looking to the UN to bring in their wide array of sectoral leadership and management expertise to the forefront. The UNCT provides technical support to the government's National Capacity Development Programme, which explores the resources needed to implement the MGDS, and in so doing facilitates policy coordination. Some positive results are developing from the UN's involvement in the Development Assistance Coordination Unit which is currently being established in the Ministry of Finance and which coordinates aid to ensure that it is inline with the MGDS. The UN has provided assistance with drawing up a Development Assistance Strategy which aligns and harmonises donor assistance.

The UN vision in Malawi is to support Malawi to achieve the MDGs and contribute to equitable economic growth and poverty reduction by strengthening systems of accountability and the delivery of quality social services to every woman, man and child. It has the mandate, neutral political positioning, policy expertise and technical capacity to support the Government of Malawi as a primary partner and to assist government in fulfilling international obligations, and implementing a MDG-oriented national development strategy. While most development partners categorise the UN as a donor, reflecting the agencies' current orientation to programs and fund-raising for projects, there are also very high expectations associated with the 'one UN' model, expectations

which require the UNCT and its Malawian development partners to make a mental shift, a funding shift and possibly to take risks.

**Recommendations:**

The UN has had mixed experiences of implementing its reform agenda in Malawi, where at times it is seen as 'ahead of the game' in its reform approach, and at other times as bureaucratic and underperforming. In evaluating the role of the Malawian UNCT in national policy processes, some identified recommendations include:

- Greater guidance from UN head quarters on national policy process and recognition that UNCT involvement needs to be adapted to country context:
- More consideration needs to be given to the sectoral versus thematic approach
- Because UN reform is not independent of other development partners, considerably more attention needs to focus on changing their perceptions
- The UNCT – with support from head quarters – should develop space and ways of addressing uncomfortable questions and issues.

## 1. Introduction

1. In 1994, after three decades of one-party rule, Malawians participated in democratic elections.<sup>1</sup> Mr Bakili Muluzi, leader of the United Democratic Party Front (UDF) was elected president in both 1994 and again in 1999. In 2004, Mr Bingu wa Mutharika, also campaigning on an UDF ticket, was elected president of Malawi. He subsequently established the Democratic Progressive Party (DPP) which operates as a minority government.

2. As Malawi joined the IMF and World Bank soon after Independence in the mid-1960s, it has received development assistance from these international organisations for almost 40 years. Despite impressive macro-economic growth in the 1970s, by 1981 Malawi was forced to seek assistance from the World Bank and the International Monetary Fund (IMF) in order to address its severe internal and external financial disparities. As a result, the World Bank and IMF initiated one of Africa's first Structural Adjustment Programs in Malawi. Nonetheless, Malawians continued to experience escalating poverty with disproportionate impacts on women, children and the rural population (Chinsunga, 2002). Despite all attempts to generate economic growth, the Malawian SAPs 'generally exacerbated the depth and incidence of poverty' (Chinsunga, 2002, 40).

3. Criticisms about the SAPs, the 1990 publications of the World Development Report on Poverty by the World Bank and the UNDP's Human Development Report led to growing emphasis on 'people-orientated' development or 'adjustment with a human face'. The Malawian government and the primary donors in the country thus increased their focus on poverty reduction (Chinsunga, 2002). In 1994, the UDF government, under Bakili Muluzi's leadership, launched the Poverty Alleviation Program (PAP) which acknowledged poverty-ridden groups and sought to identify pro-poor policies. The Malawi Vision 2020 developed in 1996 represented the government's attempt to address poverty through long-term approaches. Although revolutionary in terms of highlighting poverty, neither of these plans were actionalised (Jenkins and Tsoka, 2001).

4. The introduction of the PRSP process, by the World Bank and the IMF, and the linking of these papers to the HIPC conditionalities, provided an incentive for the Malawian government to develop the Malawian PRSP (MPRSP) and, more recently, the Malawi Growth and Development Strategy (MGDS).

5. Between 2002 and 2004, President Bakili Muluzi and his government frequently overspent and failed to meet the IMF PRGF Programme requirements (EURODAD, 2006). President Bingu wa Mutharika has, since his election in May 2004, focused on reducing corruption and implementing fiscal responsibility. This economic reform agenda has managed to reduce Malawi's domestic debt and related interest charges. In August 2006, Malawi reached Completion Point for the Enhanced Heavily Indebted Poor Countries (HIPC) Initiative which meant cancellation of over 90 percent of Malawi's external debt. Malawi has now become eligible for increased debt relief from the World Bank, the IMF and the African Development Fund (AfDF) under the Multilateral Debt Relief Initiative (MDRI). This means that considerably more funding – in the region of \$3.1 billion from HIPC and MDRI – will be directed towards poverty reduction and domestic debt repayment (MEJN, 2006). The World Bank, the European Union, the African Development Bank and the United Nations are the main multilateral donors working in Malawi. Britain, America, Canada, Norway, Japan, Germany and the

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<sup>1</sup> Malawi gained independence from British Colonial rule in 1964. Hastings Kamuzu Banda, elected president in 1966, established authoritarian party rule.

Netherlands are all active bilateral donors. Additional funding is also being made available by new donor countries such as Dubai and the United Emirates. In 2005 Official Development Assistance and Official Aid to Malawi amounted to 446.2 million US Dollars.

6. Malawi's Gross Domestic Product (GDP) was 2.1 billion US dollars in 2005, with an annual growth of 2.6%. Nonetheless, most Malawians remain very poor with more than half the population living below the national poverty line of about \$0.44 per day. Malawi's economy is primarily composed of smallholder agriculture which accounts for Malawi's exports (tea, coffee, tobacco, cotton and sugar) contributes about half of the GDP and supports the bulk of the population. This heavy dependence on agriculture, coupled with high population growth, high HIV/AIDS infection rates, inequality of wealth, droughts, climate change and environmental limitations inhibit poverty reduction and the country continues to rely heavily on international aid.

## **2. Methodology**

7. This study is part of a multi-country review of UN Country Teams' involvement in Poverty Reduction Strategy Papers produced by seven less developed country governments. The eight countries – Afghanistan, Azerbaijan, Honduras, Lao, Malawi, Mongolia, Uganda and Zambia – are examined in order to improve understanding of:

- the UNCT's role in PRS processes
- the involvement and dynamics between relevant PRS players: donors, government and civil society
- coordination and alignment dilemmas within the UN System

8. These studies aim, collectively, to identify and suggest mechanisms that could contribute to a more effective, more visible, and more coherent involvement of the UN in the PRS process.

9. This research project concerns one of these countries, namely Malawi and focuses on the role of the UN in the MPRSP and MGDS. The research reviewed a wide variety of documents relating to the Malawian poverty reduction strategies and to the role of the UNCT. These included documents produced by the Malawian government, by the UN, as well as other position papers, commissioned and academic studies from diverse sources such as social scientists, civil society organisations and NGOs. Additional semi-structured interviews were undertaken between the 14 and 18 May in Malawi and with the Regional Directors' Team (RDT) in Johannesburg. As the research sought to include a wide range of people with diverse relationships to the UNCT, government officials, UN practitioners, bilateral and multilateral donor agencies, civil society, and members of the private sector were interviewed.

10. Various research projects have already examined the PRSP process in Malawi (Jenkins and Tsoka, 2001, AFRODAD, 2003). In addition, work has been done on the aid agenda (IDD, 2006; Chipeta and Peretz, 2006) and on the role of UN in the 'new aid environment' (Clynick, 2007). As many of the UN agencies and other Malawian development partners were interviewed for these earlier consultancies, this research sought not to duplicate these findings. Instead participants were asked to focus on their recent experiences of working with the UN on national policy processes, about the value of the UN in Malawi and about specific issues that arose during the research.<sup>2</sup>

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<sup>2</sup> This research also benefits from the insights and assistance of Kai Buchholz, from the United Nations Development Group Office (UNDGO) who participated in the research interviews and offered commentary on the report. The report

11. After a discussion of the UN country context and the RDT, the report considers the role of the Malawian UNCT in the PRS process in terms of the process, the content and the outcomes. The development of the two Malawi PRSPs and of the UNCT's UNDAF are discussed under the heading Process. In the section on Content, the debate around poverty in relation to the MGDS in Malawi is examined. The Joint Programme Monitoring and Evaluation, the National Capacity Development Programme and the role of the UN as donor or diplomat are dealt with in the section on Outcomes. There is inevitably, considerable overlap between these sections and discussions. The report concludes with an examination of lessons learnt and assessment of approaches that might enhance UNCT influence in Malawi.

### **2.1 UN Country context:**

12. Resident country offices and programmes in the UN Country Team (UNCT) consist of Food and Agriculture Organisation (FAO), the Joint United Nations Programme on HIV/AIDS (UNAIDS), the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA), the United Nations High Commissioner for Refugees (UNHCR), the United Nations Children's Fund (UNICEF), the World Food Programme (WFP) and the World Health Organisation (WHO). The UNCT is chaired by the Resident Coordinator (RC). The International Monetary Fund (IMF) and World Bank are not core members of the UNCT, although they are considered to be members of the extended UN family. For the purposes of this project, they are referred to separately. The term UNCT, as used in this report, thus refers to the FAO, UNDP, UNFPA, UNHCR, UNICEF, WFP, WHO, and UNAIDS. The UN RC is responsible for guiding the UN system at the country level and heads the UNCT. He is also the designated representative of the UN Secretary-General in Malawi, of the United Nations Human Settlements Programme (UN-HABITAT) and of three non-resident UN organisations, namely the International Labour Organisation (ILO), the United Nations Educational, Scientific and Cultural Organisation (UNESCO), and the United Nations Industrial Development Organisation (UNIDO).

13. The RC leads the entire UN family or UNCT. The RC system is intended to unite the different UN country offices as 'one UN' although the corporate structures of the UN encourages different offices to work independently or in close combination with only one or two other offices. This is reinforced by the physical locations and structural arrangements of the offices. Although all in close proximity, each country office has its own building, separate financial arrangements and budget, unique terms of reference for staff, and developmental focus. The RC's role in uniting the various UN country offices is intended to assist the Malawian government to manage international financial support and the development process. The role of the RC is further linked to UN reform, aligning and harmonizing UN country offices and programmes to national priorities. It also includes the promotion of UN global agendas of change and the achievement of Malawi's Millennium Development Goals (MDGs). Nevertheless, the RC has no formal authority or tools to direct country offices or office heads. Similarly country offices are not accountable to the RC. The RC is accountable for the mechanisms to co-ordinate procedures such as the United Nations Development Assistance Framework or UNDAF,<sup>3</sup> but does not have programme accountability and financial accountability. Agencies, meanwhile, are constrained by the structures of accountability to their own governing bodies, which are legally binding.

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also benefited from comments by the UN Country Team and the Regional Directors' Team. The findings and recommendations presented in this report are those of the author.

<sup>3</sup> The UNDAF is a business plan detailing how a UNCT can harmonise its work to support national efforts under the PRSP

14. Many interview partners pointed out that, before the arrival of the current RC, the UN in Malawi had 'lost its edge' as a development partner. They argued that this was reflected in decreasing resources for country offices and a loss of stakeholder confidence in the UN. At that point in time, there was very little integrated UN co-ordination. As a result most offices operated independently. Substantial change has taken place and today the Malawi UNCT works collaboratively, has developed its own ways to improve UNCT coherence, is now highly motivated by the 'one UN' model and requested to be selected as a country-level pilot project. In the light of this historical context, and as this report will show in the following sections, the unified nature of the UNCT, the process of drawing up an appropriate, systematically considered and widely supported documents to facilitate the development of an internally integrated and aligned UNCT is a 'change in paradigm'.

15. The starting point of this report is thus that the Malawi UNCT has come an incredibly long way in the past 3 years and that the challenges, risks and hard work done by these team members with their RC should be widely recognised and acknowledged.

## **2.2 The Southern Africa Regional Directors' Team (RDT):**

16. Based in Johannesburg, South Africa, the RDT was established in 2005 as a pilot initiative to tackle the triple threat of drought-related food insecurity, HIV/AIDS and reduced human resource capacity. Working with the UNCTs of ten southern African countries,<sup>4</sup> the RDT is expected to support country teams in identifying and assessing capacities, developing work plans, providing technical support, offering feedback on Common Country Assessments (CCAs)<sup>5</sup> and UNDAFs and assisting with quality control. The RDT is also intended to provide advice on strategic thinking, best practice, programme development and implementation in the areas of humanitarian affairs and vulnerability; HIV/AIDS; capacity development; food security; and MDG monitoring and information management support. The RDT has made good progress in certain areas and has received some positive feedback from some of the countries it supports (Longhurst, 2006). Nonetheless, this research showed that, while the RDT is very committed to its work, the inputs are very sectoral and agency focused. Their experience has been that 'UNFPA goes on its own, UNICEF goes on its own'. As a result, the RDT works in specific areas and there are few opportunities to develop cooperation across country offices and agencies. For example, most of the interview partners for this research had not met before the arrival of the mission.

17. Within Malawi, the role of the RDT has been perceived as limited to issues of quality support and assurance for the CCA/UNDAF process. For staff at country level, the RDT seems to remain a 'sketchy structure', with little clarity of their potential value-added. People felt that if they had better knowledge about the RDT, they might be able to draw on it more effectively. Some country office personnel, particularly those with strong technical, sectoral skills, could see a role for the RDT in terms of assisting them in developing skills, capacity and approaches to advocacy and in helping the country offices to think through what they wanted to achieve. The RC specifically requested RDT guidance in exploring the possibility of an integrated fund-raising effort for the UNDAF 2008-2011. Under-resourced and overstretched, the RDT has not however always been able to meet the varied needs of country teams.

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<sup>4</sup> Angola, Botswana, Lesotho, Malawi, Mozambique, Namibia, South Africa, Swaziland, Zambia and Zimbabwe

<sup>5</sup> CCAs provide a comprehensive analysis of development challenges that can contribute to the development of a PRSP.

### **3. Process**

#### **3.1 *The Malawi Poverty Reduction Strategy Paper (2002 – 2005):***

18. Following the Interim MPRS (2000-2001), the Malawian Poverty Reduction Strategy Paper (MPRSP) was developed at the request of the World Bank and the IMF so that the country could benefit from debt relief under the enhanced Highly Indebted Poor Countries (HIPC) initiative, a Poverty Reduction and Growth Facility arrangement and other concessionary assistance. Officially launched on the 24<sup>th</sup> April 2002, this first PRSP or MPRSP focuses on poverty reduction through four main areas, or pillars, which are Sustainable Pro-Poor Growth, Human Capital Development, Improving the Lives of the Vulnerable and Governance and Political Will. A fifth area of concern, the Macro-Economic Framework, is not presented as a pillar as it is intended to operate across all these topics. Concerns with gender, HIV/AIDS and Science and Technology are also seen as cross-cutting issues (AFRODAD, 2003). This MPRSP was heavily donor-influenced and very top-down and was not one in which the government exercised political ownership.<sup>6</sup>

19. The MPRSP did facilitate a series of regional consultations, but it was primarily technical committees and Thematic Working Groups (TWGs) – in which donors played a restricted role – which produced the strategy paper and which relied heavily on IMF and World Bank agreements about the macro-economic framework (Jenkins and Tsoka, 2004). A consultant from the IMF arranged most of the initial PRSP TWGs, consultations and technical committees and then played a central editing role in the final document (AFRODAD, 2003).

20. The MPRSP has been criticised in many respects, including the need to develop links between the MPRSP and the central government budget and the lack of attention to implementation of policies, the failure to address rural realities (Ellis, Kutengule and Nyasulu, 2002, the inadequate treatment of gender ([www.genderaction.org](http://www.genderaction.org)), the lack of political will, widespread misunderstanding of what the process involved (Jenkins and Tsoka, 2001) and the limited participation of civil society. Some critics argued that the MPRSP represented nothing new and was essentially the same as earlier SAPs. Although a stronger focus in education, health and other social services reflected essential departures from SAPs (AFRODAD, 2003), no consideration was given to 'overall prioritisation' and to ranking key development priorities across sections (Jenkins and Tsoka, 2001, Chipeta and Peretz, 2006).

21. The MPRSP indicators were considered to be 'in-line' with the MDGs (Chipeta and Peretz, 2006). However, the MPRSP made no direct reference to the UN MDGs (Afrodad, 2003), and the targets were less ambitious than the MDGs. Extrapolating these targets showed that Malawi was unlikely to meet the 2015 MGD goals. Although failing to meet the MDGs, the targets were considered realistic given medium term growth projections (JSA, 2002).

#### **3.2 *The Malawi Growth and Development Strategy (2006 – 2011):***

22. The MGDS is based on the Malawi Economic Growth Strategy (MEGS), a document produced by the Ministry of Economic Planning and Development (MEPD) primarily in consultation with the private sector, in the light of MPRS criticisms which stresses

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<sup>6</sup> The Interim Malawi Poverty Reduction Strategy Paper was initiated in 2000 and submitted to the IMF in 2001. This document criticised as being 'extremely non-consultative', produced with 'complete exclusion of civil society and some bilateral donors' and with 'excessive World Bank intervention' (AFRODAD, 2003:17)

economic growth through creating conducive conditions for private sector investment.<sup>7</sup> The MGDS focuses on six key priority areas, namely agriculture and food security; infrastructure development; energy generation and supply; irrigation and water development; integrated rural development; and prevention and management of nutrition disorders, HIV and AIDS strategy which are identified as central to achieving Malawi's overall objective of reducing poverty through economic growth. These six key priority areas have been singled out from the five MGDS Thematic Areas where the government will concentrate its short to medium term efforts in order to realise immediate economic benefits. The five MGDS Thematic Areas – sustainable economic growth; social protection; social development; infrastructure development; and improved governance – have been developed to offer a comprehensive package that deals with diverse issues facing the country. Nonetheless, as critics point out, the MGDS is primarily a large scale private sector business strategy to which health and education have been added in recognition of the need to address poverty and developmental issues. In contrast to the MPRS, the MGDS is seen as a national development strategy to which the government is committed, not least because the MEGS, on which it is based, was produced by President Bingu wa Mutharika in his former role as Minister of Planning. Although not officially launched, the MGDS is already in circulation within the country at large.

23. The process of creating the MGDS acted to constrain the role of the donors. As mentioned above, it developed out of the MEGS, a procedure in which very few donors had any involvement and from which the government did not want to depart. Subsequently donors were able to point out that MEGS was not sufficient for poverty reduction and that it was also necessary to focus on social issues. In particular, the UN sought to lobby for increased financial commitment to education and health. There are diverse views among the donors as to how successful this lobbying was. Some donor agencies felt the UN was unable to persuade the government to increase social spending – for example the RC is said to have approached head quarters for assistance on this matter and for external, academic literature to show that investing in education and health can assist in poverty reduction, but the material received from headquarters was seen as inadequate and failed to persuade the President - while others felt that government accepted this argument. Nonetheless, as several donors and civil society representatives argued, the substance of the MGDS is appropriate: 'the headings, chapters and sections are the right headings' and there is 'hardly anything to disagree with'. What donors are concerned about is implementation. Because human rights, gender, primary education and governance issues are not central within the MGDS,<sup>8</sup> it raises questions about how the MGDS will be used in practice, how it will influence public expenditure and what the links between policy and resource allocation are. The MGDS is not an action plan and is difficult to monitor.

24. The heavily top-down donor involvement in the first MPRSP, coupled with the Paris Declaration on Aid Effectiveness of March 2005<sup>9</sup>, meant that there was limited involvement of donors in the MGDS for two reasons: firstly the key donors in Malawi collectively decided to stand back from the PRSP process in order to give government space and to facilitate national ownership. Although, at the time, donors were anxious to contribute to the MGDS, national ownership took precedent. No-one considered using the UN as a facilitator between government and other donors on this occasion, primarily because of the way the UN is viewed in Malawi and the fact that it is not perceived as different from other donors (see section 5.3 below).

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<sup>7</sup> MEGS is also the overarching operational medium-term strategy for the long term Malawi Vision 2020.

<sup>8</sup> Indeed, some development partners' primary concern was that 'nothing was central' and therefore the MGDS had no primary focus.

<sup>9</sup> Which proposed donor harmonisation with government programmes and encouraged a rationalisation of donor involvement in diverse development sectors

25. Secondly, as the GOM itself took control over the MGDS process it limited the role of international donors, stressing that the MGDS was a 'government-owned process'. The government articulated a view that 'we are in charge now, we will call when we need you'. This meant that the UN did not, initially, take on a co-ordination role and was not seen as pushing for the inclusion of the MDGs; but towards the end the UN did play a significant role with the MGDS process. Various development partners in Malawi subsequently recognised that the UN had done a 'good job in keeping the MDGs on the agenda' and that it regularly referred to these in all possible fora.<sup>10</sup> In addition, at the beginning of 2006, in a formal comment on a close-to-final draft, the UN Country Team provided a co-ordinated response, including inputs from the Millennium Project.

26. The MGDS was based on thematic areas or sector strategies as the government had previously set up, and now co-ordinated, sector working groups (SWGs) to feed into the MGDS process. As one development partner put it: 'ultimately PRSPs are sectoral'.<sup>11</sup> UN country offices were particularly involved in the negotiations between government and donors to initiate the SWAs. According to Clynick, UN offices influenced government thinking to view SWAs as a 'key sectoral instrument for policy coordination and dialogue', rather than as a purely financial tool (2007: 25). Various UN country offices also played a role in the SWGs, in preparation of various sector SWAs, informing the MGDS in specialist agency areas and providing technical support. For example, the UNFPA sent comments to the Department of Population Services and the National Economic Council (UNFPA nd). There was no thematic working group on health, although UNFPA, UNICEF and WHO<sup>12</sup> were all proactively involved in the health SWAP, the production of which was said to 'deepen UN engagement' despite the lack of harmonisation between UN country offices (Clynick, 2007). In addition, the UNDP, UNICEF, WHO and UNFPA are all part of the donor health group which is currently chaired by UNFPA.

27. There appears, however, not to have been any dedicated UN support to line Ministries in the MGDS preparation. The FAO was, for example, not requested to participate and not approached for assistance. The involvement of the WHO was sporadic as the Malawi Government and the MEPD, which co-ordinated the MGDS, wanted to do the MGDS in its own way. Thus, development partners were consulted when the GOM felt it needed assistance. In addition, there was a lack of sector ministry involvement and organisation in the MGDS. As the Ministry of Health never requested any assistance and, it appears, left the drafting of the MGDS primarily to the MEPD, it was difficult for WHO to be more involved. In addition, the substantive sectoral input into the MGDS came from the pre-existing sector strategies. This was however an area of interest for the UNCT as a whole, and discussion in country team meetings sought for ways in which WHO and other country offices could be more creative about MGDS involvement.

28. UNCT involvement has often been conceptualised in sectoral terms, where team members embrace processes around sector strategies and costings, align with government structures, and use their technical competencies to exert influence in these processes. Such strategies and costings should then inform Medium Term Expenditure Framework or MTEF and PRSP processes. In Malawi, however, repeated attempts to

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<sup>10</sup> Yet, one donor pointed out that the UN should not 'monopolise' the MDGs and Human Rights, as these are commitments of the entire international community and not only the UN agencies.

<sup>11</sup> The MGDS has been criticised for simply bringing together various proposals from sector ministries without doing any prioritization or adding any value to these proposals.

<sup>12</sup> UNICEF, UNFPA and WHO co-operated in an inter-agency group which organised follow-ups around the MDGs, sought to retain a focused overall policy and a specific common position on the MDGs.

develop an MTEF approach to budgeting have not been successful; the MTEF has never been used as an 'operational mechanism' and sectoral budgets are not linked to PRSPs (Chipeta and Peretz, 2006; IDD, 2006). Major reviews of the MTEF were carried out in 1999/2000 and again in 2000/2001. Both concluded that the framework was unable to achieve its objectives. 'In terms of its potential impact on PRSP implementation, the most important shortcoming was that patterns of actual expenditure often bore little resemblance to the budget itself' (Chipeta and Peretz, 2006: 4). The general consensus is that the MTEF has never been operationalised and, perhaps for this reason, no development partners mentioned it during this research. As reported by IDD, this has implications for the coordination between sector policies and for the relationship between Partnership General Budget Support (PGBS) and sector policies. As a result of the lack of opportunities for sector involvement, coupled with the failure of the MTEF, the UN country offices focused primarily on the UNCT collective response.

29. The UNCT provided harmonised feedback on the draft MGDS in December 2005, through co-coordinating and documenting the substantive comments of all UN agencies. The agencies were provided with draft copies of the MGDS shortly before its completion and asked to provide comments. Within the UNCT, everyone was provided with and read the policy documents with different agencies then supplying written comments on relevant sectors. The UNCT compiled comments on the MGDS into a three page summary, with further comments and details attached. The RC's letter, complimenting the government on its substantial MGDS achievements, pointed towards critical future work, including 'a detailed identification of operational targets, a needs assessment and a budgeting exercise to frame implementation plans. This work must take into account currently projected resource flows. Equally important is an understanding of what resources will be required to meet those MGDS targets which embody Malawi's localised MDGs (Keating, 2005: 2). The submission commented further on substantive issues, pointing out the need to integrate Human Rights, ways to better mainstream gender, the lack of attention to population, demography and youth, as well as pointing to specific inconsistencies and interlinkages that could be improved. The government informed the RC that it found this very useful, but only some of the team's comments were included in the final MGDS.

30. In addition to the UN agencies' involvement, the UN Millennium Project (UNMP) undertook a review of the MGDS which focused on the links between the MGDS development goals and Malawi's commitments to the MDGs. In this submission the UNMP pointed out that the MGDS assumed fairly constant resources flows, but 'given the serious development challenges a much more ambitious and focused response' was necessary (UNMP review, 2005: 1). It also argued for an operational plan (which estimates human, infrastructural and financial resource needs) for the MGDS and MDGs, and how this can be strengthened through budgeting and economic management. According to the UNMP, the government of Malawi should outline 'the priority areas of action, specify targets and solicit additional resource flows'. In so doing, these exercises carved the way for later discussions about 'MDGising the MGDS', and for the UNCT's experience of an MDG costing exercise and MGDS capacity assessment (see sections 4.1 and 5.2 below).

31. Although members of the UNCT saw the UN's inclusive process and encouragement to include everyone as one of its key values, it did not appear to play a significant role in engaging civil society in the MGDS.<sup>13</sup> Many development partners felt that this lack of focus was appropriate because it was not needed in Malawi, not least because the content of the MGDS was highly appropriate. Some donors expressed concern about the lack of civil society involvement in the finalisation process although

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<sup>13</sup> This may, however, be biased by the limited number of civil society interviews conducted.

civil society did accept the MGDS. Interviews with civil society reflected that across Malawi there was no UN focus on strengthening civil society. As only a few NGOs or organisations had a high profile and most civil society remained simple community-based organisations uninvolved in national policy processes, this is seen as a shortcoming by this author. Even organisations which were prominent in the MGDS, such as MEJN, were not involved with the UN.<sup>14</sup> Even when working on the MGDS, they had not encountered the UN in meaningful or helpful ways and had no recollection of the UN emphasising the need to be consistent with the MDGs. This UN absence is, no doubt, a reflection of the broader donor community's decision to stand back from the MGDS process. Civil society organisations argued that the UN could play a role in supporting civil society participation in policy processes, that it could advocate more NGO work and also play a role as the guardian of international norms and standards.

32. The UN is seen as playing a significant role in terms of monitoring and evaluation (M&E) and capacity building. From the perspective of the MOF, the UN contributed a lot, in terms of raising awareness of human rights and gender and conceptualising concepts like governance and privatization. This perspective contrasts with that of many donors, possibly due to the fact that the UN did not publicly announce its inputs into the MGDS. According to the MOF, however, the UN did fulfil part of its role, working 'quietly' and closely with national counterparts. This was a vitally important role which cannot be highly publicised, but which should not be underestimated.

### **3.3 Internal UN process: The UNDAF:**

33. In the spirit of the Paris Declaration, and better alignment with national development planning processes, the Malawi UNCT decided not to develop a CCA and to develop an UNDAF in direct response to the MGDS. The UNDAF, aiming primarily to identify the UN's strategic focus in support of the MGDS objectives, focused on addressing 'Malawi's capacity to manage development assistance' and to ensure that 'strong accountability systems' could be put in place (UNDAF, 2008-2011: iii). For this reason, the UNDAF is fully aligned with the MGDS, accepting the themes, priorities and outcomes of the MGDS. 'The overall emphasis of the UNDAF is investment in people, particularly women and the poor, including their health, education, basic living conditions and their opportunities to contribute to and benefit from economic growth' (Keating, 2006)

34. The UNDAF was developed following a 'building block approach' in which the UNCT systematically set about evaluating its own performance before attempting to develop future plans. It carefully assessed the role of the UN in Malawi and the areas where the UN has no comparative advantage in relation to other Malawian development partners. It then analysed the situation from a human rights and gender perspective before looking at what capacity gaps there were both in terms of the MGDS (from a Human rights and gender perspective) and from a MDG perspective. This laid the groundwork for the actual work of designing the UNDAF – a process which was done in conjunction with representatives from civil society, donors and government. Finally a business plan and a resource mobilisation plan are being developed. In the business plan and the efforts towards joint resource mobilisation, the UNCT is going way beyond the 'business as usual' of normal UNDAF roll-out countries, and staff as well as stakeholders have high expectations of the intended impact on the UN's work in Malawi.

35. As expressed by members of the UN family, postponing the production of the UNDAF in order to align it so closely with the MGDS was good and credible and conformed with the new aid environment and the Paris Declaration. It was also a risk

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<sup>14</sup> In particular, civil society organisations pointed out that they 'had to have a project' in order to be able to access funds from UN agencies and that there is no means of gaining funding for advocacy- or MGDS-related work.

which demonstrated the leadership of the UN and the RC office. The structural constraints to uniting the UN family have already been pointed out in section 2.1 above. In addition, and as other development partners were anxious to point out, the context in which the UN is trying to operate has very real limitations to what any donor can do.

36. Clynick's draft review of UN country alignment to the new aid modalities points out that developing an effective UNDAF requires that the individual UN agencies see beyond their agency mandates, financial procedures and technical capacity in order to collectively consider the UN family's 'added value' and to reach consensus. This is no small task and Clynick details some of the areas where agencies have found it hard to overcome their agency focus to think about the UN family (2007). In the case of Malawi, the RC has done a tremendous job in building support and commitment to the UNCT and to the 'one UN' ideal. He puts his role as head of the UNDP secondary to the RC job. In addition, he has introduced some innovative ways of making the agencies more familiar with and considerate of each others' work. This includes agencies 'peer-reviewing' each others' work proposals; emphasising agency discipline in terms of selecting and continuing work patterns and reinforcing the alignments between country programmes and the UNDAF; encouraging agencies to develop and support the UNCT vision (as his role as RC cannot force them to comply); and working with agencies to develop and clarify the terms of reference for the cluster heads.<sup>15</sup> All these activities work towards building a cohesive and united team within the UN system.

37. While the implementation of the new UNDAF is only commencing in 2008, the establishment of thematic clusters and increased cooperation among UNCT members is already underway. The thematic multi-agency clusters are based on the five UNDAF areas (sustainable economic development; social protection and disaster preparedness; social development, HIV and AIDS; and good governance) embrace 16 country programmes and will be delivered by a team. Staff and counterparts are also looking forward to Malawi joining the next wave of official 'One UN' pilots. In order to minimise overlap and tensions between agencies and programmes pulling in different directions, the UNDAF develops a multi-agency cluster structure in which a cluster convenor assumes the responsibility of engaging with government and representing the UNCT. In so doing and in matters concerning the cluster, the cluster convenor<sup>16</sup> acts on behalf of the RC, serves as the entry point for high level interaction with national and other partners, chairs the cluster management team and ensures coordination and efficient functioning of the cluster, including preparation and writing of reviews, and shares updates and progress reports with the RC and UNCT. While the cluster structure will only be fully in force with the implementation of the new UNDAF, there are already important changes in the way the UNCT works together, and in how the UN presents itself to the other partners. As an example, the FAO, which leads the UNCT in areas of economic growth, has been seen lobbying for increased resources for the UNDP, to ensure that full funding for the UNCT's common strategy is in place.

38. The effort of developing this structure, of aligning the UNDAF with the MGDS, of going through the necessary preparatory stages to build a realistic idea of future work plans means that the Malawi UNCT feels it is – and indeed in many respects it is – 'ahead of the game' and 'on the road to reform'. Members of the UNCT point out that they don't work with the agency model and that their priorities do not lie within separate

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<sup>15</sup> The idea here is that an agency head will lead on each of the five clusters, and will be in charge of policy-related discussions with Government and other partners. This will strengthen joint programming, the 'one UN' teams and provide clear leadership based upon accountability for the delivery of programmatic outcomes.

<sup>16</sup> Terms of reference for a team leader and for a cluster convenor in which responsibilities are carefully detailed, have been circulated.

agencies. Agency heads, who are also cluster heads, have scheduled regular UNCT meetings to discuss joint plans, as well as substantive issues that go 'beyond UN plumbing' such as joint M&E issues. Attendance at the team meetings and representation of a cluster and team, has become something of a status issue with leaders experiencing some peer pressure to attend and, in so doing, enhancing their image.

39. In addition, the UNDAF included mechanisms to boost government involvement and ownership of the UNDAF and MDGs. The UNCT established a joint Government of Malawi/UN Steering Committee to oversee the UNDAF process and set up a central coordinating focal point in the Ministry of Finance for signing the Country Programme Action Plans of the UN Executive Committee Agencies (UNDP, UNFPA, UNICEF and WFP) and reviewing the implantation of the UNDAF. The 'Building Block Method' also sought to formalise the manner in which national and UN priorities are linked (Clynick, 2007). All this has come together to show that, according to some representatives of the UNCT 'government knows we mean business and we are thinking in terms of the one UN'.<sup>17</sup> Producing the UNDAF also sent a message to the UN's development partners that the UN in Malawi is changing.

40. While the UNDAF has sought to ensure that all UN agencies buy into the 'one UN' and to provide clear direction of what this process will imply, it is important not to underestimate the potential for future conflict within the UNCT. As Clynick has pointed out the Malawian UNDAF is a 'highly pressurised process that results in the emergence of new challenges for the UNCT' which include, among other things, increased tensions between agencies (2007). He further argues that the UNDAF does not wholly address the 'clear tension between agency specific country programming and common country programming' in Malawi. Agencies desire to retain control over their current programmes and their structural need to continue implementing projects as a means to raise funds cannot be underemphasised.<sup>18</sup> In addition, the UNDAF expresses a commitment to work together but does not address different conceptual understandings used by these agencies in their developmental approaches. Looking at the question of hunger, for example, Maclausan (2007) points out that the FAO conceptualises this as a 'lack of food' whereas the WHO and UNICEF focus more on malnutrition. These different approaches support different mandates, with hunger as a lack of food enabling the FAO to develop agricultural production while hunger as malnutrition enables the WHO and UNICEF to develop their mandates as health and children's organisations.

41. There are some indicators of potential tension. For example, one representative within the UNCT commented that cooperating with country offices is not always easy. Involving more people means that it is harder to get everyone to attend sessions and workshops. Indeed, from this perspective, the commitment to the 'one UN', it is primarily on paper. Other representatives commented that harmonization of the UN requires strong leadership in which cluster leaders have to prioritise. However, when agencies' programmes are not represented in the UNDAF, they feel marginalised.

42. Notwithstanding the possibility of future tension, developing the UNDAF has been a huge success both for the RC and for the UNCT. In addition, considering the structural impediments to greater coherence at country level, the UNCT seems to have gone as far as possible to ensure the implementation of a common programmatic vision starting in 2008, and staff appear enthusiastic about pioneering this new way of doing business.

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<sup>17</sup> Representatives within government pointed out, however, that they did not prioritise the UNDAF and instead saw it as a 'donor thing' and 'their agenda'.

<sup>18</sup> Numerous development partners pointed this out. The success of the UNCT and of the UNDAF depends, to no small measure, on the extent to which UN Agencies are willing to reduce their current profiles.

The UNCT has shown its commitment to UN reform, has alerted government and other donor partners of the serious intent of the Malawi country team to work as partners with the Malawian government to implement the Paris Declaration and facilitate poverty reduction. The UNDAF has made considerable inroads in developing a unified approach within the UNCT. One unexpected achievement of the UNDAF has been in the area of civil society participation. The current RC is credited with demonstrating an openness, flexibility and willingness to listen. Civil society organisations were invited to participate in the UNDAF and the planned activities gave these actors room to develop new ideas. Their participation was 'educational' with regards to Results-Based Management (e.g., the development of a chain of results for the UNDAF), they realised the connections between the UNDAF and the MGDS, and appreciated the different roles and interests. Subsequently these insights have been put to use in their own work and projects have been revised to show the linkages of results-based management and the connections between the MGDS and MDGs. The UNDAF workshop was, as one person said, the culmination of 'a UN comeback'.

## **4. Content**

### ***4.1. Poverty and the MGDS in Malawi:***

43. As detailed above, the UN Agencies consciously chose to stand back from the MGDS process in order to facilitate national and government ownership. Nonetheless, the country team had tried to 'mdgise the MGDS', but was not really allowed to do this by government. It also tried to do a gap assessment and, in so doing, to render the MGDS MDG aligned. This occurred in 2006 – when the MGDS was already behind schedule – but when the Malawian President requested, in writing, that the UNCT RC develop a MGDS capacity needs assessment. The RC agreed to undertake this assessment and the UNDP Malawi, together with two experts from the Millennium Project New York. The capacity needs assessment aimed to examine the requirements for achieving the MGDS targets by:

- translating the MGDS into operational targets and developing a strategy for increasing 'absorptive capacity'
- providing detailed MGDS plans for improved coherence between planning and budget processes and to guide programming of expenditures through the development of a medium-term expenditure framework (MTEF)
- developing a framework for assessing the needs of individual sectors
- providing a monitoring and accountability framework
- supporting the national policy dialogue and negotiations between development partners (MGDS Needs Assessment Update, 2006)

44. The assessment was based on the MDG costing tool (developed by the Millennium Project) which assesses the price tag of achieving the MDGs (with the underlying implication that donors and country governments will then mobilise resources and/or adjust the ambitions stipulated in the national plan according to expected resources available). Using the MDGs as a goal was seen as an 'honest position' from the UNCT, bearing in mind the Member States's commitment to the UN Millennium Declaration and to the MDGs. It therefore sought to assess what level of resources would be needed for Malawi to achieve the MDGs.

45. Other donors working within Malawi were not in full agreement with this exercise. Some were of the view that using the MDG costings raised ambitions and inflated demand for ODA, and in so doing put additional pressure on them and their agencies to address these increased costs. Others were concerned about questions of macro stability and the implications of scaling up; about the uncertain commitment to the MDGs

and the UN role in enabling and facilitating governments' efforts at implementation. There were also concerns about technical shortcomings of tools and training, and about insufficient discussions involving development partners. Some donors argued that costing the MDGs was not the same as costing a PRSP. Because of the timing, all were reluctant to further delay the production of the MGDS which was needed for HIPC completion.<sup>19</sup> Key donors advocated for working with known resources and for developing Malawi's growth strategy based on the existing resources. Because these resources were, inevitably, inadequate, PRSPs had to engage in prioritisation exercises. It was therefore argued that, instead of costing the MDGs, the UN should work with the Malawian Government to a) focus on results, indicators and targets so that it could document its successes and b) prioritise developmental strategies in the face of current resource constraint questions. Implicit in this discussion was a question about the role of the MGDS: was it to be a resource mobilization tool or was it a management tool aimed at facilitating economic planning? In addition, some donors felt that Malawi was not in a position to demand huge funding from donors. If Malawi had an established track record and had demonstrated its capacity to manage its economy, to maintain sound macro-economic policies and fiscal discipline, it could request and handle increased amounts of ODA, but not as matters currently were. Given these structural limitations to scale-up in Malawi, many development partners felt it inappropriate that the MGD costings were linked to the MGDS. However, under the current circumstances, deciding how to calculate values and how to evaluate poverty is, as one person said in an act of understatement 'not the easiest target'.<sup>20</sup>

46. Almost immediately on embarking on this project, the UN RC had recognised two interlinked challenges. The first, described in point 43 above, concerned those development partners who were unhappy with the use of the MGD costing tool. The RC discussed with them, in detail, both their concerns and the need to work with them and keep them informed throughout this exercise. The second challenge was in locating ownership of the exercise. The UN RC stressed that it was a 'government-led exercise' in which the UN was providing technical support. Contrary to popular opinion it was not an UN-led effort (MGDS Needs Assessment Update, 2006).

47. Although the UN saw this as a 'government-led' activity resulting in enhanced government capacity, in which the UN provided technical support; the MEPD saw it as an expert-led process. The UN worked in partnership with the Millennium Project<sup>21</sup> in New York and drew on the work of Jeffrey Sachs. Although not all donors were comfortable with this, for the reasons described above, people within the UNCT, 'were convinced we were doing the right thing'. The President had confirmed his support for the project and requested to know the implications of the MGDS before committing to it.

48. 'Government-led' or 'expert-led', the MEPD argued that the project failed to transfer knowledge because of constraints on experts' time and because of assumptions that knowledge transfer could occur very rapidly. UN Millennium Project staff were brought in to develop capacity for a 'national MGDS technical team' in order to enable them to undertake the needs assessment. People in government had been assigned to work on this programme, together with three people in UNDP. Representatives in government ministries commented that the training was not thorough, that the amount of time taken to collect the data was inadequate and that the type of data collected was seldom

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<sup>19</sup> The UN recognised this concern and underscored its own interest in not allowing the needs assessment to delay the MGDS as all development partners, including itself, needed the MGDS to arrange for their multi-year support.

<sup>20</sup> Indeed this was a highly complicated discussion and not everyone participating in it is trained in economics. Even economists from the UNCT complained that trainers went 'so fast and so deep' that it wasn't always easy to follow).

<sup>21</sup> This initiative focuses on research towards implementing the organisational means, operational priorities, and financing structures necessary to achieve the MDGs.

reliable. While the system was based on unit costs, for which no estimates were available, it was not always possible for government counterparts to put in technically sound data. In addition, they argued that technical problems with computers meant that data was not stored. The government trainees found it easy to spot errors, but could not determine how to correct these errors. Arrangements put in place to ask questions and get backup support through email resulted in complicated technical responses which people did not always know how to interpret or apply. This meant that it was hard to use the data and, at the end of the day, they decided not to pursue using of the costing tool. In contrast to this government perspective, representatives from the UNCT reported that despite the many challenges that arose in training and the difficulties encountered in adapting the MDG costing tool to the Malawi situation, the Excel files were backed up and continue to be available. They stress that MEPD is currently finalising a draft MGDS Needs Assessment Report arising from this work. The fact that the GOM is seeking to institutionalise the MDGs and the costing approach in its normal planning and budgeting processes, suggests to UNCT representatives that this exercise was beneficial and Malawi has been able to adapt some models to address sectors which did not have costing models.

49. Notwithstanding the efforts to address tension, to keep development partners informed and on board and to locate it within the government, the debate on the needs assessment and the MDG costing tool has been variously described: as a 'war', as 'not constructive', as creating a 'sour' environment and as enhancing confusion. Many development partners recognised that this stemmed from different understandings between donors. Only one person argued that this was a role which the UN could take on as it was the major supporter of social development and was able to be vocal about things that other donors could not say. The UNCT itself felt that it had an obligation to try and address these questions and to see if Malawi could benefit from the process.

50. Some lessons can be drawn from this debate. There is a historical context to these issues and Chinsinga points out that 'poverty debates have been endlessly marred by the apparent lack of consensus as to what exactly constitutes poverty in the Malawian context' (2002: 27). Jenkins and Tsoka similarly argue that 'prior to the PRSP, Malawi had no history of serious (prioritised, costed, outcome-oriented) poverty plans. However, it has never had a shortage of rhetoric about the fight against poverty' (2001: 17). Malawi's experience has focused on the definitions of poverty, with little attention being paid to linking the more technical means of measuring and assessing it to more political processes of governance. Attempts to measure poverty in Malawi reveal no consistent approach to poverty, instead wide-ranging methodologies and divergent interpretations are common (Chinsinga, 2002, Jenkins and Tsoka, 2001). Given this historical context, facilitating a discussion on the technical nature of poverty, assessing government's and donors' definitions of poverty and the implications of using different definitions, instead of taking it as implicit and then producing policy discussions, was a bold and innovative move on the part of the UNCT. The long term benefits of this cannot yet be assessed. The shift to addressing issues of political governance and explicitly linking these to definitions of poverty and social development is a radical development (IDD, 2006).

51. The entire debate happened at country level or, as one UNCT member said, 'we sweated it out here. We didn't seek support as we thought we had to sort it out here'. The matter was raised in a high-level discussion between DFID, the World Bank and the UN when Jeffrey Sacks mentioned it to Hilary Benn, who in turn discussed it with Kemal Dervis and Paul Wolfowitz after, but little came of this. In hindsight, it is questionable whether more efforts should have been made at Headquarters level to find a common understanding on such fundamental issues of development. One positive aspect was the strengthening of the UNCT throughout this process. The harmonisation of UN agency responses to the MGDS, the developing of clusters and identifying cluster heads in the

UNDAF and dealing with this debate fortified the team and enhanced its sense of common purpose. In addition, the government was made aware of the UNCT's consistency, determination not to compromise on what it represents and not to give in to the wishes of other donors. In addition, government representatives learnt the importance of bringing stakeholders on board early on in policy processes. They also came to appreciate some of the implications of estimating a development budget and engaged in a long process of introspection, asking questions such as 'is the cost realistic?', 'is it an underestimate?' of themselves.

## **5. Outcomes**

### **5.1 *The Joint Programme on Monitoring and Evaluation (M&E):***

52. The first MPRSP included a comprehensive list of both economic and human development indicators, and a monitoring and evaluation structure was developed to assist with national dialogue, learning and the monitoring of public expenditure. Thus, with the completion of the first MPRSP, Maluzi's government aimed to keep a check on implementation through the 'structures and procedures used to monitor the national budget' (Afrodad, 2003: 32). In seeking to demonstrate and trace the linkages between 'inputs and services provided to the poor and accounting for such investments through outputs, outcomes and impacts', these were radical departures from the past. The Ministry of Finance and Economic Planning (MOFEP) was to oversee implementation, the MEPD developed a comprehensive M&E Master Plan which was presented in 2004 and which subsequently led to the M&E Road Map, while the National Economic Council (NEC) saw to the monitoring of the MPRSP. Tensions between government departments were, however, enhanced by a lack of clarity about ministerial roles and responsibilities and by an absence of evidence based decision making.

53. This lack of evidence based decision making led the UN to work in the area of M&E, developing the UNDAF M&E Framework and relating to the MGDS which uses national management and accountability systems wherever possible. Some sector ministries are now beginning to develop their own M&E capacity with support from various UN agencies. For example, the Ministry of Agriculture has worked with a donor coordination platform which includes the WFP and FAO to identify projects and logframes for incorporation into the Agricultural Sector Wide Approach to Planning (SWAp). Nonetheless, this is progressing slowly and experiencing difficulties along the way. The government relies on the UN to show guidance and indicate direction, rather than taking a lead.

54. The Joint Programme on Monitoring and Evaluation responds to national attempts to enhance government capacity to monitor and evaluate the development process.<sup>22</sup> Initiated in 2005 and expected to continue until 2008, the programme aims to improve MEPD capacity to organise evaluations, reviews and impact assessments, to enhance communication and advocacy for the implementation of national policies and development programmes and to ensure that operational M&E systems exist at sector, district and community level.

55. The Joint Programme on Monitoring and Evaluation has a budget of US\$ 3.7 million over the next three years. It is funded by 6 UN agencies, namely FAO, UNDP, UNICEF, UNAIDS, UNFPA, WFP and by EU and GTZ contributions towards this basket funding. Parallel funding is provided by the Millennium Challenge Corporation (USAID), DFID and

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<sup>22</sup> The MEPD was mandated by cabinet to strengthen M&E at national, sector and district level. This programme was initially formulated under the MPRS and subsequently updated to align to the MGDS.

the Government of Norway and the Government of Malawi (GOM) makes contributions in cash and in kind. The basket fund is managed by UNDP. One of the activities currently supported by this joint programme is MASEDA – the Malawi Socio-Economic Database – which is a ‘comprehensive and up-to-date socio-economic database on the situation of human development in Malawi’ (Maseda, nd).<sup>23</sup>

56. Housed in the National Statistics Office (NSO), the UNCT would like to see this database being used for monitoring of the MGDS, the MDGs and the UNDAF. At the level of District Assemblies, data clerks and directors of Planning and Development have been trained to apply MASEDA to their work.<sup>24</sup> In 2006, 28 district assemblies and 12 city/town assemblies were trained to use MASEDA. Under the auspices of the Joint Programme, assembly M&E officers were recruited to act as focal points and to monitor district development plans. Currently assembly officers use the District Database to report data to national ministries and the plan is to link this to MASEDA. This will enable a shift from vertical sector reporting to more district orientated evaluations with the database being developed at district level.

57. One challenge has been to get sector ministries to use this database to monitor their activities on a regular basis. Although they are talking about results-based management, actually using the database is challenging: promoting evidence-based decision-making and accountability requires widespread sensitization and for this reason MASEDA 3.0 has yet to be ‘properly rolled out’. Furthermore, overlapping responsibilities between Ministries complicate relations with the UN and the progress of this programme. In this regard, the UN manages a difficult situation, in which it has to recognise the constraints of both donors and government. On the one hand, the MGDS is a given and the UN has to work with these development parameters which are supported by the World Bank, the IMF and other bilateral donors; on the other hand, the UNCT aims to support the National Statistics Office in collating indicators, and to assist the government to look critically at which indicators are being used.

58. Notwithstanding these difficulties, creating the joint program with government has been innovative and creative with the UNDP assuming the role of fund manager, while the government remains the executing agent.<sup>25</sup> Bringing in bilateral donors and working in a collective manner has meant lots of legal and bureaucratic negotiation between all partners.<sup>26</sup>

## **5.2. The Common Approach to Budget Support (CABS)**

59. Because of the volume and significance of General Budget Support (GBS), donors and government have developed a joint working arrangement known as the Common

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<sup>23</sup> MASEDA is the Malawian adaptation of DevInfo. DevInfo originated out of the ChildInfo database used by UNICEF. With its adoption by the UN to monitor MDG indicators, it has been converted to DevInfo (MASEDA, nd).

<sup>24</sup> Training has also been offered to university staff, to NGOs working with youth or on human rights issues, to members of the MASEDA Technical Working Committee and to IT institutions.

<sup>25</sup> Clynick points out that donors are increasingly turning to the UN to deal with financial issues. For example, although donor funding to the health sector increased radically in 2006, much of this is being redirected to UNICEF in large procurement contracts (with agreement that UNICEF will continue to assist in building government capacity) because donors have realised the deficiencies within government's procurement capacities (2007: 26). In contrast, representatives in government complained about the extremely bureaucracy financial procedures involved in dealing with the UN and the difficulties associated with this.

<sup>26</sup> All development partners interviewed expressed frustration at the difficulty of negotiating UN bureaucracy and the related delays.

Approach to Budget Support or CABS.<sup>27</sup> The underlying rationale is to harmonise donor efforts, to reduce transaction costs and to improve communications (within donor circles and between donors and government). The intention was that donors would provide budget support and the Malawi government would provide a matrix, targets and performance assessments. The underlying dilemma that CABS sought to address is the country's need for continued donor support and shortcomings on the Malawian side to meet the management conditions for these funds. To some extent, CABS has been successful. It has served as a 'joint working arrangement to harmonise reviews' and, in streamlining government/donor communication, it has improved dialogue and coordination (IDD, 2006). It is also seen as the place where the 'real decisions' get made.

60. The UNCT is not a full participating member of CABS because it does not have budget support or, as one donor said, 'the muscle'; but the UNDP is an official observer at the 'government's request'. This, Clynick points out, has led to a perception that the UNDP is marginalised within budget support discussions because it is not a 'real donor' with equal voting rights (2007). Although the UNDP has observer status in CABS, one UNDP representative commented that he uses this opportunity to invite other members of the UNCT to attend when relevant issues are being discussed as he feels unable to speak on their behalf. The UNCT also plays a custodian role for the MDGs and the Joint Programme on M&E provides a valuable role for monitoring outcomes and advising on targets. In addition, the UN's support to the aid coordination unit of the MOF provides a unique entry point into discussions around budget support and financial management.

61. The Joint Programme in M&E currently assists donors to assess government's activities and informs donor decisions, although donors argued that it could do much more to aid government implementation and analysis of poverty reduction. As suggested above, critiques of this approach recommend that far more attention needs to be paid to political aspects. Donor recognition of the importance of monitoring and evaluating poverty reduction and government reluctance to develop transparent and traceable processes to do this relate back to the earlier discussion on poverty and the MGDS (see section 4.1 above). As key donors have argued, 'we need a results-based approach to put money into the country'. Although some ministries are now talking about results-based outcomes, Presidential support would provide additional impetus. However, as Chipeta and Peretz point out, donors also need to acknowledge some responsibility in relation to these issues. The Malawian government is currently unable to trace and account for all donor-funded activities because of the donor tendency to still favour project support. 'Clearly, even if the macroeconomic situation had been better it would have been – and remains – difficult for the government to plan to implement its development strategy effectively without such information, which is needed to inform budget priority setting ... and future financial and resource planning' (2006: 15).

62. Evidence suggests that the UN is becoming less marginalised within CABS and is moving into a more central position (Clynick, 2007). This is because of its engagement in the MGDS and the linked UNDAF process. During research, the UN's marginalisation from CABS was portrayed as a disadvantage which reflected the UN's lack of 'weight' in donor decision-making. However, in the light of the above critical comments by the IDD research team and in terms of the widespread positioning of the UN as 'a donor' (see 5.3 below), this marginalisation may not necessarily be a bad thing and may indeed assist the UN in moving into more advocacy-related work. The UN has sought to facilitate the view that it is not the same as other donors in many other contexts and, for these

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<sup>27</sup> Denmark, Sweden, the UK, Norway and the EU were the initial founders of CABS. Denmark later withdrew bilateral support to Malawi because of fiscal irregularities, overspending and corruption. The World Bank is negotiating representation in CABS.

reasons, may wish to reconsider its involvement in CABS and seek to retain its marginal status.

63. Although the stereotype of the UN as 'a donor' still exists, in the area of budget support some changes are noticeable. In Malawi, direct budget support goes from donors to the Government, but the UNDP has become involved in strengthening and building national capacity aimed at the transparent and efficient use of national resources, including DBS. The aim has been to strengthen government capacities in programme implementation through helping to build national procurement capacity. This has involved establishing relationships of trust with the other donors. In 2007, a UNDP proposal presented to CABS proposed a national capacity building and assessment exercise. This initiative works in partnership with other donors and has government support. 'Donors are looking to the UNDP to bring into the budget support for its wide sectoral leadership experience, and related engagement with capacity development and the management and implementation of development assistance at all levels. UNDP's depth in managing, implementing programs is a unique strength and felt to be important by government, donors and civil society' (Clynick, 2007: 28). This type of assessment is strongly recommended by Chipeta and Peretz in their review of IFA and donor support in Malawi: 'There is no doubt that financial management capacity needs strengthening' (2006: 12). Similarly, the IDD, in its review of PGBS, argued that 'more effort by donors and the Malawi government needs to be put into capacity development of GOM systems, to enable real leadership on aid coordination' (2006: appendix 16). In focusing on government capacity, the UN is thus addressing a central downfall of CABS which seeks to overcome political governance issues by implementing conditionalities.

### **5.3 The National Capacity Development Programme:**

64. With completion of the MGDS and with the hope that it will shortly be signed in Parliament (although this is not an official requirement), development partners are beginning to ask how to maintain this momentum. Maintaining momentum requires capacity however and many development partners argue that government capacity is seriously lacking. Funding a post within the MOF is not without problems. The salary differential between UN and government posts creates tensions which are amplified by gendered power relations. In addition, Malawi has previously been described as having a culture of 'loyalty and paranoia', of 'bureaucratic secrecy and closed-door decision-making' (Jenkins and Tsoka, 2001: 40), of 'chameleon-like politics (Englund, 2002) and of being very weak in terms of capacity.<sup>28</sup> Much of this is seen as related to the political history of dictatorship in which public servants' roles were defined in terms of keeping ministers happy. In addition, strong disincentives operated against public servants; neutrality, against criticism of government or ministers and inhibited the development of a strong public sector. Under these circumstances, the placing of technical advisors (TAs) within government was not particularly successful. With the change of government in 2004, the President and MOF are keen to build skills and capacity, but would prefer to employ Malawians. This is largely supported by NGOs working in civil society who emphasise civil society reforms and rationalising of government vacancies.

65. Historical circumstances have, however, resulted in a weak public service, reinforced by a lack of technical capacity and low salaries for civil servants. In addition, although committed to the MGDS, the government emphasises poverty reduction through economic growth and is not dedicated to specific poverty reduction-related expenditure. For this reason, as some bilateral donors point out, 'there are 'huge

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<sup>28</sup> Not everyone agreed with the idea that government capacity was necessarily weak. Some Malawians felt that qualified Malawians were available, but that the salary and incentives to work in government were severely lacking. In addition, the issue had been distorted by donors funding posts within government and, in so doing, creating distortions.

resource deficiencies in the sectors that benefit the poor'. Echoing this analysis, the Malawi Economic Justice Network, a civil society NGO, argues that the 'low expenditure on the Development Budget largely reflects limited capacity to implement and monitor projects, an associated high vacancy rate in all government Ministries/Departments and in all local assemblies, as well as inadequate Government Counterpart funding (2006: 11). Capacity problems, empty government posts and a lack of sectoral expertise thus limit the government's ability to create a coherent strategy, to plan and to prioritise sectoral proposals. Representatives from the MOF point out that TAs are frequently allocated to government ministries without really addressing the capacity needs. That it is important for government to be able to verify what kind of TA is needed and then to develop guidelines for such cooperation.

66. Arising out of these concerns with historic precedent and with current capacity and linked to the UNCT and government attempts to 'measure poverty' through an MDG costing exercise, the UNDP proposed a capacity needs assessment which explores what human and financial resources are required to implement the MGDS, to be undertaken by Government with technical support from the UN. The UN RC points out that assessing capacity forces one to acknowledge resources, targets and to formulate a common methodology which facilitates policy coordination. While at one level this is clearly a welcome addition, it risks overlapping with work being done by other development partners at a more sectoral level.

67. One area where the attempt to address government capacity has had some positive results is in Development Assistance Coordination Unit which is currently being established in the Ministry of Finance and which coordinates aid to ensure that it is inline with the MGDS and to implement the Paris Declaration. The UNDP presently funds one post within the MOF to deal with this and it has provided assistance with drawing up a Development Assistance Strategy (DAS) which aims to align and harmonise donor assistance to the MGDS. It has, in addition, assisted with funding for representatives from the MOF to visit Rwanda and Tanzania to explore how other countries have dealt with aid coordination. Most donors are aware of the DAS and of the fact that it will initially be coordinated by the UN. The DAS also intends to embark on an awareness campaign to inform senior government officials about aid coordination and its benefits. These activities give the UN a 'presence' within the MOF, facilitating its positioning as a 'multilateral' development partner (Keating 2006). With careful attention to other work in the sectors, amongst development partners and with improved communication, this can be advantageous to the UN's envisaged advocacy work with both government and other development partners.

#### **5.4 The UN as donor or diplomat?:**

68. 'The UN system has the mandate, neutral political positioning, convening power and role, policy expertise and technical capacity to support the Government of Malawi manage its development strategies. The UN's principle value to Malawi is not as a 'donor' but as primary partner supporting Malawi to fulfil its international obligations and design and implement an MDG-oriented national development strategy. The UN's mandate as accorded by member states does not face a conflict of interest between its role as 'investor' and technical advisor' (UNCT, 2006: 5).

69. The above quote, drawn from the UNCT position paper on '*The role of the UN Malawi in a changing aid environment*', reflects the desire and attempt by the UNCT to reposition the various UN agencies as 'one UN' and to shift their focus from project work. This ambition, although articulated and documented by the UNCT, still has a long way to go before it will be realised in Malawi. Most people saw the UN as composed of various

different organisations and as doing a multitude of different things and they cling to stereotypes stemming from the 'old' UN in Malawi. Members of civil society commented that 'there are too many things happening with the UN' and 'I don't see one UN, but the presence of multiple players...Everyone is doing different things, doing everything'. NGOs did not necessarily see this as being a bad thing arguing that duplication of donors was acceptable as donors were needed everywhere and that donor collaboration was detrimental to NGOs which seek to establish links with specific UN agencies but not others. Ultimately the UN agencies play a hugely important symbolic role in Malawi, and even saying you have a meeting with the UN to a particular minister and saying you have their support will encourage the minister to think that your work is an important initiative.

70. The Malawian government sees the UN as 'sometimes a donor and sometimes an implementing agency' which is delivering small projects. There is a strong government tendency to categorise the UN as a donor and not as a partner for facilitating coordination and policy processes. Given this, and given the tendency to evaluate donors in terms of monetary value, the UN is 'outranked' by the bigger donors such as the World Bank, DFID and the EU, which are seen as key donors. One particularly sceptical observer commented that government representatives could 'afford to be aloof to the UN' because it provided only small amounts of donor funding. As a result, people opportunistically accepted to host programmes without being committed to the programmes simply to access the resources on offer.

71. Malawi is a member state of the UN and therefore the UNCT should be able to play the role envisaged by the UNCT and described in the quote above. However, although the UNCT has sought as a whole to focus more on the policy level, various agencies are compelled to continue their project level work because of funding issues. Thus the UNCT currently does both things, as one person commented 'UN agencies are doing development and the RC should play the role of facilitator. This is not even a perception – it is a fact'. Mostly, however, the various UN agencies are 'treated like a donor' and are considered, in Malawi, to belong to the donor camp. This is, in part, a reflection of the agencies' current focusing on programs, fund-raising for projects and so forth. In trying to redefine the UNCT in terms of dialogue with government and donor advocacy, the UNCT has found itself reporting both to government and to donors. Difficult decisions will have to be made both for the agencies as individual agencies and for the UNCT as a whole.

72. This process of moving from project-related development to coordination is complicated by numerous factors in Malawi. Firstly, although some donors are aware of the UN's attempt to do this, and perhaps even of the UN's international mandate, not all donors agree with this role, not least because of the history of the UN in Malawi and the lack of UN coordination in the past: 'People have been here for years and have seen UN coordination not existing', 'there is a long tradition of lack of focus'. Members of civil society saw, however, a different perspective and commented that people appreciate that the UN has a long history of involvement in Malawi or, as one activist put it, it has 'has been in Malawi longer than myself, it is part of Malawi'.

73. In terms of this new responsibility, only one bilateral and one multilateral donor were conscious and supportive of the UN's possible role as a broker and mediator or of their multilateral position. Only one NGO was aware of the role the UN could play as a guardian of international norms and standards, but added that currently the UN is often reluctant and slow to express its view. It argued, however, that the UN RC is a symbol of 'our unity of states' and that it should therefore be more critical and more influential, not always aiming at diplomacy. If the UN resorted only to diplomatic language – saying for example that elections were free and fair – it would be very hard for civil society to

contradict the UN view. More careful, honest expressions such as – fair but not entirely free – would provide more scope for them to work with the UN.

74. There are very high expectations associated with the ‘one UN’ model, expectations which require the UNCT and its partners to make a mental shift, a funding shift and to take risks. In addition, many people pointed out that the UN itself lacks the capacity to carry out this new role and to fulfil new advocacy roles in policy advice, capacity development and so forth. When dealing with economic issues and questions of budgets and planning, the UN ‘lacks gravitas’ and is unable to compete with the main donors. As shown in the above discussions, it has also not always been able to successfully draw on the RDT and head quarters for support on these issues.

## **6 Lessons learnt**

75. The UNCT is ‘ahead of the game’, especially in its support for the ‘one UN’ model, in terms of its harmonised approach with the UN, its work to develop aid coordination and its monitoring and evaluation programmes. Yet, it is also sometimes seen as bureaucratic, underperforming, failing to support national capacity building and marginal to mainstream development debates. Nonetheless, this paper has argued that these are opposite sides of the same coin. The UN experiences labelled as negative can be seen as radical attempts to engage in more advocacy-related work and as part of a process in which, reframing the role of the UN is guaranteed to cause some discomfort to the donor community. For this reason, experiences projected by development partners, and in some instances by the UN, as unhelpful or unnecessary need to be examined in the context of what the UNCT has been trying to do.

76. In evaluating the role of the Malawian UNCT and RC in national policy processes, the following recommendations were identified.

### **77. Recommendation one: Guidance from UN head quarters on national policy process and UNCT involvement needs to be adapted to country context:**

The attempt to ‘MDGise the MGDS’ and to understanding poverty in relation to the MGDS incident make it clear that the UN does not operate in isolation. Tensions between different methodologies (such as MDG costings) advocated at UN headquarters are magnified at country level. Headquarters instructions to country teams and resident coordinators need to leave flexibility with regards to the country context and views of key stakeholders before deciding if certain actions are appropriate or not.

78. As demonstrated in this report, Malawi currently experiences certain structural limitations which limit its opportunities to scale-up ODA. While some African countries might be able to request increased amounts of ODA, this option does not currently seem viable for Malawi. Focusing on other African success stories and learning lessons from other African countries is therefore only useful if governments are provided with the opportunity, and are able to, reflect on their own position in relation to the major donors and with exploring possibilities – through ODA, government commitment and possibly greater civil society involvement – for structural change.

79. Despite UN headquarters encouragement for country offices to participate in PRS processes, government leadership on the alignment of MGDS with the MDGs was not really an issue in Malawi; rather internal consistency between line ministries and departments made it hard to articulate one government position. Furthermore, this type of engagement in government planning processes may not always be possible as governments do not always make this space available. There may be times when donors deliberately stand back from national policy processes for a variety of reasons,

such as not to undermine national leadership and ownership of the process. In addition to encouraging such participation, the UN headquarters should seek to create space for UNCTs to engage in creative processes based on their on-the-ground experience and to facilitate an open-ended learning experience in countries. This also involves a degree of creativity and flexibility in headquarters in terms of its bureaucratic, legal and administrative requirements of the UNCT, of agencies and of the RC.

**80. Recommendation two: More consideration needs to be given to the sectoral versus thematic approach**

The MGDS is – in many respects - sectoral and it was through the sectoral approach that individual UN agencies were able to participate the much of the MGDS process. The degree to which specific agencies were able to influence the GOM through these sectoral approaches was variable, but SWAs, sector investment plans and other arrangements have provided some space for PRSP participation and for influencing development agendas. Ultimately the lack of an MTEF limits the level to which country offices can engage and influence this process. The UNDAF operates on thematic clusters which were aligned to the MGDS themes and the UNCT provided collective input in terms of cross-sectoral concerns such as gender and human rights. The RDT offers advice and assistance on substantive clusters – but these are clusters which differ from the clusters identified in the UNDAF. It is worth exploring what tensions and trade-offs may exist between sectoral and thematic approaches – and the appropriate contexts in which these approaches might be employed. Further consideration of these questions may seek to establish the most effective ways in which different kinds of policy advice can feed into a comprehensive development strategy.

**81. Recommendation Three: UN reform is not independent of other development partners and considerably more attention needs to focus on changing their perceptions.**

Changing the vision of the UN in Malawi is not a process which can occur only within the UN and, as such, the UNDAF has gone the furthest in notifying development partners of the UN's new, harmonised development priorities. Internal reform within the UNCT can only progress if development partners recognise and support this new role. As pointed out by the Malawi UNCT RC, this process needs UN headquarters and other development partners to deal with them as 'one UN'. However, as demonstrated in this report, changing external perceptions of the UN is a long, drawn-out process which is influenced by many different factors. This report also shows that the notion of a 'firewall' between the role of the RC and the UNDP does not extend beyond internal UN structures. New and innovative methods are required to persuade donors to consider the UN in a new light.

82. Establishing a role – and mandate – for the UN in more advocacy-related work – also requires the UN to think about its positioning among development partners and not to be too ambitious. 'Sometimes, one needs to start humble' was the comment made by one RDT representative. Working in advocacy will not always result in 'big wins'. In addition, it is unpredictable and often likely to be uncomfortable. Working as the 'One UN' in Malawi, the UNCT should aim to achieve modest gains and not expect big successes. Experiences which appear from a general developmental perspective to be negative, such as marginalization from central donor meetings, may in fact enhance the UN's diplomatic position.

**83. Recommendation Four: Develop space and ways of addressing uncomfortable questions and issues**

The new envisaged role for the UN, in which it expands its mandate as a neutral agent, working to convene power and role, policy expertise and technical capacity to support governments in national planning processes will not always be an easy role. The UN –

at both headquarters and country level needs to recognise that this may be an uncomfortable process. In addition, if performed well, it may not always be formally acknowledged. Indeed, government representatives commented that the UN – unnoticed by donors – had helped in making the MGDS more human rights and gender focused. To date, this is a much neglected aspect of development within Malawi. Chipeta and Peretz argued, in 2006, that ‘relatively little progress has been made in Malawi so far in implementing the global agreements to better harmonise and coordinate donor practices and procedures’ (2006:v). They further argued that ultimately these are questions of political governance. In general, donors have sought to avoid these issues by focusing on increased conditionalities, by establishing relationships with like-minded parts of government, and by refusing to interrogate their own assumptions and models of development.

84. The UN vision in Malawi is to support national ownership and forge broader partnerships; to focus on capacity development, policy advice, advocacy and coordination. As this report has demonstrated, when donors are forced to examine not only their own assumptions but also what the implications of these may be and how these affect government, the debates are not always straightforward, the outcomes unpredictable and the process not always easy. The reformed UN, working on issues of capacity development, policy advice, advocacy and coordination may find itself working more and more in difficult situations where its role is largely behind the scenes and where the long term results are hard to determine. For these kinds of activities, it may be useful to pay attention to the processes involved, rather than focus on results-orientated outcomes, in order for internal evaluation and assessment.

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## People Interviewed

<b>Malawi:</b>	
Alan Whitworth	DFID
Alfred Tenguri	MOF
Alwin Nijholt	UNDP
Andrew Kumbartira	MEJN
Augustine Bobe	UNDP
Domenico Scalpelli	WFP
Dr Matshidiso Moeti	WHO
George Dambula	Public Affairs Committee
Gunnar Føreland	Norwegian Embassy
Hannock Kumwenda	MEPD
Isaac Chicono	Private Sector
Jerome Pons	EU
Jerome Sigamani	I-life
Lars Tushuizen	UNRC
Levi Sato	IMF
Marc Pellerin	UNRC
Micheal Keating	RC/RR
Mike Mwanyula	MOF
Moses Chiro	MOF
Naomi Nwira	MOF
Paula Ghrist	Private sector (PWC)
Rhino Mchenga	MEPD
Sylvester Kazi	A to Z Textile Mills Ltd
Tim Gilbo	The World Bank
Vitima Ndori	Lilongwe Press Club (Hotel lobby?)
<b>Johannesburg:</b>	
Susan Kasedde	UNAIDS
Udo Etukudo	UNDP
Juliana Lunguzi	UNFPA
Hein Zeelie	SAHIMS
Dawn Minott	RDT
Wanda Kaaria	WFP

## Abbreviations

AfDF	African Development Fund
BWIs	Bretton Woods Institutions
CABS	Common Approach to Budget Support (group of donors)
CCAs	Common Country Assessments
CG	Consultative Group
CSO	Civil Society Organisations
DFID	(United Kingdom) Department for International Development
EU	European Union
FAO	Food and Agricultural Organisation
GDP	Gross Domestic Product
GNP	Gross National Product
GOM	Government of Malawi
HIPC	Heavily Indebted Poor Country
IFI	International Financial Institutions
IFMIS	Integrated Financial Management Information System
ILO	International Labour Organisation
IMF	International Monetary Fund
I-PRSP	Interim-Poverty Reduction Strategy Paper
JSA	Joint Staff Assessment (by IMF and World Bank)
MDGs	Millennium Development Goals
MDRI	Multilateral Debt Relief Initiative
MEGS	Malawi Economic Growth Strategy
MEPD	Ministry of Economic Planning and Development
MGDS	Malawi Growth and Development Strategy
MOF	Ministry of Finance
MOFEP	Ministry of Finance and Economic Planning
MPRS	Malawi Poverty Reduction Strategy
MTEF	Medium Term Expenditure Framework
NGO	Non-governmental Organisation
NSO	National Statistics Office (p15)
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
OECD DAC	OECD Development Assistance Committee
PAP	Poverty Alleviation Programme
PPE	Pro-Poor Expenditures
PGBS	Partnership General Budget Support
PRGF	Poverty Reduction and Growth Facility (of the IMF)
PRS	Poverty Reduction Strategy
PRSC	Poverty Reduction Support Credit
PRSP	Poverty Reduction Strategy Paper
RDT	The Southern Africa Regional Directors' Team
SAP	Structural Adjustment Programme
SIPs	Sector Investment Programmes
SWAp	Sector Wide Approach
SWAps	Sector-wide Approaches
TA	Technical Advisor
TC	Technical Committee
TWG	Thematic Working Group
UN	United Nations
UN RC	United Nations Resident Co-ordinator
UNAIDS	The Joint United Nations Programme on HIV/AIDS
UNDAF	United Nations Development Assistance Framework

UNDG	United Nations Development Group
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UN-HABITAT	United Nations Human Settlements Programme
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Emergency Fund
UNIDO	United Nations Industrial Development Organisation
UNIFEM	United Nations Development Fund for Women
USAID	United States Agency for International Development
WFP	World Food Programme
WHO	World Health Organisation