Final Report

Mid-term Evaluation

UNDAF Outcome 4.2

**Improving Capacity of Public Institutions in Malawi to Manage, Allocate and Utilise Resources for Effective Development and Service Delivery**

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Lilongwe

July 2015

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DISCLAIMER

This Mid-term Evaluation was commissioned by the United Nations Development Programme-Malawi. The views expressed in this Report are those of the authors and do not necessarily reflect the opinion of either the UNDP or the Government of Malawi.

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While acknowledging the valuable inputs from all those consulted during the course of this Evaluation (see Appendix 8), the views expressed in this independent report are those of the consultants and do not necessarily reflect those of the Government of Malawi or of the UN System in the country. The Consultants, therefore, are fully responsible for any errors or omissions that this Final Report may contain.

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# Acronyms

|  |  |
| --- | --- |
| AAA | Accra Agenda for Action |
| AfDB | Africa Development Bank |
| AMP | Aid Management Platform |
| ART | Antiretroviral Therapy |
| CABS | Common Approach to Budget Support |
| CBO | Community Based Organization |
| CDPSM | Capacity Development for Public Sector Management |
| CIAU | Central Internal Audit Unit |
| CPAPs | Country Programme Action Plans |
| CSO | Civil Society Organisation |
| DAC | Development Assistance Group (of OECD) |
| DACU | Development Assistance Coordination Unit |
| DAD | Debt and Aid Division |
| DaO | Delivering as One |
| DAS | Development Assistance Strategy |
| DCS | Development Cooperation Strategy |
| DEAP | Development Effectiveness and Accountability Programme |
| DET | Development Effectiveness Taskforce |
| DfID | Department for International Development (UK) |
| DoL | Division of Labour |
| DMIS | Development Monitoring Information Systems |
| DoL | Division of Labour |
| DP | Development Partner |
| EPD | Economic Planning and Development |
| EU | European Union |
| FACE | Funding Authorization and Certificate Expenditures |
| GBS | General Budget Support |
| GDP | Gross Domestic Product |
| HACT | Harmonized Approach to Cash Transfer |
| HIV | Human Immunodeficiency Virus |
| HLF | High Level Forum |
| HRBA | Human Rights Based Approach |
| IFMIS | Integrated Financial Management Information System |
| IMF | International Monetary Fund |
| IP | Implementation partner |
| IUNV | International United Nations Volunteers |
| JAS | Joint Assistance Strategy |
| JICA | Japanese International Cooperation Agency |
| JP | Joint Programme |
| JPSME | Joint Programme Support for Monitoring and Evaluation |
| LDC | Least Developed Country |
| MASEDA | Malawi Social Economic Database |
| MDA | Ministries, Departments and Agencies |
| MDGs | Millennium Development Goals |
| MEGS | Malawi Economic Growth Strategy |
| MEPD | Ministry of Economic Planning and Development |
| PEFA | Public Expenditure and Financial Accountability |
| MGDS | Malawi Growth and Development Strategy |
| MoLGRD | Ministry of Local Government and Rural Development |
| M&E | Monitoring and Evaluation |
| MoF | Ministry of Finance |
| MPRS | Malawi Poverty Reduction Strategy |
| MTEF | Medium Term Expenditure Framework |
| MTR | Mid-Term Review |
| NAC | National AIDS Council |
| NHDRs | National Human Development Reports |
| NMEMP | National Monitoring and Evaluation Master Plan |
| NSO | National Statistical Office |
| OBB | Output Based Budgeting |
| ODA | Official Development Assistance |
| OECD | Organisation for Economic Cooperation and Development |
| OPAs | Organizational Performance Assessments |
| OPC | Office of the President and Cabinet |
| PAC | Public Accounts Committee |
| PAF | Performance Assessment Framework |
| PA SWAp | Public Administration Sector Wide Approach |
| PA SWG | Public Administration Sector Working Group |
| PBA | Programme Based Approach |
| PBB | Programme Based Budgeting |
| PEFA | Public Expenditure and Financial Accountability |
| PETS | Public Expenditure Tracking Surveys |
| PFEM | Public Financial and Economic Management |
| PFEM RP | Public Finance and Economic management Reform Programme |
| PIU | Project Implementation Unit |
| PPA | Public Procurement Act |
| PS | Principal Secretary |
| PSIP | Public Sector Investment Programme |
| PSCDP | Public Service Capacity Development Programme |
| SBS | Sector Budget Support |
| PSMRCDP | Public Sector Management Reforms and Capacity Development Programme |
| PSRMU | Public Sector Reforms and Management Unit |
| RBM | Results based Management |
| RC | Resident Coordinator |
| RCO | Resident Coordinator Office |
| SDG | Sustainable Development Goals |
| SMART | Specific, Measurable, Achievable, Realistic and Time-bound |
| SWAp | Sector-Wide Approach |
| ST | Secretary to the Treasury |
| SWG | Sector Working Group |
| TA | Technical Assistance |
| TWG | Technical Working Group |
| UNCT | United Nations Country Team |
| UNDAF | United Nations Action Framework |
| UNDP | United Nations Development Programme |
| UNICEF | United Nations Children’s Fund |
| UNVs | United nations Volunteers |
| USAID | United States Agency for International Development |
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# Executive Summary of Main Findings & Recommendations

***1. Main Findings***

1.1 Achievements

1. The design of the UNDAF was guided by the Government priorities under its second Malawi Growth and Development Strategy (MGDS II) that runs over the 2011 to 2016 period. In this regard, UNDAF design respected one of the primary tenets of the Paris Declaration on Aid Effectiveness, namely, donor alignment to country goals and priorities.
2. The UNDP-supported Public Financial and Economic Management (PFEM) strengthening is a particularly strategic area that requires prioritisation as it is strategic to the success of the entire public service reforms effort. The role of the UN System at this level is strategic and has continued.
3. While the UN System has responded well to MGDS II priorities and, hence, asserted its strategic position in the country, the existence of a fairly unstable political and economic environment has somewhat compromised the attainment of positive outcomes. The changes of government at frequent intervals and the subsequent Cashgate Scandal, for example, had introduced an element of distrust between DPs and the Government around the country’s accountability/oversight systems.
4. A good number of achievements in the area of *public sector capacity enhancement* have been recorded during the 2012-2014 UNDAF implementation period. They have included (a) the successful review of the Public Service Act (1994), which assisted in the reduction of the confusion of roles between political and bureaucratic heads of government ministries, departments and agencies in the Malawi public service; (b) the development of the National Capacity Development Strategy, Action and Financing Plan; (c) the launch in 2013 of the Public Service Code of Conduct and Ethics as well as the Malawi Public Service Charter; and the introduction, again in 2013, of Organizational Performance Assessments (OPAs) for all ministries, departments and agencies with the aim of improving the delivery of public services by holding officials responsible and accountable for their actions.
5. Several positive accomplishments have also been recorded with respect to UNDAF’s target of ensuring that national institutions utilize RBM systems for planning, monitoring and evaluation to enhance ownership and leadership for achievement of development results. They included (a) the establishment of M&E sector frameworks in all the 23 M&E units in sector ministries; (b) training of personnel in M&E, RBM, project evaluations, impact assessment and policy analysis; (c) the piloting of RBM in 3 ministries and 4 districts; and (d) the introduction of PBB as a substitute to the current output/activity-oriented budgeting, which will make it easier to link M&E activities with budget evaluation.
6. A number of accomplishments have also been registered in the area of ensuring that the Government has sufficient capacity to effectively negotiate, manage and account for development assistance. They included (a) effective support to the Aid Management Platform (AMP), which has facilitated, *inter alia*, better capturing/tracking of external assistance and its application; (b) the rolling out of AMP to NGOs; (c) adding to the AMP the geo-coding Initiative that allows for the tracking of the location of aid activities; and support to the preparation of the Development Cooperation Strategy (DCS), which has enabled the Government to come up with a clearer policy towards external assistance.
7. There has been a number of achievements in the area of enabling national Institutions have the capacity to align policies, programmes and budgets with national development strategies and MDGs for efficient achievement of development results. They included (a) the work towards the introduction of programme-based budgeting (PBB), which links resources to results/outcomes through the budget process; (b) continued support to annual budget analysis, which contributes to ensuring that policies, programmes and budgets are aligned with the national development strategy, particularly those for the social sectors; (c) continued support to making SWGs more effective; and (d) continued support towards the production of National Human Development Reports.
8. In its implementation of UNDAF, the UNCT has strategically been positioned to provide the overall oversight responsibility. This responsibility has generally been discharged diligently and the role of the Resident Coordinator (RC) in the championing of the Delivering as One initiative and under the ‘One leader’ concept has remained strategic in this regard. A cursory examination of the overall UNDAF Coordination Structure under UNCT, however, suggests that a review of the existing systems is merited in order to minimise a few functional overlaps within the UNDAF coordination processes.’

1.2 Challenges

1. This Evaluation established that both the envisaged National Capacity Development Strategy (NCDS) and the Human Resource Planning and Development Strategy have not been put in place. To the extent that the NCDS is expected to match human resource planning and management with national development goals, the delay in establishing it has reduced the quality of focus in the area of capacity enhancement that is so essential to improved service delivery.
2. SWGs have not been adequately conceived in both their composition and mandates and the reality that many of them are not functioning as expected suggests the need for a complete overhaul at this level. Most of SWGs have had problems carrying out their mandates and do lack appropriate guidance for discharging their tasks. The most recent Guidelines for SWGs also require to be revisited at different levels, including the need to recast their mandates and composition as well as their continued mirroring sector ministries. The huge presence of DPs in SWGs has also raised legitimate concerns regarding notions of country leadership and ownership.
3. Almost all the indicators that are envisaged to monitor the performance of Outcome 4.2 are targeting outputs with little consideration for Outcomes. In addition to this, some indicators have no direct relationship with the desired results and do not have sufficient indication regarding the source of data that could be used to track performance.
4. Funding seems to be the most critical threat to the sustainability of Public Service Reforms. Similarly, the M&E budget allocation is small and lacks many of the requisites to discharge this function. The over-dependence on external financing for the national M&E System has also raised concerns regarding the sustainability of the supported interventions.
5. The Monitoring and Evaluation (M&E) system for UNDAF has too many inadequacies and deficits to serve as the main template for monitoring the performance of the identified activities under Outcome 4.2. In most cases, the UNDAF M&E Matrix lacks clarity regarding the anticipated risks and assumptions that are an important aspect in the determination of project/activity success. M&E is yet to be fully embraced as a management tool at sector level. This is probably because the demand for M&E products has remained very low in sector ministries in Malawi, generally.
6. Capacity challenges within the National Statistical System, including inadequate data processing personnel, have reduced the quality of monitoring and reporting, which has adversely affected the speed at which intended outcomes could be realised. The required linkage of the databases of the different key sectors with the Development Monitoring Information Systems (DMIS) is also weak. Ideally and as part of setting up an effective RBM protocol, there should have been a strong functional linkage of the central ministry’s database with those based at the sectors and district levels.
7. There has been a significant delay in the release of the Malawi Aid Atlas. The fact that the latest Malawi Aid Atlas is for the 2010/2011 financial year has affected the currency of what is being accessed by the larger population that are not able to access the computer-based online AMP.
8. There still exist cases of some DPs failing to provide aid data timely and, in some cases, incomplete information is tendered. This situation has negatively affected the proper recording and reporting of aid flows, which has resulted in compromising the efficacy of the Government’s planning and budgeting processes considering that aid still accounts for a significant share of the total national budget.
9. The planning tools that Government uses for aligning policies, programmes and budgets with the MGDS are generally inadequate to effectively handle this function. In particular, the credibility of the budget has been found to be undermined by weak links between the planning tools, namely the Medium Term Expenditure Framework (MTEF), the Public Sector Investment Programme (PSIP) and District Development Plans.
10. Generally, budgetary resource allocations and development work plans are rarely speaking directly to the aspirations expressed in the MDGs and lack of skills in planning for MDGs has contributed to this.

***2. Main Recommendations***

2.1 Systemic Changes

1. There is an urgent need to consolidate UN Agencies’ strategic focus in economic management and governance in Malawi in the light of capacity challenges at this level that have been revealed in this Evaluation. The UN System, in general, and UNDP, in particular, has found itself in a position of increased influence in Malawi in the wake of significant reductions in external support from DPs, particularly following the ‘Cashgate’ scandal. A more positive role of UNDP in economic transformation has to come with a commitment for self re-assessment, focusing on how best the Organisation can develop its own internal capacities to better contribute to the needed changes in economic management. In this respect, it is recommended as follows:
   1. UNDP strengthening its macroeconomic and sectoral advisory services. This calls for enhancement of in-house and short-term outsourced competence mix in economic/development planning and macroeconomic modeling and making these tasks as part of the public sector capacity enhancement effort.

* 1. UNDP additional in-house capacity strengthening in M&E. Enhanced M&E expertise is also important in programme design and appraisal, which are so essential for securing desirable effects especially in the area of targeting the overall goal of MGDS II and UNDAF, namely, poverty reduction.

1. UNDP should increasingly rely on its strong *convening power* to bring together the Government, DPs and civil society organisations towards delivering a better future for Malawi at the level of the re-definition of Malawi’s development route in the light of the serious economic and structural challenges the country presently faces. In the same context and as a strategic DP active in Malawi presently, UNDP is urged to assume the brokering role of facilitating the creation of an effective dialogue mechanism that brings Government and other DPs together to meaningfully initiate the much needed dialogue over the developmental path the country should take and towards which external support should be channeled.
2. In order to position UNCT, in general, and the RC, in particular, to better discharge their coordination and oversight functions *vis-à-vis* UNDAF design, implementation and monitoring, it is recommended that a review of the UNCT management and implementation mechanisms is commissioned in the spirit of Delivering as One (DaO).

2.2 Capacity Development

1. There is need for better prioritise support towards the improvement of Malawi’s Public Financial and Economic Management (PFEM) System through well thought-out public expenditure management and financial accountability interventions. Such an effort should target the improvement of efficiency, effectiveness and accountability in the management and utilisation of public financial resources in a manner that would avoid a repeat of the cashgate scandal. The principle of capital deepening, rather than thinly capital spreading holds greatest promise for UNDP interventions.
2. Capacity Building (both human and institutional) should be at the centre of Government effort to improve the management of resources, both domestic and external. In this regard, support from UN Agencies in this area, through their leadership in the programming and implementation of UNDAF, is commendable and should be continued. The current UNDAF concentration of capacity building effort at the governmental/central level, with only limited attention being extended, with equal zeal, towards sub-national structures, let alone non-state actors, ought to be revisited. In short, capacity building should be wholesome, all-inclusive and *national* in character rather than mainly governmental.
3. The UNDP advisory and operational support roles in public sector capacity enhancement under UNDAF need to include stronger advocacy for decentralised modes of service delivery. In the economic sphere, this entails fiscal decentralisation as this holds greatest promise for reaching out to lower level organs where MDG-induced effects must reach. In this respect, UNDP needs to embark upon an economic governance advocacy/crusade (similar to the global MDG effort) to influence the Government approaches towards more devolved modes of service delivery.
4. As part of the next UNDAF, a clear programme of UNDP support is recommended for strengthening Government institutional capacity for debt management, which should include work towards the development and operationalisation of a Debt Management Strategy. A clear roadmap for a debt arrears clearance strategy should be made part of the areas worth of UNDP support.

2.3 M&E and RBM

1. Efficient monitoring and evaluation of UNDAF requires (a) reliable information systems that capture, analyse, and report data on programme/activity implementation; and (b) the establishment of appropriate procedures for joint reviews involving the Government, participating UN Agencies, and other stakeholders. In this regard, it is recommended that harmonizing UN Agencies’ reporting and monitoring requirements around UNDAF ensures that the Ministry of Finance and sector ministries and agencies are enabled over time to produce data of greater degree of consistency, Similarly, an effective feedback loop should be created whereby the information that is generated at the sub-national/district levels is routinely fed into the government-wide server/database.
2. There is urgent need for UNCT to provide leadership in prioritising monitoring of results in the context of RBM beyond the current focus on outputs. In this respect, it is recommended that UN Agencies should strive to improve their programming tools and assumptions to ensure that the Outcomes that are identified are both accurate and realistic and that they do reflect the essence and spirit of the shift from focusing monitoring on Outputs to targeting Outcomes.
3. A serious effort is required to upscale the profile of the monitoring and reporting function in Government. To do this effectively, better structured UNDP assistance will be required. The aim should be to develop the requisite capacities at different layers of the national (not only Government) system.
4. Since much of the monitoring function (for both UNDAF and MGDS II) has thus far largely focused on outputs rather than on Outcomes/Impact, UNDP should, as a matter of urgency, revisit both (a) its approach in monitoring and reporting performance; and (b) its own M&E human resource base. In particular, the annual progress reporting of UNDAF performance should review its indices of performance/success to avoid the evident challenge of inappropriate reporting of performance “success” that has evidently prevented the UN Agencies, in general, and UNDP, in particular, from taking timely and corrective actions towards the achievement of Outcome 4.2.

2.4 Aid and Development Effectiveness

1. UNDP should enhance its resolve to support the renewed Government commitment to improving aid management and coordination as exemplified in its new Development Cooperation Strategy (DCS). In this regard, UNDP is urged to continue working closely with the Government in its renewed effort to consolidate an appropriate framework on Development Cooperation especially in the context of *Development Effectiveness*. In the same vein, Government should be supported in its renewed resolve, through the new Development Cooperation Strategy, to operationalise and improve the dialogue framework with Cooperating Partners.
2. The principle of *mutual accountability* needs to be upheld in Malawi’s development cooperation effort. Ideally, mutual accountability calls for clearly defined commitments on both sides of the aid relationship. In this respect, UN Agencies under UNDAF are urged not to crowd out the mutual accountability agenda of Malawi with their own monitoring and reporting demands and in ways that could leave the Government at the receiving end of procedures and protocols without any reciprocal expectation from themselves.
3. The positive strides thus far achieved with respect to the UNDP support towards the AMP are commendable and should be scaled up. Efforts to timely produce the Malawi Aid Atlas would give additional value to this effort.
4. Technical Assistance (TA) should be addressed in Malawi’s Development Effectiveness discussions and in the context of the expectations of the new Development Cooperation Strategy. As a starting guiding principle, TA should be defined by, and supportive of, national efforts and that, rather than being seen as an isolated component of development assistance and reporting to the agency that extends it, it ought to be carefully calibrated into, and become an integral part of, Malawi’s development effectiveness agenda, in general, and human resource development strategy, in particular.
5. There is need to strengthen Government’s own internal dialogue architecture in a manner that (a) streamlines the processes of intra-government dialogue and (b) builds the requisite capacities needed for effective aid/development management. In this regard and through UNDP support, Government should strengthen the aid management function of DAD through a review of the current structure of the Department, taking into account the implications of the more systemic recommendations in this Report.

2.5 Alignment of Policies to Development Strategies

1. Considering the special interest other DPs such as the World Bank and the IMF may have in the area of Programme-Based Budgeting (PBB), any effort by UN Agencies towards sponsoring the shift to this financial planning/management modality needs to start conversation with these other players who should be lobbied to endorse the effort. It also means that UN agencies have to rise up to the reality of ‘working politically’ in order to minimise possible hurdles in arriving at desired change.
2. To improve upon the current effort, Government and UNDP should strive to contextualise the PFEM interventions as important components of the larger Public Service Reforms rather than as a separate entity. This would entail better harmonisation of UNDP inputs at this level with those of DPs that presently are involved in securing more effective public financial management systems in Malawi.

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1

# Introduction and Evaluation Background

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## 1.1 Objective of the Evaluation

1. The purpose of this Evaluation is to assess the contribution made by the UNCT, collectively, and participating UN agencies, individually, to strengthening public institution capacity for development effectiveness and public service delivery as envisaged under outcome 4.2 of the current UNDAF. In this respect, the main objectives of the Evaluation are as follows:

1. Determine the extent to which the planned outcome and related outputs have been achieved or are being achieved and the likelihood of being achieved by the end of 2016, in general, and the extent of participating UN agencies’ contributions.
2. Determine the impact, both positive and negative, from achievement of the outcome and its related outputs.
3. Document lessons learnt from the implementation of the interventions.
4. Make recommendations for the UNCT and specifically for each participating UN agency in strategic areas for improving the achievement and sustainability of Outcome 4.2, including considerations of partnership arrangements; the mainstreaming of cross-cutting issues of gender and human rights; and resource mobilization strategies.

2. In the light of the above, the Evaluation, which covered the period from January 2012 to October, 2014, primarily looked at the relevance and strategic position of UN assistance to Malawi focusing on establishing whether, through one of the current UNDAF Outcomes, the UN has positively contributed towards ensuring that ***public institutions in the country are better able to manage, allocate and utilize resources for effective development and service delivery*** (Outcome 4.2).[[1]](#footnote-1)

## 1.2 Country Background

3. Malawi, a densely-populated Southern African country is classified as a Least Developed Country (LDC) by the United Nations. The country’s per capita income is one of the lowest in the region, at around US$300, signifying a fairly low development status. For many decades, Malawi was believed to have no mineral deposits until recently when uranium and other minerals were discovered and commercial mining has begun. It is, however, noteworthy that the investment climate in the country is low. Currently, the country has a low ranking in the World Bank’s ease of *Doing Business* report. The 2015 report, for example, revealed that Malawi’s ranking deteriorated slightly from 163th in 2014 to 164th out of 189 countries. The key bottlenecks to attracting investments in the country include poor infrastructural services; restrained access to finance; low technical skills base; disabling procedures in setting up business; and unsupportive trade facilitation environment. The country’s macroeconomic instability has also affected the business environment, particularly with respect to the high inflation and interest rates. The 2014-2015 *Global Competitiveness Report* has ranked Malawi 136th out of 144 countries in the Global Competitive Index.

4. The last two years have witnessed a reinvigoration of reform efforts to improve the business regulatory environment. Several business laws that were pending for many years were enacted by parliament in 2013 and 2014 with a view to addressing major regulatory obstacles to the ease of doing business. The country’s population is significantly rural and the agricultural sector that houses the majority of poor people is predominately subsistence. Although agriculture accounts for about a third of the country’s GDP, the sector contributes more than 80 percent of the country’s export receipts and supports 85 percent of the population. There is heavy dependence on tobacco as the primary export earner. Due to the country’s over-dependence on rain-fed and largely small-scale farming, growth prospects have generally been low.

5. Malawi’s medium term growth prospects are currently being compromised by a host of factors that include adverse weather conditions;low tobacco prices; high inflation and excessive interest rates; anduncertainty about external aid flows. The slowdown of the global economy has also introduced a threat to the country’s economic conditions due to reduced demand for Malawi’s export commodities, mainly tobacco. Table 1 shows GDP by sector contribution

**Table 1: GDP by sector: 2009 and 2014**

(Percentage of GDP at current prices)



Source: Africa Economic Outlook

6. Against the above background, despite having posted some positive growth trends in the past, Malawi has remained economically constrained and has continued to face several developmental challenges that include a frail human capital base; weak social indicators; high incidence of HIV and AIDS; and environmental degradation. Given the country’s high level of poverty and vulnerability to shocks, food security has remained a critical issue in the country, resulting in this issue dominating the Government’s policy and development agenda. In the agricultural sector, the focus of Government has been the implementation of a price subsidy programme whose costs have, however, been escalating.

7. Considering Malawi’s constrained capacity to raise significant revenue domestically for its developmental agenda, the country has remained an aid dependent one. For many years, Development Partners have contributed approximately 40% of the national budget although significant decline in ODA flows has been recorded. Cross-country data has shown that the country’s use of aid is comparable to that of its peers. Government approved its Development Assistance Strategy (DAS) in 2008 and, in the same year with support from UNDP, the Development Assistance Coordination Unit (DACU) was established within the Debt and Aid Management Division (DAD) in the Ministry of Finance. Following the review of the DAS, Government developed the Development Cooperation Strategy (DCS), which was launched in late 2014. DCS currently serves as the main aid policy document for Malawi.

8. The government has been responding to the country’s development challenges through its Malawi Growth and Development Strategy (MGDS) with the first one covering the 2006-2011 period, followed by the current MGDS II (2011-2016). The six thematic areas for MGDS are: sustainable economic growth; social development; social support and disaster risk management; infrastructure development; improved governance; and cross-cutting issues. In spite of the demonstrated enthusiasm to make a positive difference, the country has continued to suffer from quite serious obstacles to growth and development, which include human and institutional capacity challenges. The persistent weaknesses of aligning policies, programmes and budgets have constrained effective service delivery. The credibility of the Government budget has continued to be undermined by the weak links between the MTEF and the MGDS planning process.

9. There also exists very serious challenges with respect to results-oriented planning and the national M&E Framework has remained weak in important respects, including frail and under-funded institutional structures; and lack of sufficient incentives to motivate both the supply of, and demand for, solid evidence that informs decision and policy making. These challenges are compounded by the reality that Results-Based Management (RBM) practices are rarely used in the Government’s planning, budgeting and M&E systems. Presently, there is very little alignment of the planning, budgeting and M&E functions and the data that is available is rarely reliable and/or complete and it is rarely gender disaggregated. Differences in data collection tools and methodologies have worsened this state of affairs. For instance, data on Malawi’s poverty rate from the Integrated Household Survey results does not tally with that from Welfare Monitoring Surveys. The existing skills gaps in data collection and analysis contributes to the weak integrity of statistical data that is needed for informed decision making.

10. In addition to the above, there are serious weaknesses in capacities for aid management in Malawi. While the current effort to improve the dialogue architecture between Government and Development Partners represents steps in the right direction, there are still signs of conceptual and structural weaknesses that could be addressed through learning best practices from outside the country where positive efforts have been made towards delivering more sustainable and effective results in the context of the post Bussan Development Effectiveness Agenda. Moreover, non-state actors have continued to provide peripheral input in the developmental agenda and calls for more inclusive/consultative dialogue around MGDS II are becoming louder.

## 1.3 The United Nations Response

11. The UN family in Malawi is composed of 21 Agencies, Funds and Programmes and most of the activities are responding to many of the challenged documented above. The UN work in the country can be categorised in (a) social and protection services;[[2]](#footnote-2) (b) Governance and human rights;[[3]](#footnote-3) (c) economic growth and food security;[[4]](#footnote-4) and (d) HIV and AIDS.[[5]](#footnote-5) Specifically with respect to Outcome 4.2 (the main focus of this Evaluation), the UN under the current UNDAF has laid stress at the PFEM Reform Programme as well as its work on the Public Service Reforms. The enhancement of results-based management (RBM) is another area that has received attention. These interventions, among others, are described and critically analysed in this Report.

12. The survey confirmed that the public sector is the major employer of current skilled, semi-skilled and unskilled personnel compared to private and CSO/ NGO sectors. It also confirmed that the majority of Malawi’s human resource seems to be in the education sector compared to other sectors of the economy. Most of the workforce is in the 30-54 years age group and females are generally under-represented in many sectors. The survey found a lot of employment and skills gaps in both the public and private sector organizations and that if the supply of human resources continues to grow at the current pace, it is projected that the gaps will keep on widening.

13. One of the challenges currently facing Malawi relates to scarcity of adequately trained and experienced professionals at different levels, including in the medical field. Although the existing public training institutions supply human skills, there exist serious gaps in supply of skilled personnel from this channel, suggesting the existence of a weak link between industry requirements and training institutions. In particular, curricula that are not relevant to the labour market demand seem t pose a challenge. The dearth adequate human resources in the area of medical specialists, for example, has remained a challenge in service delivery and one of the UN interventions at this level relates to the facilitation of medical specialists to fill the existing gaps.

***1.4 Methodology and Report Outline***

14. This Evaluation was undertaken from mid-April to the end of June 2015. Appendix 9 presents the Terms of Reference. 5. In this regard, the UN interventions that have been developed in the context of UNDAF under Outcome 4.2 were interrogated in terms of their design and content, focusing on whether they were appropriately designed and resourced to meet the UNDAF stated objectives. The degree to which the projects design and implementation modality (including frameworks and strategies) have helped (and/or promise to help) to effectively support the UN country-level efforts towards the attainment of Malawi’s MDG priorities was explored. Complimentary to this, the UN country Programme’s record (and/or potential) in enhancing the restoration of the Malawian Government’s institutional capacities was analysed with an eye on how best this could qualitatively impact on enhanced service delivery, which should support the broad national objective of poverty reduction-cum-eradication. The extent to which the UN activities under Outcome 4.2 have demonstrated sufficient capacity to enhance Malawi’s institutional capacity to better manage development processes, in general, and to effectively help in the creation of a hospitable environment that allows for better application and utilisation of resources, in particular, was be analysed. The Evaluation was undertaken in the context of the objectives, goals and ideals of the overall Government policies in this area as informed by Malawi Growth and Development Strategy (MGDS) and with particular focus on Theme 5: Improved Governance - Sub-theme 1: Economic Governance. In addition, attention was focused on MGDS II, Theme 2: Social Development - Sub-theme 2: Health.

15. The Evaluation’s approach was based on the application of the core good practice principles of evaluation[[6]](#footnote-6) with a distinctive feature of the methodology being the Comprehensive Evaluation Framework (CEF), which is developed from the Theory of Change. This methodological approach fully encapsulated the OECD-DAC evaluation criteria of relevance, efficiency, effectiveness, impact and sustainability, which this assignment used to guide the evaluation questions. .

16. In undertaking the assessment, an effort to quantify registered progress that has been made towards achieving Outcome 4.2 laid stress on the performance of specific projects and advisory services that the UN has extended to the Government. Consequently, much of data collection focused on the four primary Outputs under Outcome 4.2, namely:

1. *Public Sector Capacity Enhancement*: Capacity for public sector management strengthened for effective service delivery
2. *Results-Based Management*: Public institutions utilize RBM systems for planning, monitoring and evaluation to enhance ownership and leadership for achievement of development results
3. *Effective Aid Management*: Government has sufficient capacity to effectively negotiate, manage and account for development assistance
4. *Alignment of policies to development strategies and MDGs*: National institutions have the capacity to align policies, programmes and budgets with national development strategies and the MDGs

17. At the level of data collection, both *primary* and *secondary* data collection was employed to get the required information upon which analysis was undertaken. The Consultants undertook fieldwork during the months of April and June. This included interviews with (a) key UN officials, particularly project personnel (i.e. those involved in work towards the realization of Outcome 4.2); (b) key Government officials; (c) key stakeholders, including Civil Society bodies, NGOs, CBO, the private sector, academia, influential individuals and similar non-state actors; and (d) interviews with Development partners/donors in Malawi, particularly those that are contributing to Outcome 4.2. Appendix 8 presents the list of the people interviewed during this Evaluation.

18. Based on secondary and primary data collected, the Consultants analysed the collected information using, to the extent possible, results-based approach (RBA), complimented by the “Theory of Change’’ approach in determining the efficacy and effectiveness of UN interventions under Outcome 4.2. The focus of data analysis was on the following:

1. The relevance and strategic position of UN support to Malawi in the area of enhancing the capacity of public institutions in Malawi towards better management, allocation and utilisation of resources for effective development and service delivery.
2. The frameworks and strategies that the UN, through UNDAF, has devised for its support towards the realization of Outcome 4.2, including partnership strategies, and whether they are well conceived for achieving planned objectives.
3. The progress made towards achieving outcomes through specific projects and advisory services, including contributing factors and constraints.
4. The progress to date under Outcome 4.2 and what can be derived in terms of lessons learned for continued UNDP support to Malawi around Outcome 4.2.

19. Based on the analysis, overarching conclusions were drawn and recommendations on how the UN should adjust its programming, partnership arrangements, resource mobilization strategies, and capacities to ensure that, mid-way during the implementation of the current UNDAF, there are positive signs that Governmentinstitutions in the country are better able to sustainably manage, allocate and utilize resources for effective development and service delivery.

## 1.5 Report Outline

20. The next Chapter describes the design and implementation modalities of UNDAF Outcome 4.2. This is followed by Chapter 3 that critically analyses the performance of the UN System under Outcome 4.2 of UNDAF. Chapter 4, in turn, presents the main findings and lessons learnt while Chapter 5 presents the main recommendations from the Evaluation.

2

# UNDAF Outcome 4.2

# Rationale, Design and Implementation Modality

21. The United Nations Development Assistance Framework (UNDAF) in Malawi, covering the 2012–2016 period, sets out the specific outcomes that the UN and the Government of Malawi collectively aim to achieve by 2016. The design of the UNDAF was guided by the Government priorities under its second Malawi Growth and Development Strategy (MGDS II). The MGDS II (2011-2016) is the overarching medium term strategy for Malawi designed to attain the country’s long term aspiration as spelt out in its Vision 2020. The objective of MGDS II is to continue reducing poverty through sustainable economic growth and infrastructure development. It identifies six broad thematic areas, namely,

1. Sustainable economic growth
2. Social development
3. Social support and disaster risk management
4. Infrastructure development
5. Improved governance
6. Cross-cutting issues.

22. UNDAF, on its part, identified five key strategic development priorities around which the UN System’s interventions are rallying around during the 2012-2016 period. These are (a) poverty reduction; (b) HIV and AIDS; (c) children and young people; (d) gender; and (e) sustainability.

23. Four UNDAF focal areas of cooperation have emerged as particularly critical for United Nations support to Malawi. They are (a) sustainable and equitable economic growth and food security; (b) basic social and protection services; (c) HIV and AIDS; and (d) governance. These focal areas aim to achieve the internationally agreed development goals and MDGs that are enshrined in the Millennium Declaration. Informed by the focal areas, the implementation of UNDAF has focused on the following four Key Priorities:

* *Key Priority 1*: National policies, local and national institutions effectively support equitable and sustainable economic growth and food security by 2016.
* *Key Priority 2*: National institutions effectively deliver equitable and quality basic social and protection services by 2016.
* *Key Priority 3*: National response to HIV and AIDS scaled up to achieve Universal Access to HIV prevention, treatment, care and support by 2016.
* *Key Priority 4*: National institutions effectively support transparency, accountability, participatory democracy and human rights by 2016.

24. The formulation of the UNDAF is the result of a UN-Government consultative process that used the UN Malawi Country Assessment and the MGDS II as its foundation. MGDS II identified three ‘binding constraints’ that it aims to address, namely, unsustainable population growth; insufficient resources; and weak capacity. This Evaluation focuses on one of the four UNDAF themes, namely, *Governance and Human Rights*, whose Key Priority is to ensure that “national institutions effectively support transparency, accountability, participatory democracy and human rights by 2016.” This Key Priority of UNDAF has four Outcomes of which the second one (Outcome 4.2) targets as follows: *“Public institutions are better able to manage, allocate and utilize resources for effective development and service delivery by 2016.”* It is this Outcome that is the subject matter of this evaluation report. Appendix 2 presents a quick overview of UNDAF and shows the location of Outcome 4.2 relative to the MGDS and UNDAF themes and priority areas. An Action Plan for UNDAF has been developed.

25. Outcome 4.2 was designed to be realised through the achievement of four Outputs that are focusing on public sector capacity development, results-based management, aid management and alignment of policies, and aligning programmes to national policies and the MDGs. The scope of each one of the Outputs is summarised below.

*Output 4.2.1:* ***Capacity for public sector management strengthened for effective service delivery***.

26. To achieve this output, the UN aims to assist in the attainment of a coordinated effort in developing a National Public Sector Management Reform Programme and Action Plan; a National Capacity Development Strategy; and in the establishment of a common implementation, financial and technical monitoring and reporting arrangements. The UN aims to work in partnership with local training and learning institutions with respect to the development and conducting of both public and private sector administration training programmes for senior and middle-level managers. Key capacity development interventions for improved services delivery would target such key sectors as health, education, agriculture, public transport and local governance institutions at both central and district council levels. In addressing the human resource gaps, mainly in the social sectors, UN support under UNDAF aims to target United Nations Volunteer Programme as a vehicle for deploying medical specialist doctors and general practitioners in central and district hospitals. Other areas of need are also targeted, particularly those identified in the National Public Sector Capacity Development Strategy and Action plan.

*Output 4.2.2:* ***National institutions utilize RBM systems for planning, monitoring and evaluation to enhance ownership and leadership for achievement of development results***

27. The aim of this Output is to facilitate the institutionalization of Results-Based Management (RBM) in the ministries as well as at the district level. Support under UNDAF focuses on establishing sustainable training capacity in RBM, MGDS/MDG planning and costing in named training universities and institutes targeting mainly managers and planning, debt and aid, budget and M&E officers in the Office of the President and Cabinet (OPC), ministries and districts. Support under this Output also includes the improvement of institutional capacity of the Ministry of Finance to better undertake the MGDS annual reviews. Support also focuses on enhancing the capacity of the Performance Enforcement Department in the OPC in the areas of M&E targeting and enhanced accountability for results. The targeted key activities include the following:

1. Conducting annual analyses of the national budget with regard to its alignment to MGDS II priorities and MDGs.
2. Undertaking public expenditure tracking surveys (PETS) in key sectors of the Government.
3. Producing and disseminating annual MGDS II review reports.
4. Facilitating review of the progress documented by PETS and MGDS reviews by PSs and Cabinet and in Parliament.
5. Conducting quarterly performance assessment of MDAs as a mechanism for strengthening feedback and enforcing accountability.
6. Conducting biannual consultations with stakeholders- one around the time of the mid-year budget review and another one around the annual MGDS II review report.
7. Producing and disseminating annual MDGs reports and post-2015 MDG report.

28. An important element under this Output related to support towards the upgrading of the M&E architecture to secure its integrity and developmental relevance. This includes insuring improved quality of development data and enhanced data flow from districts to sector ministries and between sectors to central ministries.

*Output 4.2.3:* ***Government has sufficient capacity to effectively negotiate, manage and account for development assistance***

29. This Output focuses specifically on strengthening the coordination role of the Debt and Aid Division (DAD) under MoF through the provision of capacity building support mainly at the following levels:

1. Strengthened debt and aid management function.
2. Facilitation of improved debt policy and strategy formulation.
3. Improved preparations for the meetings of the Common Approach to Budget Support (CABS) Group and of the High Level Forum (HLF) dialogue;
4. Support to stakeholder engagement, sensitization and education.
5. The upgraded Aid Management Platform (AMP) and CS-DRMS systems in order to allow for better integration of donor partner flows into the budget and the MTEF.
6. Sensitization of Government and non-governmental actors regarding Global Partnership for Effective Development Cooperation.

*Output 4.2.4:* ***National institutions have the capacity to align policies, programmes and budgets with national development strategies and the MDGs***

30. UN support under this Output aims to improve the alignment of policies, programmes and budgets with national development strategy and the MDGs. The aim is to update public sector capacity in the areas of project planning, appraisal, M&E, budget and aid policy management. The UN effort also aims to support at least 10 pilot districts and 5 sectors to practically apply the RBM practices. The supported process aims to ensure that results from all pilot agencies have the capacity to feedback into the RBM manual and are used to improve upon the procedures. Support of the Sector Working Group (SWG) management process is also included under Output 4.2.4. This includes the following:

1. Periodically reviewing SWG functionality and updating SWG Guidelines.
2. Setting up a calendar and reporting mechanism for SWG meetings.
3. Supporting ministries in launching the SWGs.
4. Organizing joint learning events for members of SWGs in relevant technical areas such as SWAps/PBAs, sector MTEFs, and national debt and aid policy and strategy requirements.
5. Organising joint discussions between sectors to ensure coherence of sector planning processes and alignment with national priorities.

31. Support under this Output also covers the production of at least two National Human Development Reports; undertaking of mid- and end-term MGDS II reviews; and assistance towards at least three MGDS II-based thematic evaluations. MoF, MEPD and OPC have been assessed as having sufficient capacities to implement the project. Support is targeted at insuring effective and efficient delivery of results; timely preparation of annual work plans and budgets; and the preparation of Joint Programme Steering Committee (JPSC) and Programme Management Coordination and Technical Working Group meetings.

32. The Joint Programme (JP) on Strengthening Institutional Capacity for Development Effectiveness and Accountability (DEAP) is currently the United Nation’s main instrument in Malawi for achieving three of UNDAF’s Outputs under Outcome 4.2, namely, (a) National institutions utilize RBM systems for planning, monitoring and evaluation to enhance ownership and leadership for achievement of development results; (b) Government has sufficient capacity to effectively negotiate, manage and account for development assistance; and (c) National Institutions have the capacity to align policies, programmes and budgets with national development strategies and MDGs for efficient achievement of development results. DEAP aims to contribute to MGDS II Theme 5: Improved Governance - Sub-theme 1: Economic Governance.

33. One of the important components of the JP relates to the Public Financial and Economic Management Reform Programme (PFEM RP), which covered the 2011/12 to 2013/14 period, was developed by the Government to improve different aspects of public financial and economic management in the country with the overall aim of achieving The overall goals of the Programme are to achieve (a) overall fiscal discipline; (b) resource allocation according to a well presented government strategy; and value for money in terms of effective, efficient and regulated use of resources to achieve service delivery. PFEM RP was designed to address a host of country-level challenges that included the following:

1. Harmonising planning through use of SWGs and ensuring harmonised sector plans with the overall development strategy.
2. Developing the revenue systems to improve tax administration and improved cash flow.
3. Ensuring the principles of Paris Declaration operate between Government and Donors.
4. Developing medium term framework for timely output-based budgeting based on MGDS II and well developed forecasting.
5. Expanding use of IFMIS, ensuring fuller use for transactions and bank reconciliations.
6. Ensuring good cash management.
7. Enhancing capacity for procurement procedures.
8. Full implementation of internal audit procedures
9. Improving expenditure reporting.
10. Building on improved external auditing.
11. Improving the follow up procedures for reports and audits.

34. DEAP aims to contribute to the following MGDS strategies:

1. Harmonizing the national budget and priorities in the national development strategy.
2. Ensuring that external support is aligned to the national development strategy.
3. Ensuring that sectoral and local plans are aligned to the national development strategy.
4. Strengthening the monitoring and evaluation of the implementation of the national development strategies and programmes.
5. Improving national procurement, audit and reporting systems at all levels.
6. Developing capacity for negotiating bilateral and multilateral agreements.

Appendix 1 summarises the planned JP outputs under DEAP.

35. The Project Document for the JP makes the following management and coordination provisions:

1. The Programme Steering Committee, chaired by the ST, is responsible for providing overall supervision, guidance and monitoring of implementation of the JP activities.[[7]](#footnote-7)
2. The Secretary to the Treasury is responsible for the overall coordination and oversight of the JP.
3. The Director of Debt and Aid is the National Coordinator for JP.
4. Day-to-day implementation of the programme will be carried out by the Assistant Director of Debt and Aid Division in MoF; the Director of Planning in MEPD, the Director of Monitoring and Evaluation also in MEPD and the Director for Policy Research and M&E in OPC in the Department of Projects and Programmes Implementation, Monitoring and Evaluation in OPC.
5. MoF is the *Implementing Partner* and is responsible for the overall planning and management of the Programme and achievement of its objectives.
6. The Debt and Aid Division/MoF, MEPD and the Department of Projects and Programmes Implementation, Monitoring and Evaluation (OPC) are designated *Responsible Parties* for the activities of the JP.
7. JP will be implemented within the structures of the PFEM RP, which is led by the Ministry of Finance.
8. At the operational and technical level, the same Technical Working Groups that are set up for the PFEM RP will be utilized for the JP.
9. The Project Manager has been recruited who reports to the Secretary for EPD through the Directors of Planning and M&E
10. To ensure coordinated implementation of the Programme, the NJPC will convene Programme Management and Coordination Committee meetings at least once every quarter.
11. UNICEF, UNAIDS, UNFPA and UNDP make commitments towards implementation of JP Outputs 1 and 2. Only UNDP is making financial commitments for implementation on JP Output 3. UNICEF and UNDP have made financial commitments to the activities under the JP output 4.2.4.
12. UNDP is the Managing Agent for the JP and the Fund Manager for funds channeled to the basket fund.

3

# Analysis of Performance

## 3.1 Introduction

36. This Chapter presents the analysis of the four components of Outcome 4.2, which aims to ensure that Public institutions are better able to manage, allocate and utilize resources for effective development and service delivery by 2016. Appendix 7 presents the Results Matrix for the UNDAF Action Plan, revealing, inter alia, the UN Agencies that were programmed to implement the named activities. The four Outputs are as follows:

|  |  |
| --- | --- |
| **Output 4.2.1** | Capacity for public sector management strengthened for effective service delivery. |
| **Output 4.2.2** | National institutions utilize RBM systems for planning, monitoring and evaluation to enhance ownership and leadership for achievement of development results. |
| **Output 4.2.3** | Government has sufficient capacity to effectively negotiate, manage and account for development assistance. |
| **Output 4.2.4** | National Institutions have the capacity to align policies, programmes and budgets with national development strategies and MDGs for efficient achievement of development results. |

The above stated Outputs are critically assessed below.

## 3.2 Output 4.2.1: Strengthened Public Sector Management

### 3.2.1 Introduction

37. Output 4.2.1 of UNDAF related to *Capacity for public sector management strengthened for effective service delivery*. By design, the main interveners for this output are UNDP, UNICEF, and UNFPA with the main implementing government agencies as OPC (Department of Public Service Management) and Ministry of Finance.[[8]](#footnote-8) During the time of this Evaluation, the Public Sector Reforms Management Unit in OPC is spearheading the implementation of the Public Service Capacity Development Programme with support from UNDP. The Ministry of Health, in turn, is implementing the Capacity Development in Health Project. The Project on Public Sector Capacity Development is analysed below, followed by the one in the health sector.

### 3.2.2 Public Service Capacity Development Programme (PSCDP)

#### 3.2.2.1 Main Components

38. PSCDP is a sequel to the Capacity Development for Public Sector Management (CDPSM) Programme, which was implemented from October 2008 to December 2012 and that addressed six functional areas of the public service, namely, (a) administrative common service (leadership and management); (b) human resource management and development; (c) public financial management and audit; (d) programme and project management; (e) public procurement; and (f) information and communication technology (ICT). The current PSCDP, funded mainly by UNDP, is derived from the support document of the Government’s Public Sector Management Reforms and Capacity Development Programme (PSMRCDP).

39. The main objective of PSMRCDP was to strengthen the capacities of the public service to better manage and deliver services. Interventions were grouped into key components, which included the review and implementation of policies, rules and regulations that support efficient public service delivery; improving leadership and management skills, competencies and ethical values to drive the national development agenda; strengthening human resource planning and management capacities in different ministries, departments and agencies within the public service; and promoting innovative and integrated application of ICT within the public service. In all these interventions, deliberate efforts were made to ensure that there was gender balance in training, recruitment and placement of women in leadership and management positions within the public service[[9]](#footnote-9).

40. The overall responsibility of implementing PSCDP rests with the Office of the President and Cabinet (OPC), mainly under its Public Sector Reforms and Management Unit (PSRMU). However, implementation of specific capacity development strategies for each functional area is the responsibility of the respective institutions – referred to as Responsible Parties (RPs). The review of public service policies, regulations, strategies and guidelines as well as improving leadership and management skills and competencies are led by PSRMU. The implementation of activities under human resource planning and management is the responsibility of the Department of Human Resources Management and Development while the implementation of e-Government and promotion of ICT falls under the Department of Information Systems and Technology Management.

#### 3.2.2.2 Critical Assessment of Performance

41. PSCDP has five components that, together, constitute its main interventions. These are (a) Public Service Policies, Regulations, Strategies and Guidelines; (b) Leadership, Management and Public Service Ethics and Integrity; (c) Human Resource Planning and Management; (d) ICT and e-Government Policy and Standards; and (e) HIV and AIDS and Gender Mainstreaming. These are analysed in turn below.

##### 3.2.2.2.1 Public Service Policies, Regulations, Strategies and Guidelines

42. The major outputs under this componentincluded the review of the Public Service Act (1994) and development of the National Capacity Development Strategy, Action and Financing Plan; development and adoption of gender-sensitive recruitment guidelines; and the establishment and operationalisation of the Public Administration Sector Wide Approach (PA-SWAp). In 1994, the Government enacted the Public Service Act in order to respond to the need to manage the public service in a new way in a multiparty democracy. However, it was observed that the Act was not consistent with Handbooks for Cabinet Ministers and Principal Secretaries (PS) particularly on the division of managerial roles between Principal Secretaries and Ministers. This Evaluation confirmed that the Act and the handbooks were reviewed and inconsistencies ironed out. This has reduced the confusion of roles between political and bureaucratic heads of government ministries, departments and agencies in the Malawi public service, which has, in the past, been a contributing factor to the sub-optimal performance of the public service. However, the revised Public Service Act is yet to be enacted by Parliament and indications are that Government intends to handle this as part of the larger public sector reforms agenda. Nonetheless, the reviewed handbooks for Principal Secretaries and Ministers have been adopted and are in use and the amendments have already been highlighted by the Public Sector Reforms Commission. These changes need to be legislated to secure their sustainability. Besides the review of the Public Service Act, Malawi Public Service Regulations were also reviewed and revised for the first time after their adoption in 1971. The revised version was submitted to Cabinet in 2012 for endorsement.

43. As part of efforts to enhance public sector capacities for service delivery, a knowledge product was commissioned to review public sector reforms in Malawi[[10]](#footnote-10) and a draft Public Service Modernization Programme was subsequently developed.[[11]](#footnote-11) However, this effort was overtaken by events following the 2014 general election that ushered in a new Government, which substituted this with another knowledge product.[[12]](#footnote-12) The new Government has fully embraced both the public service and PFEM reforms agenda. An important lesson for UNDP from this is that capacity development in the public service through public sector reforms is more than a technical process. Rather, it is a profoundly political one such that it is important to be conversant with the political economy context as part of securing the sustainability of what is being supported.

44. This Evaluation established that a National Capacity Development Strategy is yet to be established. The aim of the Strategy is to match human resource planning and management with national development goals. Nevertheless, an important knowledge product that is required for the development of the strategy has been achieved. This is the National Human Resource Survey that was successfully conducted and delivered in August 2014.[[13]](#footnote-13) It is expected that the Government will use the information in the report to develop the National Capacity Development Strategy, which is expected to be central for future investments, planning and management of human resources within and outside the public service.

45. It is worth noting that UNDP’s almost exclusive focus on human resources development suggests that this approach risks reducing ‘national capacity development’ to the facilitation of adequate and high quality human resources. Other capacity building efforts such as institutional restructuring require added attention. The speed at which the targeted interventions move seems to have raised some concern within Government. It was reported that it has taken close to two years for a preliminary deliverable to be produced, namely, the National Human Resource Survey. This pace is considered too slow as it is an important prerequisite to other subsequent earmarked deliverables, including the testing for Outcome level results. Under this component, gender-sensitive Recruitment Guidelines were also expected to be developed and adopted. The aim is to use the Guidelines to balance recruitment and promotions of men and women within the public service.[[14]](#footnote-14) According to the 2013 Annual Progress Report, the guidelines were developed and adopted. However, this Evaluating team has not seen a copy of the guidelines and progress reports do not provide sufficient details regarding this Output, let alone revealing evidence that the Guidelines are being applied by the Government.

46. Another important element in the reform agenda relates to the consultative mechanisms that are required to arrive at sustainable strategies and more effective and inclusive monitoring of results. In 2008 the Government introduced Sector Working Groups (SWGs) in order to create and nurture partnerships among all players in the pursuance of development results. A total of 16 SWG were instituted.[[15]](#footnote-15) By October 2014, five were fully active, two were occasionally active, six were dormant, including the one on Public Administration, and four were insipient.[[16]](#footnote-16) The Public Administration SWG (PA-SWG) was constituted between 2010 and 2011 but became dormant after the change of Government in April 2012, which resulted in a change of the Principal Secretary and a change in priorities. After the 2014 general election and probably fuelled by the current Public Service Reforms agenda, civil society organisation and Development Partners have demanded a resurrection of the SWG. The PA-SWG has been resuscitated and is operational, courtesy of UNDP’s intervention under output 4.2.1. However, the group is yet to begin working using the model of SWG but has put in place operational terms of reference whose gist is to enhance coordination of public administration interventions.[[17]](#footnote-17)

47. There have been questions raised during this Evaluation regarding the relevance of PA-SWG. The rationale behind the question is that nearly everything that government does – from making policies and programmes to implementing them at all levels – so long as it is about public goods and services, amounts to public administration. Thus, there is need to rethink the name and the objectives and roles of the PA-SWG. A common suggestion is that such a group would be necessary if it focussed on public sector management and modernisation.[[18]](#footnote-18) Such a recasting of the name and thematic functional focus would avoid the monotony of SWGs being merely mirror images of the ministries as is generally the case currently.

48. While the PA-SWG is now functional, there is need to put in place mechanisms that would prevent it from sliding back into a dormant position once the current support from UNDP phases out. According to Taylor (2014), consultations indicated that the SWGs that have been fully or occasionally active have had regular donor support, which has sustained their vibrancy. It was further observed that PA-SWG is considered less attractive for many donors and that it is dominated by institutions that are more prone to political influences than technical and professional considerations, which makes achievement of results rather unpredictable.[[19]](#footnote-19)

##### 3.2.2.2.2 Leadership, Management and Public Service Ethics and Integrity

49. This component addresses three outputs, namely, executives and parliamentarians acquire leadership and management skills to provide public service delivery oversight; bureaucratic skills and competencies upgraded for new entrants, middle and senior-level managers in public service; and public service ethics and integrity standards developed and enforced. This Evaluation noted that the sensitization of executives and parliamentarians on their oversight functions in the delivery of services was halted. The main reason was that the risk of the investment being a sunk cost was huge in view of the 2014 tripartite general elections. With hindsight, this was a commendable decision based on realistic risk analysis as the National Assembly experienced a turnover of about 70 percent[[20]](#footnote-20) so much that the skills that could have been imparted could not have been used by the trainees. Funds allocated for this activity were re-allocated to ICT and e-government component.

50. Another important aspect of this sub-component of PSCDP is that, since 2009, Government has been training its employees to improve their bureaucratic skills and competencies. This is consistent with the Leadership Development Framework (LDF) that the Government adopted, which requires that public servants get trained in different skills as they go up the LDF ladder. However, this Evaluation observed that there has been slow progress at this level. In 2013, for example, four leadership and management courses were planned but only one was carried out. The Government decided that it should first conduct an impact assessment of the previous trainings before proceeding with subsequent ones. The decision to evaluate the impact of training is commendable and consistent with the RBM approach. However, the halting of planned trainings suggests that there could have been little consultations at the planning stage between or among partners.

51. Notwithstanding the challenges stated above, good progress has been recorded. The impact assessment on leadership training that was conducted concluded that the courses had deepened and broadened the understanding of participants on leadership and management issues in the public service. A few areas of improvement still required attention to enhance the positive achievements thus far achieved. It was observed, for example, that duplication on the course content was significant and that most participants viewed the 7-week courses as being too long for public servants in senior management positions.[[21]](#footnote-21) In addition, the courses were viewed to be too costly. While the duration of the courses can be split, the cost element is said to raise sustainability questions in terms of whether Government can afford and remain committed to institutionalize the training and re-training of its employees as they go up the LDF ladder. The evaluation further found that the design of the course is more relevant to new entrants to the public service who have to be inducted on how Government operates than for old timers who have been in the system for longer periods.

52. Although the Annual progress report of 2013 intimated that the courses would be re-designed through consultative process, this Evaluation discovered that the intervention was not carried forward to the 2014 implementation period as it was superseded by trainings on other emerging issues. Thus, effectiveness on delivering the output was rather low as only one of four trainings on improving bureaucratic competencies was conducted. The discontinuity also meant that it has been quite difficult to graduate from results at output level to achieving significant system-wide positive outcomes in bureaucratic behaviour.

53. With UNDP support, the Government developed and launched the Public Service Code of Conduct and Ethics in 2013 as well as the Malawi Public Service Charter whose primary aim is to ensure that holders of public offices are accountable. The code compels officers to be open in the decisions that they take; be held accountable for their decisions and actions; and work in the interest of the rights holders (citizenry). Furthermore, public servants at various levels were trained in ethics, integrity and professionalism for the public service. They included Training of Trainers; Principal Secretaries and Heads of Constitutional Bodies; Directors; and Senior Accounting Personnel and Systems Analysts. These training programmes came in the wake of the ‘Cashgate’ scandal, which involved massive stealing of public resources in Government. UNDP initial response was to support a quick survey that sought to identify factors that led to cash gate and to create baseline data that would feed into, or contribute to, ethics and integrity training. According to the 2014 progress report, the trainings on ethics were “designed to bring back moral values, ethical behaviour and professionalism within the public service.”[[22]](#footnote-22) However, the ethics assessment survey is reported to have found that there was little or no enforcement of policies or rules that govern ethical behaviour in the public service.[[23]](#footnote-23) Lack of knowledge or the absence of rules to regulate behaviour does not feature in the report.

54. The observations above raise questions about the relevance of the ethics training sessions. The design of the training was guided by the Leadership Ladder of the Department of Human Resources and Development that shows the competences and skill sets required by staff at the various levels. However, this evaluation observed that the way the trainings were executed, particularly the sessions that targeted staff cadres below the level of Principal Secretaries, were inspired by the assumption that public employees were not aware of ethics and that, if they were made aware, the looting of public resources would have been stopped. For example, the indicator for success of the trainings was the number of public employees trained that would no longer get involved in financial misappropriation. Interviews with senior civil servants indicate that people are aware of the ethical and professional requirements and that unethical behaviour proliferates simply because the oversight institutions, rules, regulations and procedures are not robust and deterrent enough to prevent the temptations that resulted in the scandal. The computer system also lacked the requisite safeguards that should have prevented the wrong doers from manipulating it to the extent done and without easy detection. Thus, while training of Government officials in ethics and professional conduct is important on its own, it cannot be the main factor that would prevent the recurring of the vices currently being associated with the ‘Cashgate.’ Furthermore, developing enforcement systems to prevent financial resources abuse is more sustainable than training individuals in ethics because these people cannot meaningfully achieve positive results in the absence of stronger enforcement mechanism.

##### 3.2.2.2.3 Human Resource Planning and Management

55. This component has two outputs, namely, gender-sensitive Human Resource Planning and Management Strategy (NHRS) developed; and Institutional performance management system developed and implemented in selected institutions. The finding of this Evaluation is that a gender-sensitive NHRS is yet to be developed. It was expected to be developed following successful completion of the National Human Resource Survey. The Survey report was submitted in August 2014, which meant that for the entire 2013, there was no progress on this particular Output and, by 2014, the Strategy had not been developed.[[24]](#footnote-24) The main reason for the delay is the long time the National Human Resource Survey took to develop.

56. In July 2013 under the project, the Government introduced Organizational Performance Assessments (OPAs) for all ministries, departments and agencies (MDAs). The OPAs are aimed at improving the delivery of public services by holding the heads of these MDAs responsible. The Chief Secretary, responsible for Civil Service, signed contractual Agreements with Principal Secretaries defining goals and objectives and expected results from each MDA. While these Agreements are considered to be vital instruments for improving institutional performance, there is a significant observation that the contracts should have been signed at the highest political level, i.e., between the President and the Ministers. However, Government has created the Performance Enhancement Unit within the OPC, headed by a PS. But without a robust system of monitoring that is linked to rewards for performance and sanctions for non-performance, the Enforcement Unit may not be able to enforce the OPAs. Furthermore, there is a significant perception within the Civil Service that the OPAs amount to political window dressing to project impressions of ‘business unusual’ when there is little that is going to change because the performance of MDAs depends more on factors other than commitment of personnel in the MDAs. The most critical element is the availability of resources (both human and financial) to execute the tasks necessary for the achievement of the set targets. The effectiveness of OPAs also depends on the stability of the leadership of the MDAs. But, currently, such stability is not guaranteed as Principal Secretaries are often moved/transferred to frequently and, in the process, institutional memory is lost and competences associated with experience foregone. Notwithstanding this apparent shortfall, this Evaluation has concluded that the introduction of OPAs re-incarnates a focus on delivery of results for MDAs and is consistent with the strategic goals of the Public Service Reforms and RBM that are being championed across the public sector and that are part of Outcome 4.2.

##### 3.2.2.2.4 ICT and e-Government Policy and Standards

57. The Outputs under this Component are largely designed to drive “soft” activities of ICT/e-government activities, as opposed to “hard” areas such as infrastructure development. The major deliverable during the period under review was the development and enforcement of ICT Policy, e-government strategy and standards.This Evaluation found that, by end of 2013, the draft ICT policy had been submitted to Cabinet and was awaiting approval. A training master plan too had been developed by the Department of e-Government with the help of a consultant and the plan was prepared in preparation for operationalization of the ICT policy. Accordingly, the National ICT Policy was drafted and a training plan for ICT officers was developed. In addition, a mass ICT awareness was organized by the Department of e-Government. The Evaluation also noted that, in 2014, interventions on ICT disappeared in the planning document until in July 2014 when $350,000 funding was secured. However, instead of executing unfinished business, especially advocacy work on ICT policy, the ICT intervention in 2014 focused on training public servants on IT modules in order to achieve increased application of ICT/e-government in the public service. Chancellor College was contracted to provide the training. It is understood that the focus was motivated by the realization of the role of ICT in ‘Cashgate.’ The training was, therefore, expected to contribute to IT security in financial management within the public service. This evaluation found that this was a relevant intervention especially in view of the role of ICT in ‘Cashgate.’ While the training was effectively delivered and the policy document developed though yet to be adopted by Cabinet, the effectiveness of the intervention in terms of the desired change is yet to be ascertained.

58. One observation is that UNDP is advised to pay particular attention to its programming processes relates to the need to attend to political sensitivities in terms timing of deliverables that have to do with policy-making processes. The case in point here is the ICT Policy. Political dynamics are such that, in the six to eight months period leading to a general election, cabinet rarely sits and when it does, it deals with urgent, often political issues aimed at winning the election. It was therefore unlikely that, contrary to UNDP expectation, the People’s Party Cabinet was going to process the draft ICT Policy.

##### 3.2.2.2.5 HIV and AIDS and Gender Mainstreaming

59. The Project Support Document for the Malawi Public Service Capacity Development Project for 2012-2016 undertook to mainstream gender and HIV and AIDS in all interventions. According to the document, the October 2010 United Nations Country Assessment Report concluded that the OPC, which is at the centre of capacity development needs in the public service, does not adequately consider gender in public service employment and in human resource planning and management. Consequently, this has brought imbalances between men and women in the public service work places. In the absence of the Human Resource Planning and Management Strategy, this Evaluation found that, so far, mainstreaming gender has simply taken the format of ensuring that proportions of women take part in the various interventions under the project and thereby are reduced to statistics. There is no evidence that mainstreaming gender has gone beyond concerns with numbers of women to address the various interventions and outputs in terms of their disposition in relation to gender sensitivity. Furthermore, although HIV/AIDS is highlighted as a critical cross cutting issue, there is no evidence of mainstreaming it in the various interventions and outputs.

#### 3.2.2.3 Funding for Output 4.2.1

60. Although the UNDAF’s implementation period began in January 2012, delivery on Output 4.2.1 began in 2013 with the first financial disbursement done in April 2013. The delay in financial disbursement was because a preceding intervention had not been concluded. This effectively meant that one year of implementation for output 4.2.1 was lost in the maze of rules and regulations governing funding requirements and modalities. A review of reports showed that, for 2013, $1,330,500 was required for output 4.2.1 Actual expenditure was $809,000 mainly because of a budget shortfall of $395500 anticipated from other DPs and inability of Government to meet its counterpart amount of $150,000 due to the serious cash flow problems following donor aid freeze as a result of financial mismanagement and theft of money by government employees. These factors contributed to serious challenges in meeting the targeted outputs. The resource deficits experienced underscore the importance of better prioritization of activities and matching interventions with secured resources. This is because inadequate prioritization of activities and matching these with available resources leads to inefficient resource use which, in turn, reduces the effectiveness of supported interventions. For instance, in 2013, UNDP provided an impromptu $174,000 for the output in late November 2013 after Government had failed to honour its commitment. Motivated more by the need to meet spending targets, it was established that UNDP asked Government Implementing Partner to spend the tranche by 6th December 2013, a period of about two weeks. This approach shifts operational focus from targeting the desired Outcomes/results towards meeting the requirement that money has to be spent.

61. Performance in 2014 was good, thanks to the absence of resources challenges in terms of both availability and timing of releases. Delivery of financial resources was rated at a phenomenal 99 percent of the budget. The main explanatory factor for this good performance was that, unlike what happened in 2013, the 2014 Annual Work Plan was based on readily available financial resources.

#### 3.2.2.4 Overall Measurement of Performance

62. Appendix 3 presents detailed progress per Output during the last year that is covered by this Evaluation (2014). This is as reported by the official UNDAF annual monitoring Report. The performance rating shows that most of the activities were successfully completed. A number of issues at the design level seem to explain some of the achievement challenges under Output 4.2.1. *Firstly*, both the Capacity Development Strategy and Human Resource Planning and Development Strategy were not achieved because they were both dependant on the delivery of another preliminary output, namely, the National Human Resource Survey. Ideally, the Survey should have been prioritised to be delivered first since it was meant to serve as a launch pad or basis for the other deliverables. This did not seem to have been the case at the design level, thus, indicating that there were challenges with sequencing the deliverables at this level.

63. *Secondly*, most of the indicators for Output 4.2.1, as is the case for indicators of the other Outputs for Outcome 4.2, are targeting the first level results (outputs). The need to identify appropriate indicators during the design stage is cardinal if RBM is what UNDP wishes to graduate to at the operational and monitoring levels. Without such clear and relevant indicators to measure performance, it will be difficult to determine the level of success of Outcome 4.2 even when most of the activities are carried out successfully.

64. *Thirdly*, related to the above, some indicators given for Output 4.2.1 have no direct relationship with the desired results and do not have sufficient indication of the source of data that could be used to track performance. For example, the results of the training in ethics are expected to be indicated by movement in the ‘number of reported cases of wrong doing reported and dealt with.’ This indicator would be valid if ‘failure to report’ wrong doing and ‘failure to deal with reported cases’ were shown in the problem analysis to be key elements responsible for unethical behaviour in the civil service. However, this was not the case. Similarly, the design of the ethics training and the associated indicators has implications of assumed improper behaviour on the part of the people who participated in the training sessions. For instance, the indicator “percentage change in ethical behaviour of the targeted trained population” suggests that the people opted to participate in the training because they were individually adjudged to be unethical or morally not upright. It is clear that those that developed such indicators were oblivious of the value on performance indicators in determining output and outcome results. Considering the frequency of such anomalies in the choice of indicators, the need to improve on consistency between problem diagnosis, interventions, desired results and their performance indicators is clearly evident for those that played a part in the design and approval of the current UNDAF.

#### 3.2.2.5 Conclusions

65. In view of the foregoing analysis the following conclusions and recommendations are made with respect to the Project on Public Service Capacity Development:

1. Most of the interventions implemented are relevant and consistent with the aspirations of Government in so far as capacity development and public sector reforms for better service delivery are concerned. However, some of the interventions such as training in ethics are not directly relevant to addressing the problem identified. The mismatch represents a case of a good diagnosis followed by a not so good prescription.
2. The Project has been highly effective in delivering most of the earmarked outputs. Only in a few instances has the Project been unable to deliver desired outputs as summarised in Appendix 3. However, the effectiveness of the Programme so far in terms of achieving the actual desired *Outcomes* that the outputs are expected to foster cannot be ascertained. The evaluation observed that UNDP has thus far been concerned primarily with measuring outputs. There is little indication on the ground suggesting that there is a conscious effort to transcend beyond the monitoring and measurement of Outputs to Outcomes. This is contrary to the expectations of RBM.
3. Malawi’s Public Sector Reforms and capacity development efforts have been piecemeal for many decades. The current wave of support by UNDP is holistic and has real potential to deliver the desired change. However, UNDP needs to recognise two things. The first is the primacy of politics in the reforms process. Thus, in addition to technical soundness of the reforms, there is need for more political grounding for the reforms. Politics will determine what reforms will carry the day and, therefore, what kind of change will be brought about. Furthermore, PFEM reforms are championed separately from PSR yet the very intimate linkage between the two is clear because PFEM is essentially a sub-set of PSR. Reforms in the M&E segment are equally an integral part of this and the artificial separation of their institutional houses has not helped matters. This separation duplicates efforts and resources and increases transaction costs. A concerted effort that brings these reform streams together is, therefore, strongly recommended for it would yield an integrated, cohesive, and harmonised package of reforms.
4. Funding seems to be the most critical threat to the sustainability of Public Service Reforms especially that they are still at Output level and mechanism for progression to Outcome level results are either nascent or not yet developed. Currently, capacity development and public sector reforms are funded only by UNDP and counterpart funding from Government, which is rarely forthcoming. This means that the sustainability of the effects of Programme interventions may not be assured. There is, therefore, need for UNDP and Government to bring on board other DPs. Furthermore, Government needs to be implored to improve delivery on its financial contributions to the interventions.
5. A good part of capacity building interventions implemented so far is concerned with numbers and skills of human resources. However, it is evident that effective service delivery is affected by many other variables including resource availability, policy context and formal and informal rules prevailing in the different domains of interventions. Increasing numbers of workers and improving their skills may be important but not sufficient to capacitate the public service or its parts for effective service delivery. UNDP is, therefore, implored to adopt broader and multi-faceted conceptualisation of capacity.
6. UNDP has demonstrated that responsiveness to emerging issues and realities is one of its strength. This is most evident in how the Public Service Capacity Development Programme engaged with the public sector reforms agenda and how it responded to the Cashgate scandal with interventions on leadership, ethics and professionalism. However, in being responsive to emerging issues, some core interventions, such as building bureaucratic competences of new entrants to the public service appear to have been abandoned mid-way in favour of temporary, very short term training on ethics whose relevance is perceived to be lower than the training on bureaucratic competences. This recommendation speaks to the importance of UNDP taking time to reflect on the options available under crisis conditions.
7. In terms of promoting ethical behaviour in the public service, it is recommended that future capacity development interventions should focus on building capacity (systems, practices, equipment, skills and even rules under the Public Service Act) of the OPC and relevant authorities to enforce ethics and professionalism in the public service. In the medium to long-term, the best way to secure compliance to ethical behavior is to strengthen the institutions and systems of oversight that would serve as watchdogs against abuse of public offices and whereby transgressors are meted with deterrent punishment.
8. There is need for better development of results chains, accompanied by the identification of appropriate indicators that would effectively track progress – and accurately measure it particularly at outcome and impact level.

1. On gender mainstreaming, it is recommended that concerns should go beyond numbers and should include addressing substantive issues about the gender-appropriateness of the interventions supported by the UN Agencies.

### 3.2.3 Capacity Development in Health Project

#### 3.2.3.1 Project Design

66. The Capacity Development in Health Project was designed to contribute to the strengthening of the capacity for public sector management for effective service delivery. During the period under review, the Project received support from UNDP, UN Volunteer Unit, and the Global Fund for the fight of Malaria, Tuberculosis, and HIV and AIDS. The implementing partners in Government are the Ministry of Health and National Aids Commission (NAC).

67. The expected deliverable was the number of specialist medical practitioners and General Practitioners recruited and deployed to central and district hospitals.[[25]](#footnote-25) The project was a continuation of the Capacity Replenishment Programme in the Ministry of Health and Population. The Project’s overall goal was to strengthen the capacity of the Ministry of Health to deliver quality health services in Malawi.

68. In 2012, the Project focused on the recruitment and placement of the International United Nations Volunteers (IUNVs) doctors as Specialist Practitioners and general practitioners to work in Malawian central and district hospitals while the government increased its own stock of local doctors. For the period 2013-2016, a new Project Support Document was approved and refocused the approach emphasizing more on developing the capacity of medical personnel and ensuring sustainability of the project through a wider participation of other stakeholders. The overall goal is to strengthen the capacity of the Ministry of health to deliver quality health services in Malawi. Since 2013, the Project has had four outputs as follows:[[26]](#footnote-26)

1. Central, district and CHAM hospitals have increased coverage of the expanded Essential Health Package interventions by 2016.
2. UNV doctors have increased coverage of the expanded Essential Health Package interventions in central, selected District and CHAM hospitals by 2016.
3. Three central hospitals (Mzuzu, KCH and Zomba) establish specialized units for physiotherapy, cardiology and oncology to remedy non-communicable disease conditions by 2016.
4. Effective and efficient project management.

#### 3.2.3.2 Project Funding

69. The project experienced significant problems with funding problems since 2012, which resulted in reduced activities. The major challenge was that the Ministry of Health and UNDP were unable to mobilise resources to meet all the financial requirements of the Project. For 2012, up to 74 percent of the budget was delivered but a cloud of uncertainty hang over the Project. Consequently out of 54 UNVs recruited and placed in 2012, 28 percent terminated their contracts due to funding uncertainties. Up to 50 percent of the 2012 budget which supported 54 UNVs was provided by UNDP, which was the largest contribution, followed by Government with 25 percent. The funding problem continued through most of 2013 such that, by 2014, it became clear that the Project was not sustainable. Consequently, a Doctors Exit /Retention Strategy was developed. By 31st December 2014, twenty five doctors were repatriated and four others terminated contracts prematurely because of funding uncertainties. Only 10 UNVs carried through to 2015 and all of them have their contracts ending no later than July 2015.

#### 3.2.3.3 Project Relevance

70. The Evaluation confirms that the Project was relevant as it was designed to respond to the critical human resources needs facing the health sector in Malawi. The recruited UNV doctors filled the human resource gaps created by the high turnover rates for local General Practitioners and specialized doctors, thereby providing the much needed quality medical services to the people of Malawi.

#### 3.2.3.4 Project Effectiveness

71. Although the Project set out to deliver four outputs, this Evaluation found that, in practice, the emphasis was mainly on one output, namely, recruitment, placement and supporting the UNV doctors that were deployed to central and selected district hospitals. Additional emphasis was on capacity development initiatives, mainly mobilizing medical equipment for use by the UNVs and transfer of skills from UNVs to local medical personnel. The other outputs were not pursued diligently mainly because of inadequate resources.

72. The finding of this Evaluation is that the project has been effective to the extent that the recruitment and deployment of medical personnel eased pressures on the few medical doctors available in central and district hospitals. It also contributed to expanded access to health and specialist care.[[27]](#footnote-27) The deployment of UNVs in these hospitals is reported to have resulted in the reduction of doctor to patient ratio from 1:60,000 to about 1:30,000. In addition, the number of patients on doctor’s waiting list reduced by 50 percent.[[28]](#footnote-28) Although the number of doctors kept varying throughout the period under review, a total of 65 UNVs of whom 39 were SPs against a target of 40; 21 were GPs against a target of 30 and 5 were ART supervisors[[29]](#footnote-29) who were available for the provision of healthcare services and various capacity development initiatives.

73. Moreover, there is anecdotal evidence that a systematic transfer of skills and knowledge through mentoring of junior doctors and other clinicians by the UNVs has taken place during the period under review.[[30]](#footnote-30) The UNV doctors conducted continuous professional development of local junior doctors in the various hospitals they were working. Furthermore, 25 physiotherapists from the College of Medicine are expected to graduate in 2015 having been trained by UNVs. Additionally, UNVs established the surgical training unit at KCH. Besides transfer of skills, the UNV project is credited with mobilizing equipment for hospitals through the initiatives of the doctors and direct procurement by UNDP on demand or request by the UNVs. This has contributed to institutional capacity development in the hospitals for specialized and better care.

74. Despite the above achievements, the critical shortage of skilled personnel, particularly specialist doctors, still remains a key challenge in Malawi. Overall, vacancy rates were nearly 90 percent for specialists and 67 percent for GPs. In addition, apart from project-specific funding challenges, Malawi’s health system is characterized by gross shortage of essential basic drugs and basic medical equipment. Thus, shortage of essential basic equipment was highlighted as a key challenge that affected the UNV doctors’ effectiveness in providing health services and in capacity development.

#### 3.2.3.5 Project Efficiency

75. To an extent, despite inherent problems, the project was implemented and administered in an efficient manner in a number of aspects. There was good collaboration among all key stakeholders such the UNDP, Ministry of Health, NAC and UNV Headquarters in Bonn. However, the design of the programme somewhat affected the efficiency of implementation. The IUNV doctors were given one year service contracts subject to extension and this makes planning difficult for both the doctors and their host institutions. Despite the recommendation from the Final Evaluation to extend the contract period to 2 years, this did not materialize because of funding uncertainties. Disbursement of funds appears also to have affected the efficiency of the Project. Since the last disbursement of funds from the Ministry of Health in 2012, no additional funds were made available to support the Project. Hence, in October 2013, realizing that the funding situation was not getting any better, the Country Office advised UNV Headquarters in Bonn to repatriate all UNV doctors by December 31, 2014. This development slowed down the smooth delivery of services as most doctors were psychologically affected. It was only in November/December 2013 that NAC disbursed $1,095,000 and an additional $1,636,000 from the Royal Norwegian Embassy. These funds were programmed for 2014.

76. The high vacancy rate for medical doctors, particularly in central hospitals, meant that IUNV doctors were deployed where no counterparts were available for skills and knowledge transfer. For example in Mzuzu and Zomba, UNVs accounted for up to 90 percent of doctors at the hospitals. [[31]](#footnote-31)

#### 3.2.3.6 Sustainability

77. The Project was a life saver with tremendous achievements. However, its sustainability hangs in balance due to uncertainties in funding. The last funding from NAC and RNE only covered the year 2014 and there was an urgent need for both UNDP and Ministry of Health to start mobilizing funds if the Project is to be implemented beyond 2014. While the project made sustainable gains in some areas of capacity development such as training of physiotherapists at the College of Medicine, the transfer of skills at district hospitals is reported to have been hampered in some district and central hospitals by the lack of Malawian counterparts to be mentored by the UNVs. The Ministry of Health has been training Malawian doctors to take over from IUNV doctors. The challenge, however, is retention since most trained Malawian doctors opt out of Government employment due to poor working conditions in the public service.[[32]](#footnote-32)

78. It is clear that UNV project cannot be sustained without significant amounts of financial injections. It is also clear that if demotivating factors, including poor incentive schemes, persisted in the Government healthcare sector, the brain drain away from Government facilities will continue. It is, therefore., important that future capacity development in the health sector should go beyond bringing in ‘borrowed capacity’ for service delivery to building systems and practices that will constitute a robust retention strategy for local GPs and GPs.

#### 3.2.3.7 Conclusions

79. In view of the foregoing analysis, the following key conclusions are made:

1. The UNV has been a very relevant intervention as it has addressed a critical resource gap in the delivery of healthcare and has evidently built capacities through skills transfer[[33]](#footnote-33) and sourcing equipment.
2. The biggest challenge for the UNV has been mobilizing resources. Consequently, shorter contracts have had to be offered and a cloud of uncertainty over the sustainability hangs over the Project from one year to another.
3. Although the project had four main outputs, inadequate financial resources made it to revolve around the provision of services and capacity development by the UNVs. This suggests that future project design should be more realistic by taking into account the availability of financial resources.
4. As outputs mutated from year to year, it is observed that new indicators were being introduced. Most the indicators required systematic baseline data which would be used to track progress and also set realistic targets. However, the baseline figures and the targets were set arbitrarily. This makes monitoring difficult and is way out of sync with the principles of RBM that UNDP is championing across the public service.
5. It was observed that the monitoring and evaluation mechanism of the Project was not fully implemented due to a host of reasons, including lack of resources for this function. Consequently, there are data gaps on activities such as capacity development initiatives at district hospitals that were supported by the UNV. It is recommended that sufficient financial resources are allowed at project design stage to ensure the monitoring and evaluation functions are included as they contribute to the achievement of the desired outputs and outcomes.

## 3.3 Output 4.2.2: Results-Based Management

### 3.3.1 Overview

80. The Joint Programme (JP) on Strengthening Institutional Capacity for Development Effectiveness and Accountability (DEAP) is the main instrument designed to achieve three of UNDAF’s Outputs under Outcome 4.2. The Joint Programme was programmed to be implemented by UNDP, UNICEF, UNAIDS, and UNFPA. The aim of the JP Output 1 is to promote and institutionalize RBM systems at both the central and district levels with a view to strengthening the planning, management and monitoring functions. The JP supports capacity enhancement for the National Statistical Systems and the government-wide M&E system. This is planned to be effected through practical application of RBM practice. The establishment of a new Integrated Performance Management Information System is also part of the design, which includes support to District Databanks. Capacity enhancement for community-based monitoring is part of the DEAP mandate, as is support to public expenditure tracking surveys (PETS) and capacity development in support of Organizational Performance Assessment process in public sector institutions. Box 1 presents the details of Output 4.2.2, “National institutions utilize RBM systems for planning, monitoring and evaluation to enhance ownership and leadership for achievement of development results.”

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| **Box 1: Output 4.2.2**  ***Output 4.2.2 National institutions utilize RBM systems for planning, monitoring and evaluation to enhance ownership and leadership for achievement of development results.***  Under this output, the UN seeks to achieve development effectiveness by improving strategic planning, management and M&E to entrench a culture of accountability for effective use of resources and achievement of results. Results-based management (RBM) practices will be institutionalized in key sectors and district councils including adoption of standard planning, costing, management, monitoring and evaluation tools, performance based management and human rights based approach (HRBA) to effectively achieve the MGDS outcomes and the MDGs. To facilitate evidence-based policy formulation, planning and decision-making at the national and district-levels, the UN will support the management and utilization of the Malawi Social Economic Database (MASEDA), the conduct of key studies, analysis and production of key reports such as the MGDS annual and mid-term reviews, the National Human Development Report, the MDGs report and performance audits in the key sectors of health, education, agriculture, transport and in selected parastatals.  Source: UNDAF Action Plan: 2012-2016 |

81. Overall, the goal of the DEAP under RBM is to ensure that the planning, management, M&E and reporting functions, in addition to accountability arrangements, pay attention to the final *results* of interventions (basically the Outcomes), not just outputs. RBM practices are, thus, expected to ensure that the planning, management, monitoring and evaluation functions as well as reporting and accountability arrangements under the JP focus on *results*. By way of strategy, the approach is to fully embed RBM in all activities that are supported by the UN through the JP. As one of the approaches to achieving this, individuals or teams in public institutions are planned to serve as “champions” and mentors during RBM institutionalization.

82. The core focus of RBM is the realisation of desired *Outcomes*. Enhanced outcome-orientation aims to improve the relevance and effectiveness of both internally-generated resources and external support, something that goes well with the post-Busan *Development Effectiveness* Agenda that focuses more on the effectiveness of development in its broader dimension, not just aid effectiveness that is limited to external resources. Managing for development results, hence, means going beyond the traditional focus on input delivery and activities and focusing on the achievement of outputs and, more importantly, *Outcomes*.

83. Results Based Management (RBM) ought to be understood in the context of the existing quality of the overall national monitoring system in a country. A number of challenges still remain at this level in Malawi (Box 2). *Firstly*, perhaps the greatest weakness of the MGDS II relates to its weak M&E framework, which is generally fragmented. The links between the inputs, outputs, outcomes and impacts are often unclear and in some cases not well thought through. Consequently, the M&E Matrix is not very helpful in systematically tracking performance, generally, and results-based performance, in particular. This is principally because, during design stage, insufficient attention appears to have been given to the choice of indicators (i.e. process, input, output, outcome/impact indicators). A collection of indicators are often clustered together in a way that is unhelpful in undertaking meaningful tracking of performance. In many cases, the stated indicators are remotely related to the progress that should be measured, a state of affairs that signals the amount of attention required to take corrective measures towards improvement.

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| **Box 2: Challenges Facing Monitoring & Evaluation in Malawi**   * The task of generating the much needed data for monitoring faces a number of challenges including standardization in data collection, capacity inadequacies with respect to data collection, analysis and dissemination, lack of statistics policies, an outdated legal framework on statistics, resource constraints for data collection and lack of coordination between data collection institutions. * Lack of coordination of M&E systems across ministries and districts, lack of systematic use of monitoring results and absence of structures in the decentralized institutions. * Apart from the National Statistical Office (NSO), there are other organisations that are engaged in data collection or commission other agencies to conduct surveys on their behalf. In the absence of proper guidelines from NSO, it is difficult to compare the results. Survey results are affected by lack of adequate resources, lack of knowledge in research techniques, inadequate analytical skills and variation in the definitions of attributes. In most cases lack of capacity to process data has often led to late release of results. * NSO, line ministries and local authorities have inadequate human, material and financial resources for data collection, processing and analysis, revealing the need for capacity building at all levels of data collection, processing and analysis. * There is a need to build capacity for policy analyses in the Ministry of Development Planning and Cooperation as well as other institutions. * There is need to develop capacity for undertaking qualitative research that supports effective monitoring and evaluation. |

84. *Secondly*, indicators are listed with little regard to their measurability, let alone the capacity of the Malawian national system to use the indicator due to a host of reasons, including the dearth of baseline data. *Thirdly*, risks are often presented without sufficient clarity yet these are an important aspect in the determination of project/activity success or failure. The inclusion of appropriate risks would alert interveners to the possible threats to successful implementation. Such risks could be internal or external to the national system. They could include the macroeconomic environment of Malawi; the challenges of policy consistency; the receptiveness of the government system to the planned programmes; institutional and human resource capacity limitations within Government, implementation partners, and/or within the donor system; and unanticipated slippages that could attract rebuke from other stakeholders, as has been the case in the wake of the so-called ‘Cashgate’ scandal.

85. *Fourthly*, the dearth in baseline data further complicates the measurability of outputs. This aspect, when considered against the current limited capacity of Government system, particularly in the M&E area, reduces the efficacy of the monitoring function.

### 3.3.2 Support to RBM and M&E System

#### 3.3.2.1 Overview

86. The Joint Programme Support for Monitoring and Evaluation (JPSME II)[[34]](#footnote-34) was the UN flagship instrument whose expected output was stated as “*National institutions utilize RBM systems for planning, monitoring and evaluation to enhance ownership and leadership for achievement of development results.*” What happened during both phases I and II of the Joint Programme would offer explanations of what currently obtains in the M&E system in Malawi and how the UN System, under UNDAF, is functioning. The Joint Programme’s objective was “to strengthen and develop sustainable national systems for monitoring and evaluation of development strategies and programmes.” To realise this, several key focal areas were identified, namely,

1. To strengthen coordination of the national M&E system for evidence-based development planning, budgeting and implementation;
2. To facilitate the MGDS annual reviews through Sector Working Groups;
3. To strengthen M&E systems in Sectors;
4. To strengthen M&E systems in Councils;
5. To strengthen M&E capacity for Civil Society Organizations (CSOs) and communities;
6. To promote the use of MASEDA and other statistics for planning and decision-making; and
7. To strengthen national capacity for impact assessments, policy analysis and evaluation.

87. The Programme closed in March, 2013.  It was originally designed to close in July, 2012 but had a no-cost extension.  This meant that the Programme’s implementation period overlapped with the 2012-2016 UNDAF.  Phase II lasted almost five years from July 2008 to March 2013 and its cumulative budget during this period was about US$5 million. The Programme was financed through a basket funding modality with contributions coming mainly from UNDP, EU, UNFPA, UNICEF, DFID, GIZ, and the Government of Malawi. At the end of the implementation period, it was expected that the Programme would have contributed to an improved national capacity to monitor the implementation and impact of the MGDS II in fulfillment of the Millennium Development Goals (MDGs).

#### 3.3.2.2 Critical Assessment of Performance

88. How did JPSME II perform? Starting at the *Programme design* level, it is clear that the Programme was founded on the country’s felt needs as informed primarily by the identified weaknesses that were reflected in the M&E Master Plan of 2006, which included (a) lack of standardised methodologies for data collection; (b) inadequate skills to collect, analyze and disseminate data; (c) limited coordination between the various data producers; (d) weak coordination of the existing M&E systems across line ministries, districts and central government; and (e) the absence or weak monitoring and evaluation structures especially in the decentralized institutions. The Programme’s seven objectives were also well conceived and the stated output indicators and the outcome indicators well thought through and the linkage between outputs and outcomes fairly well reasoned.

89. One design challenge that is observable, however, relates to the wide-ranging objectives, numbering seven, and associated 25 outputs with a multiplicity of activities, an aspect that clearly brought into the picture the issue of realism of the Programme’s aspiration. This is particularly so considering the limited resource envelope and the short time frame and being implemented in a country that has well documented serious challenges that needed to be addressed at this level. Aiming, for example, to transform the entire Government of Malawi’s M&E system covering 23 sectors and 34 local authorities within a five-year time slice and with only US$5 million seemed to have overlooked not only the magnitude of the task required but also the constrained capacity of the UN System itself to handle this quantum of responsibility within the stated timeframe. Apparently due to this, interventions concentrated more at the sectoral and district levels while the central ministry that coordinated the M&E activities received scanty attention from the Joint Programme.

90. With respect to *Programme relevance*, its strong link to the MGDS has proved its relevance to Malawi. MGDS II recognizes the importance of an effective monitoring and evaluation system for tracking performance and informing policy choices. It also acknowledges the importance of focusing on results, hence the desirability of interventions that bordered around RBM enhancement. The Programme was also in line with Malawi’s Decentralization Policy that expects sub-national structures to take part in the planning and implementation processes, which is enhanced through a reliable M&E function that is supported by a strong database.

91. At the level of the *effectiveness* of JPSME II, a number of noteworthy revelations have emerged, thanks to a comprehensive M&E review that was undertaken in 2013.[[35]](#footnote-35) *Firstly*, at the level of Programme coordination, it was revealed that both the Steering Committee and the Technical Working Committee met regularly during the Programme implementation period though the latter met less frequently towards the end. *Secondly*, a look at the MGDS implementation monitoring, another target under the Joint Programme, showed significant positive progress. **It was reported that, by the close of the Joint Programme in March 2013, 75 percent of the planned outputs were achieved. In particular, the number of Government ministries that established SWGs for monitoring MGDS had increased significantly and their ability to produce quality periodic reports reportedly enhanced. This should have contributed to improved quality of MGDS annual reviews monitoring (see qualifications of this below).**

**92. *Thirdly*,** **the Programme’s aim of s**trengthening the M&E function and systems in the covered sectors was also found to have improved. M&E sector frameworks were established in all the 23 M&E units in sector ministries and their personnel were trained at local institutions[[36]](#footnote-36) in M&E, project evaluations, impact assessment and policy analysis. The downside was that only 56.5 percent of the targeted number of trainees was, however, achieved.

93. *Fourthly*, with regard to the aim of enhancing the M&E function in councils, including upgrading their databases, the Programme made significant inroads, with databanks installed in all the targeted district councils. Similarly, all the councils that were targeted by the Programme were reported to have gained some knowledge on reporting the collected data.

94. *Lastly*, there were a number of activities that took place worth of mention. These include (a) that the Public Expenditure Tracking Survey (PETS) was carried out by MEPD and National Audit Office covering the education and health sectors; (b) PETS covering the Farm Input Subsidy was also undertaken; (c) a performance audit was carried out covering the health sector; and (d) sector ministry personnel as well as those from MEPD were trained by the Joint Programme covering the fields of impact assessment and policy analysis and were reported, by the end of the Programme, to have been undertaking policy analysis work.

95. Notwithstanding the positive progress recorded, the Programme also registered noteworthy failures in realising the programmed targets at the level of effectiveness. *Firstly*, out of the total of 29 products that were programmed to be achieved, only 16 (or 55 percent) were developed and disseminated. Similarly, of the total of 40 members of staff that were targeted for short-term training in the Programme’s coordinating central ministry (MEPD), only 21 (or 52.5 percent) benefited from this. *Secondly*, out of the 16 SWGs that were established, nine were non-functional because of infrequent meetings and poor participation by Development Partners and CSOs. It was established that most of the non-functional SWGs were those without active donors while those for agriculture, gender, health, education, and economic governance performed fairly well largely due to donor interest in these sectors. This has raised the issue regarding the sustainability of important processes that are meant to upscale the M&E and RBM objectives. High dependence on external support almost always introduces sustainability challenges that need to be considered/avoided at the design stage.

96. *Thirdly*, due mainly to internet connectivity challenges, the effectiveness of JPSME II was somewhat constrained, which seriously affected the required linkage of the databases of the different key sectors with the Development Monitoring Information Systems (DMIS). Ideally, there should have been a functional linkage of the central ministry’s database with those based at the sectors and district levels to secure the consolidation, cleaning and standardisaion of data and, hence, the integrity of what is stored and retrieved and the user-friendliness of the system for aiding efficient decision making. The decision to focus the activities of the Joint Programme at the sector and district level databases development, while commendable, needed to have been supplemented and complimented by a strong linkage to the central/ coordinating Ministry (MEPD) if the latter was be allowed to use the opportunities offered by a better integrated database system for effective tracking of performance. This state of affairs clearly constrained the smooth adoption of RBM, an aspect that flew in the face of the Programme’s stated key goal, namely, “National institutions utilize RBM systems for planning, monitoring and evaluation to enhance ownership and leadership for achievement of development results.” This also significantly explains the challenges seen in the M&E system after the Joint Programme came to an end (see below).

97. *Fourthly*, programme *effectiveness* also seemed to have been compromised by the reality that, during Programme implementation, M&E was yet to be fully embraced as a management tool at sector level. A good number of economists that were recruited under the Programme and who were posted to sector ministries to perform M&E functions were reportedly reassigned by their respective ministries to perform less M&E chores and more other functions, mainly, planning and budgeting. This was probably because the demand for M&E products has remained very low in sector ministries in Malawi, generally. For a long time now, a good number of sector ministries do not earmark funds for M&E activities, which has relegated the M&E function to the back stage.

98. *Fifthly*, one of the objectives of the Joint Programme was to strengthen M&E capacity for CSOs and communities. Overall, very little was achieved largely because most of the activities were similar to those under the DfID-funded *Kalondolondo*, a community-based M&E Programme. There were also no signs of a serious effort to coordinate and harmonise the two externally-financed interventions even though MEPD was a member of both the Steering Committee of *Kalondolondo* and the overseer on the Government side of JPSME II.

99. *Sixthly*, the review of the objective of strengthening national capacity for impact assessments, policy analysis and evaluation revealed that there was very little progress especially with respect to the achievement of one of the major outputs that the Programme listed, namely, increased knowledge in Public Expenditure Tracking Surveys (PETS), budget performance monitoring, policy analysis and development evaluation exercises among the sector staff that were trained under the Programme. Nor were any surveys undertaken to establish the number of people who, as a result of the Programme interventions, were able to conduct, for example, impact assessments, policy analysis, outcome evaluations and project evaluations.

100. Coming to the question of programme *efficiency,* JPSME II was considered to be broadly satisfactory. The basket fund modality that was used by the Programme had significant advantages for it assisted in streamlining financial support from other DPs. It also reduced transaction costs though the elimination of duplication of effort. The modality also enhanced coordination and harmonization of effort among participating DPs, which resulted in more efficient deployment of resources. The Programme also promoted coordination among the partners in the programme as they provided support in close formal cooperation with each other.

101. The review of the Joint Programme revealed that there were glitches at the level of transfer of funds from the basket fund to the Programme activities, an aspect that introduced a challenge with regard to efficiency in resource management. It was reported that, at times, money took too long to get transferred, a situation that was said to have affected the smooth operation of some of the activities. In a few cases, the long period it took to disburse the money necessitated resort to other sources while waiting for the Joint Programme resources to be released from the basket fund. The last two years were reportedly quite financially stressed, which adversely affected the smooth implementation - and finalization - of the Joint Programme activities. It was reported, for example, that:

“The second tranche of the EU funds which was expected in 2011 was disbursed only in July 2012. The delay was due to the fact that it took a lengthy process for UNDP to produce financial reports in the format that was consistent with the EU contribution agreement… The problem was subsequently resolved by amending the Contribution Agreement itself, so that financial information as produced by Atlas could still meet the requirements of the EU Contribution Agreement.”[[37]](#footnote-37)

102. There were also traces of delayed implementation attributed to the UNDP financial and disbursement procedures. As the Programme’s Progress and Financial Report for 2012 observed,

A key challenge during the period was the lower amount of funds accessible by the project to implement planned activities. Although UNDP made available additional resources, disbursement was constrained as expenditure needed to conform to the UNDP-EU Contribution Agreement.

103. The efficiency of the Programme was also affected, as earlier alluded to, by what seemed to have been an overly ambitious effort to undertake a multitude of activities within a short period and with limited resources. If more care was taken to reflect on the magnitude of the challenge that the Programme intended to address, some sense of realism was going to be factored in at the design stage by focusing, in a more logical manner, on what was ‘doable’ in the light of the serious M&E systemic shortfalls in Malawi. A more sequence and nuanced approach that recognized the different layers of need and the fact that some interventions required to come up-front earlier than the others may have offered better promise for Programme *efficiency*. Due to broad-based capacity challenges in many sector ministries, the economists that were recruited for the M&E function were often assigned other duties that at times overshadowed their primary responsibility, an aspect that contributed to the inefficiency of the monitoring function in these sectors.

104. The assessment of the *sustainability* of JPSME II interventions raises fundamental questions regarding the ‘survivability’ of the interventions that were deemed successful. A number of achievements are worth noting that could secure the sustainability of the results from the interventions. *Firstly*, the many economists, M&E officers and data entry clerks that were recruited have now been absorbed in the mainstream civil service and, as a result, one can argue that the Programme has resulted in human resource capacity enhancement for the Government. The apparent scarcity of qualified professionals within the civil service for some of the core functions of Government, including in the areas of M&E and RBM, suggests that JPSME II has left in the system valuable human resource. This point ought to be interpreted correctly though especially if the personnel-related costs, including salaries, of these people are automatically transferred to the Government that is fiscally stressed and which did not plan to absorb additional human resource much as it may be required. Under normal circumstances, the recruitment in the civil service is guided by criteria that consider, *inter alia*, the ability of the civil service to sustain and retain personnel. Ideally, personnel recruitment should be guided less by the ;availability’ of personnel from closing down externally-financed projects and more a function of carefully assessed human resource needs whose recruitment must be guided by the capacity of the system to retain and adequately reward them. One of the eminent challenges of absorbing labour that was not included in the establishment is that the people brought in may find that there are no well-structured career paths for them to progress beyond the position they were recruited under by an externally-funded project. Consequently, frustration among the recruits could easily set in, which does compromise their effectiveness and the sustainability of what they are hired to perform.

105. *Secondly*, through the training activities undertaken under Programme finance, capacity has evidently been up-scaled, which is evidently a positive contribution to the overall national capacity building effort. At the end of the Joint Programme in March 2013, many sector ministry officers were trained by local institutions in the fields of project evaluation, M&E, RBM and impact assessments. All M&E officers in district councils were also trained in the basics of M&E. Overall, a total of 500 Government and CSO staff were trained in M&E processes, including in the user-interface of MASEDA. Consequently, all the trained personnel can use MASEDA to inform their annual planning. In addition, all the sectors were reported to have had their M&E frameworks crafted with MEPD technical assistance. This has included the establishment of a reporting system that has enabled sectors to submit quality quarterly and monthly reports. MASEDA has also been institutionalized and launched within NSO.

106. The issue of sustainability of the M&E System in Malawi ought to understood in the context of not only the of JPSME effort but, perhaps more importantly, in the degree to which the UN support has been well calibrated into the larger M&E framework and the extent to which it has complimented and supplemented Government effort. This is because, if not well integrated into the national system and if the Joint Programme set up parallel structures, the reduction (or complete cessation) of UN support could result in serious financial and technical capacity gaps in the monitoring system, which could spell doom for the sustainability of the good intentions of the Joint Programme.

107. In the context of the above, it is important to look at the Government’s own National M&E Master Plan that was launched in 2012 and that was prepared to inform the development, integration and implementation of M&E systems in the country.[[38]](#footnote-38) The Master Plan aims to come, by 2016 (next year – and when the current UNDAF ends) with “an integrated and user-friendly Development Monitoring Information System which would serve as a data and information warehouse, linking major data bases and information sources relevant to poverty monitoring ... and facilitate and organize the flow of information allowing its speedy use by analysts, economist, statisticians, decision makers and other stakeholders.”[[39]](#footnote-39) To what extent did the completed activities of JPSME II that were finalised in March 2013 set a solid groundwork for securing a faster operationalisation of Government M&E Master Plan? This question speaks, *inter alia*, to the sustainability of the noble objectives of the Joint Programme.

108. While appreciating the positive achievements of JPSME II as catalogued above, one of the persistent challenges that have remained up to now relates to the frailty of the M&E Division under the Ministry of Finance. The Report produced by the M&E Division itself and released in December 2014 lamented as follows:

“Despite progress, after more than eight years of concerted efforts [read: JPSME I & II effort] to develop national M&E systems, there are concerns about the overall effectiveness of M&E at all levels…[National M&E Master Plan’s] almost 100 actions expected of the Secretariat in M&E Division over the period 2012-2016 have remained fragmented expectations. The current report seeks to rationalise and prioritise key areas that M&E Division can facilitate to be delivered by a range of partners in central and sector ministries and in Local Government and civil society. Many of the actions in the M&E Master Plan still need to be done in order to achieve the recommendation in this report… *Efforts to strengthen and consolidate M&E as a key tool for accountability and evidence based planning and management appears to have had only limited results*. The incentives to produce and the demand for quality M&E have been insufficient and more realism is required on the political economy context for data utilization.” (emphasis added).[[40]](#footnote-40)

109. These are eye-opening revelations by a Government report. One of the identified challenges that continue to constrain the effective realisation of the agenda to enhance the M&E system in Malawi relates to finance, a state of affairs that has been highlighted in both the 2013 End-of-Term evaluation of JPSME II and the 2014 State of M&E in Malawi Report.

“The M&E budget allocation is small and lacks vehicles and personnel. Lacking an M&E fund at central level, the system is largely dependent on funds for M&E in sector ministries... After the ending of the multi-donor JPSME programme, DEAP… has been supporting the M&E Division. In addition, UNICEF has also contributed support for M&E in 7 Districts… It remains a challenge to generate and synchronize data and link all systems and databases currently in use in government. There are concerns about data quality and a perceived low utilization of M&E products for evidence-based decision-making.”[[41]](#footnote-41)

110. The over-dependence on external financing for the national M&E System raises legitimate questions regarding the sustainability of the supported interventions. This means that the sustainability of the JPSME results and outcomes will depend on the extent to which the Government is able and/or willing to commit sufficient resources to support continued implementation of the interventions. Everybody whose views were solicited during the course of this Evaluation agreed that the sustainability of the results from the Joint Programme remains key to the overall Public Financial and Economic Management Reform Programme (PFEM RP). The overall goal of this recently introduced Reform Programme, which brings together under its unified umbrella all capacity development initiatives, is to bring some coherence in the multiplicity of somewhat disjointed reforms effort that aim to achieve overall fiscal discipline; resource allocation according to a well presented government strategy; and value for money in terms of effective, efficient and regulated use of resources to achieve desired service delivery. The deliberate effort that JPSME made to strengthen local capacity among training institutions to deliver RBM, MGDS-Based Planning and Costing and HRBA training is commendable as it was one way to expand and consolidate the required human resource skills base required by PFEM RP. Using a common basket funding modality, which has established a multi-donor Trust Fund that is being administered by the World Bank and executed by the Government, this effort would significantly be enhanced by some of the positive results from the efforts under JPSME II.

#### 3.3.2.3 M&E Performance after JPSME II

111. A good number of positive achievements are particularly worth highlighting in the area of support to RBM under UNDAF during the period after JPSME II. *Firstly*, the Government, through UNDP support, is piloting RBM in 3 ministries and 4 districts as part of its overall support for M&E. The relevance of this process ought to be appreciated in order to demonstrate why the inclusion of RBM in the UNDAF activities is commendable. Basically, RBM is both a management approach that offers a set of tools for strategic planning, monitoring and evaluating as well as for organisational learning and improvement. At the core of “results-based thinking” is the concept of the *results chain*, a schematic illustration of the intended causal relationships between various elements of an intervention over time. The results chain clearly shows the plausible, causal relationships among the elements, while also clarifying the various cyclical processes and feedback loops planners, implementers and evaluators need to be aware of, an aspect that is quite critical in Malawi given the rather uncoordinated implementation and monitoring processes currently obtaining across the Government and donor systems. The basic rationale under RBM is to plan from right to left by initially focusing on impacts and intended outcome and then identifying the outputs, activities, and inputs required to achieve them. Tracking performance then goes from left to right, feeding information back to inputs and activities to make necessary adjustments and improvements, thus, leading to better *results* (or Outcomes). The UN System at HQ has actually adopted the RBM as a useful approach to programme design, management, monitoring and evaluation and, for this reason, including RBM in Outcome 4.2 is highly commendable as it is in line with the current thinking, globally.

112. *Secondly*, there is clear evidence that the introduction of PBB as a substitute to the current output/activity-oriented budgeting is essential in the medium to long term. This is because PBB makes it easier to link M&E activities with budget evaluation, an aspect that has important implications for the enhancement of RBM. The ability to reflect both expenditures and results within the same programming and reporting system, if done properly, should reveal the extent to which PBB is a desirable option. Already, some progress has been registered towards PBB. For example, Integrated Planning and Budgeting Guidelines have been developed by a joint team of Government, which could accelerate progress at this level. It is expected that the Guidelines would cover all the essential areas that ought to be taken on board, including planning, management, monitoring, evaluation, performance management and learning. In addition to this, a pilot budget document was presented to Parliament for the 2014/15 budget. Another important element under the RBM interventions relate to training in RBM, including the development the RMB Training Manual. Appendix 4 presents detailed progress per activity for Output 4.2.2 as reported by the annual UNDAF progress report for 2014. A good number of activities are reported as having been accomplished.

113. A closer scrutiny of how progress is reported in the UNDAF Progress Reports, however, reveals that the design challenges are replicated at the level of monitoring and reporting progress and that, to a significant degree, the adoption of the principles of RBM remains as much a challenge within the Government reporting system as it still is at the level of reporting UNDAF progress within the UN itself. At the UNDAF preparation stage, there was an erroneous assumption that one can have a set of very specific activity-related performance indicators for Outcomes and another set for Outputs. Consequently, the monitoring and reporting of performance of Outcome 4.2, on the one hand, and its four Outputs, on the other, are reported separately. Thus, according to the 2012-2013 *UNDAF Progress Report*, whereas what is classified as “Outcome” performance of the Governance and Human Rights Cluster (under which Outcome 4.2 falls) show that 17% of interventions were “on track;” 58% “partially on track,” and 25% “off track,” the *Output* indicators for the same cluster reported a different performance record (17%, 54%, and 27%, respectively).

114. The confusion reported above is brought about by the designers of the UNDAF having assigned specific activity-based performance indicators for the Outcome and separate ones for its Outputs*.* Even more revealing of the anomaly, the indicators that are supposed to measure Outcome 4.2 performance are so activity-related as to make the login more disconcerting. These are given as: (a) percentage of senior public servants trained in leadership and management; (b) percentage of aid reported in the national budget; and (c) percentage of ministries with functional M&E systems. This implies that, according to the crafters of the UNDAF, if there were percentage increases in the three performance indicators, then Outcome 4.2 would have been considered achieved, which is erroneous and misleading.. It is noted that these misleading indicators were used to monitor and report progress in the 2012-2013 *UNDAF Progress Report* but were abandoned in the subsequent 2014 Progress Report, probably because the anomaly became too obvious.

115. The anomaly in the 2012-2013 *UNDAF Progress Report* was also reflected in the artificial separation of “Output Indicators” and what is termed “Annualised Key Results,” which relate to the collective performance of the programmed activities for the reporting year. Again, the separation, in reporting, of the performance of the listed activities in a given year (annualised) and “performance against Output indicators” is difficult to discern since it is really what happened in the programmed annual activities that should have determine the overall output performance. So, taking the reported 2014 UNDAF performance as an example, the *UNDAF Progress Report* showed that 82% of the “Annualised Key Results” were completed/achieved and only 18% was not completed/achieved. Does this, therefore, mean that almost all of the activities under UNDAF Outcome have been very successful? What defines success? Was there an effort by those that arrived at this ‘good performance record’ to look at actual effects/results of the interventions? Does an efficient execution of activities necessarily translate into a “success” verdict, for example, if 82% of the annualised activities are classified as having been “achieved”? Is this really results-based management (RBM)?

116. From the standpoint of this Evaluation, it is clear that, in the UNDAF design document (Results and Resource Framework), the measurement of Outcomes was generally misconceived, a state of affairs that speaks to the need during the next UNDAF design for a better appreciation of programming tools especially with respect to monitoring that focuses on ‘real’ results/outcomes (RBM). It seems clear that, during the UNDAF design stage, terminologies that are so basic yet fundamental to appreciating the M&E processes were often used interchangeably, resulting in some level of confusion regarding what exactly is *being* measured, *should* be measured, *can* be measured, and *how* this should be done.

117. The UNDAF design anomaly stated above has been replicated at the level of reporting performance/success by the UN agencies in the UNDAF Progress Reports. A number of important issues about M&E ought to be appreciated here. Firstly, the attainment of the Outcomes cannot be measured/determined independently of the measurement of Outputs for the former is a product of a collectivity of several outputs. Secondly and perhaps more importantly, any broad indicators for Outcomes cannot be reduced to a set of mere activities outside what the targeted outputs are meant to achieve. Since there has been major initiatives globally that justify a fresh look at the M&E systems and processes especially in the light of the Paris Declaration on Aid Effectiveness and the UN reorientation towards RBM, it is appropriate that there is a common appreciation among the crafters of the UNDAF and those in charge of monitoring within and outside the UN System of the basic terminologies used in RBM. At the risk of preaching to the many that are already converted, a recitation of these is merited here.

118. One aspect that the design of UNDAF in Malawi seemed to have missed relates to the failure to adhere to the standard protocol that governs the preparation of UNDAFs, as guided by the HQ guidelines. It is a standard procedure that an UNDAF must have two programming matrices, namely (a) UNDAF Results (and Resources) Matrix and (b) UNDAF Monitoring and Evaluation Framework. The framers of the UNDAF Document seemed to have attempted to collapse these two important programming instruments into one without success and the manner in which the information is presented has remained quite confusing. Moreover, the Results Matrix in the UNDAF Document and the one in the UNDAF Action Plan that is meant to operationalise it are not identical, thus, introducing some confusion at the level of implementation and monitoring. Perhaps more disconcerting, it is not easy, under each Output, to link a given UN Agency to a particular activity as they all are listed together as responsible for a set of diverse activities. Consequently, it is quite easy, as seems to have been the case, for a UN Agency to find itself listed in several Outputs and yet there is little indication that they are, indeed, fully engaged. This is partly because, since agencies are just listed without clear assignment against a set of activities, they cannot be pinned down to a deliverable and, hence, cannot be easily made accountable for a given intervention’s success or failure. Outcome 4.2, in particular, suffers from this problem whereby many UN Agencies are listed as being the implementing agencies yet only one or two could be fully committed in both resource allocation and actual engagement at the implementation level. It has been established in this Evaluation that UNDP assumed most of the responsibilities under Outcome 4.2 with UNICEF assuming some responsibilities. The level of engagement of others that are listed such as UNAIDS and UNFPA have assumed a rather peripheral role. This suggests the need to ensure that, during the programming of interventions, clear assignments of roles and responsibilities are made.

## 3.4 Output 4.2.3: Effective Aid Management

### 3.4.1 Overview

119. Output 4.2.3 relates to the enhancement of Government capacity to effectively negotiate, manage and account for development assistance. Box 3 presents the main elements of Output 4.2.3 as outlined in the UNDAF Action Plan.

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| **Box 3: Output 4.2.3**  ***Output 4.2.3 Government has sufficient capacity to effectively negotiate, manage and account for development assistance [UNDP]***  The UN will assist the Government of Malawi to review and update the Development Assistance Strategy (DAS) to ensure that it remains relevant to the aid effectiveness (now called development effectiveness) agenda. The Aid Management Platform (AMP) will be developed further as the main tool for sharing aid information. The functionality of sector working groups will be reviewed and specific actions taken to enhance participation of all key partners and improve their coordination role at the programming level. To promote aid accountability and transparency, procurement audits will be conducted to ensure compliance with procedures. In addition, key staff in selected sectors and district councils will be trained in their roles and responsibilities to influence an effective internal audit function. Support will also be provided to the national audit office to strengthen the NAO’s capacity to discharge its audit oversight functions and ensure that annual audits of key public entities are carried out and compliance and action is implemented by controlling officers. The UN will advocate for an analysis of the link between the country’s macroeconomic framework and development effectiveness. The UN will also support specific and specialized training in aid negotiation, coordination, management and accountability for key staff in the Public sector including Parliament and Civil Society Organisations as well as to private sector.  Source: UNDAF Action Plan: 2012-2016 |

120. A number of interventions have been programmed in the current UNDAF in pursuit of the objective of improving the effectiveness of aid management, which includes the Government capacity to negotiate, manage and account for external support/aid. A closer look at the main ones is made below.

### 3.4.2 Support to the Aid Management Platform

121. The assumption behind management for results is that all parties in the aid relationship must primarily focus on the end result of aid and, thus, target *impact* rather than mere *outputs*. The putting in place of a dependable performance assessment framework to measure the impact of aid is, thus, implied. Overall, there have been some positive developments at the level of management for results that could be attributable to the UN support. The Government, with UNDP support, created in 2008 the aid information management system, namely, the Aid Management Platform (AMP) that tracks foreign aid and debt commitments and disbursements. AMP is a customized, Government-hosted, web-based tool that allows Government and DPs to track and share information on aid-funded activities. Housed within the Debt and Aid Management Division (DAD) of the Ministry of Finance (MoF), AMP has offered financial information at important levels, including donor commitments and disbursements. The generated data from the AMP platform, covering information from around 30 DPs, has been used to produce useful reports that have included the Malawi Aid Atlas (which is supposed to come out annually); Quarterly Aid Disbursement Reports; and Quarterly Monitoring Reports of Donor-funded programmes/projects. It is noteworthy that AMP’s relevance is more pronounced at revolutionalising aid monitoring and reporting in Malawi, which should contribute towards management for results. Before AMP was established, aid data was handled through an excel template, which had limitations in data handling and accessibility. AMP upgrading process started in 2009 and, thanks to UNDP, the system can now allow CPs to log-in remotely and update the data directly. Since September 2011, some DPs have been uploading their disbursement data directly on the AMP, which is now on-line.

122. One important innovation of the AMP was its rolling out to NGOs in May 2014. This entailed the collection of information on non-Development Partner funding sources of NGO activity. Over 20 NGOs were trained for this purpose. The only reported constraint to this important NGOs training effort related to insufficient human resources within the DAD, an aspect that has affected the integrity of data that is received from NGOs. In the light of the above, the *relevance* of AMP is unquestionable.

123. AMP has significantly contributed towards the improvement of the monitoring of projects and activities that are supported by DPs which, in turn, should have resulted in enhanced implementation of supported activities. With improved data reporting/dissemination and, perhaps more importantly, better focused and better targeted analyses, AMP holds great promise in contributing towards management for results through support for evidence-based decision making among DPs and within Government. This is because, in its current state, the AMP (a) has reduced the transaction costs to Government as it has allowed officials to focus their attention on donor behaviour analysis and on verifying what DPs have submitted on-line in real time; (b) to the extent that DPs are uploading the data themselves, reporting errors must have been minimised, an aspect that has improved data integrity; (c) the Platform has allowed DPs to have real-time access to data/information on all the other donor activities in the country, which should improve donor harmonisation, coordination and alignment. There, however, still exist cases of some DPs failing to provide aid data timely and, in some cases, incomplete information is tendered. This state of affairs has negatively affected the proper recording and reporting of aid flows, which has resulted in compromising the efficacy of the Government’s planning and budgeting processes considering that aid still accounts for a significant share of the total national budget. The fact that the latest Malawi Aid Atlas is for the 2010/2011 financial year has affected the currency of what is being accessed by the larger population that are not able to access the computer-based online AMP considering that computer literacy (as well as access to computing and on-line services) is low among the general population and internet connectivity is still a privilege of a few.

124. In response to increasing calls for transparency in resource application and demands for geographic funding information, the Government, with UNDP support, added to the AMP the Geo-coding Initiative that allows for the tracking of the location of all aid activities in the AMP. This effort has potential equity enhancement attributes as it reveals visually the geographic funding gaps, particularly at the sub-national levels.

125. Another major innovation of the AMP relates to the proposal to import Government contributions and projects into the platform from IFMIS, which is envisaged to include information on stand-alone government-financed development projects. Government input to externally supported projects, currently not captured in the AMP, has been proposed to be included, and so is on-budget projects expenditure. This would require the reorientation of AMP’s integration tool to enable it to be able to import budget data in CSV format. Once these innovative proposals are operationalised, investments financed by both the Government and DPs will be available within a single platform. This would improve donor coherence with respect to their support to Malawi. It will also allow for a more coordinated and harmonised approach to development cooperation. All these aspects speak to the efficiency and effectiveness aspects of the AMP.

126. A number of good results have been recorded. A recent M&E review, for example, noted the following:

“As of 2013, 61 percent of aid in Malawi was being reported in the national budget. The geo-coding module enables stakeholders to examine the geographic focus of Government and donor support, as well as areas which are not supported, facilitating evidence-based decision-making. The Aid Management Platform (AMP) has been integrated into the budget and a strategy for further implementation has been established. This will allow for real time data transfer between systems for planning and decision making. Once fully implemented, it will provide users with a complete and transparent picture of all development spending. All DPs can report using the online AMP module. Online access has also been extended to 24 International NGOs/CSOs who can now report on the platform, bringing accountability across the spectrum.”[[42]](#footnote-42)

127. While the *relevance* and *efficiency* of the AMP is clear from the above, there are still challenges that require attention in order to enhance the Platform’s value as an important planning and monitoring instrument. Although the AMP has the capacity to do so, expenditure data is currently not being tracked. Generally, although AMP does capture data from development partners, it does not track performance. Prior to 2005, donor disbursements were basically off-budget. The current thinking is that there should be closer integration of the AMP with the Government IFMIS system particularly at the level of project identification and the tracking of expenditure. This is because tracking expenditures is a sure way of monitoring actual financial performance of projects and, in this regard, such a process avails planners and policy makers with the requisite vital information regarding the quality - and likely effects - of project implementation. The June 2014 report by the Development Gateway on Budget Integration Assessment in Malawi observed as follows:

While it is completely understandable that off-budget projects would appear in AMP but not in IFMIS…, it is a significant challenge that only 5 of 24 development projects in the IFMIS from the pilot subset of the 2012/2013 development budget could be easily found in the AMP. Similarly, many projects in AMP which had been reported as being on-budget did not appear on the Government of Malawi’s balance sheet. [In addition], definitions across departments may not be the same, causing confusion…At the moment, the AMP tracks financial commitments and disbursements, but not expenditures…Given that the AMP contains several planning and analytical tools (dashboards, reports, GIS, etc.), there would be significant value in importing expenditure data to the AMP to make it possible to see how implementing agencies for on-budget projects are managing real expenditures.

### 3.4.3 Support to the Development of the Development Cooperation Strategy (DCS)

128. UNDP has supported the preparation of the Development Cooperation Strategy (DCS), which has since been launched. Overall, DCS aims to advance the five mutually-reinforcing principles of the March 2005 Paris Declaration on Aid Effectiveness, namely, country ownership[[43]](#footnote-43) alignment,[[44]](#footnote-44) harmonisation,[[45]](#footnote-45) managing for results,[[46]](#footnote-46) and mutual accountability.[[47]](#footnote-47) DCS also aims to domesticate most of the principles that guided the 2011 *Busan Partnership for Effective Development Cooperation* whose agenda aims to focus action at the following five strategic levels:

1. Deepen, extend and operationalise the inclusive ownership of development policies and processes.
2. Strengthen efforts to achieve concrete and sustainable results though more effective tracking and communicating of progress; scaling up of support; and leveraging resources and initiatives in support of development results.
3. Broaden support for South-South and triangular co-operation, thus, harnessing fully the benefits of diverse modalities and approaches to development co-operation.
4. Ensure that development co-operation is transparent and that transparent practices are promoted as a basis for enhanced accountability.
5. Support developing countries as they access other resources and forms of development finance, including from the private sector.

129. Under the banner “*From effective aid to co-operation for effective development*,” the Busan Agenda stresses that aid is only part of the solution to development and recognizes the need to broaden the global and country-level focus from aid effectiveness to the challenges of effective development. This new vision is founded on the following understanding:

1. Development should be driven by strong, sustainable and inclusive growth.
2. Governments should raise their own revenues to finance their development needs and, in turn, should be accountable to their citizens for the development results they achieve.
3. Effective state and non-state institutions should design and implement their own reforms and hold each other to account.
4. Developing countries should increasingly integrate, both regionally and globally, creating economies of scale that would help them better compete in the global economy.

Appendix 5 presents the detailed progress per activity for Output 4.2.3.

## 3.5 Output 4.2.4: Alignment of Policies to Development Strategies and MDGs

### 3.5.1 Output Background

130. The Government of Malawi has spearheaded socio-economic development through successive medium term strategies. From a Poverty Reduction Strategy that expired in 2004, Government developed the Malawi Growth and Development Strategy (MGDS) which focuses on both economic growth and development priorities. The first MGDS expired in 2011 and was succeeded by MGDS II (2011-2016). MGDS II has six thematic areas and nine priorities (see Chapter 2 above). Reviews of the MGDS II and of the Millennium Development Goals (MDGs) showed that the achievement of development goals and the MDGs was greatly influenced by the quality of the design and implementation of the MGDS and related Annual Work Plans and the national budget. It was further established that the planning tools that Government uses for aligning policies, programmes and budgets with the MGDS were not fit for purpose. In particular, the credibility of the budget was found to be undermined by weak links between the planning tools, namely the Medium Term Expenditure Framework (MTEF), the Public Sector Investment Programme (PSIP) and District Development Plans.

131. It was further established that the weak linkages between MTEF, PSIP and MGDS planning processes resulted in ineffective use of development resources and misalignment of programmes and budgets to national priorities and international benchmarks or targets. On the basis of these considerations, the UN put together a Joint Programme aimed at strengthening institutional capacity for development effectiveness and accountability. Output 4.2.4 is one of the desired results of the Joint Programme. It has three main components and each has deliverables as summarized in the Table 2:

**Table 2: Components of Output 4.2.4**

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| --- | --- |
| Component | Deliverables |
| 1. Result based management | Program based budgeting |
| Support to annual budget analysis |
| Review of district planning manual/guidelines |
| Training needs assessment on MDG based planning and costing tools |
| 1. Sector Working Group Management | Periodic review of the functionality of SWG and updating SWG guidelines |
| Setting up a calendar and reporting mechanisms for SWG meetings |
| Supporting ministries in launching the SWG |
| Joint learning events for SWG members |
| Joint discussions between sectors |
| 1. Development strategies reviews | Production of National Human Development Report (two editions) |
| Assessment of MDGs |
| Review of District planning Guidelines to incorporate RBM |
| Mid and end term review of MGDS II |
| MGDS II communication strategy |
| At least three thematic evaluations of the MGDS |

### 3.5.2 Performance Assessment

#### 3.5.2.1 Result- based Management

132. Under this component, two interventions were implemented. The first is support to programme based budgeting. The second is support to budget analysis.

##### 3.5.2.1.1 Support to the Programme-Based Budgeting

133. In order to ensure an integrated and results-oriented national planning that uses the MTEF, the Development Effectiveness and Accountability Program (DEAP) supported the introduction of Programme based budgeting (PBB). PBB links resources to results through the budget process. The RBM and PBB are considered to be essential parts of this. In the period covered by this Evaluation, good progress has been realised at a number of levels. Firstly, a core PBB thirteen member team was established. Secondly, consultative workshops were held between PBB and RBM core teams to work out the integrated planning and budgeting manual. Thirdly, the PBB was piloted in five government institutions - Ministries of Agriculture, Education, Health, Finance, Economic Planning and Development and The national Audit Office. The pilot’s aim was to showcase the merits of the results-focused approach to budgeting, which is an approach that holds the greatest promise towards the achievement of *results* in the country’s planning and budgeting processes. However, only three budgets were presented to Parliament as part of the 2014/2015 national budget. This was because of the reorganisation of ministries by the new Government, which saw the combination into one of Ministries of Finance and Economic Planning and Development.[[48]](#footnote-48)

134. It is expected that, in due course, PBB will replace the current output based budgeting (OBB) that is used in developing the national budget. The Evaluation has concluded that PBB is relevant and is consistent with the RBM approach that government is adopting for its development programmes. Unlike the current output-based budgeting (OBB), the PBB compels focus on real development results so that resources are not used for activities and outputs that do not directly contribute to desired changes.

135. A closer scrutiny of PBB suggests that it could be prone to suffer the same problem as SWGs in that the parameters of a ‘programme’ are driven more by the mandates of ministries, departments and agencies rather than the planned results. This suggests that more groundwork is required to ensure that the concept is well understood and fully embraced. The merits of PBB over OBB are obvious (Box 4).

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| --- |
| **Box 4: The Merits of Programme-Based Budgeting**  Programme Based Budgeting (PBB) is a process whereby budgets are formulated and appropriated by program, aligned to Votes and corresponds to institutional strategic objectives. In this reform the budget will be prepared in a programme nature unlike in the current Output Based Budget (OBB) where the programs used are based on the functions of Government. Program is a group of activities intended to deliver common outputs for the achievement of outcomes within a given budget.  According to section 22 of the PFM Act (2003), the Ministry of Finance is required to present the budget estimates in an Output format and appropriated at Vote level by Parliament. At present Government Ministries and Departments set out what outputs they want to achieve, and cost them. There are several weaknesses to the current approach including the way outputs are defined (often inputs and activities listed), the way costs are grouped (by classification not objective), and lack of focus on outcomes and measurement towards objectives. There is therefore less emphasis on performance and results but rather on inputs.  In scrutinizing the budget estimates one cannot clearly see a direct link from strategic objectives (results) to budgets (resources). What can be discerned is which line items have either over or under spent, and what activities were carried out and which ones were not. There is no way of easily knowing whether any divergence from the plan had detrimental effects to the Vote’s objectives, even if the objectives were met.  The main focus of Program Based Budgeting is linking resources to results. For example, if the Ministry of Agriculture had two core strategic objectives; to improve maize productivity, and to diversify agricultural exports, then it would formulate two programs: (1) Increasing maize productivity program and (2) diversifying agricultural exports program. Each program has a defining objective, with relevant outcome and output indicators to ensure progress against those objectives is measured. All costs (recurrent and capital) associated with the achievement of those objectives must then be captured under that program.  With the current emphasis on accountability of resources, the Government and taxpayers need to know that their money is being effectively spent to achieve the development outcomes planned. At present, it is difficult to determine whether resources are effectively applied or efficiently utilized. Furthermore, there are no incentives to align efficient spending with desired outcomes. |

136. Notwithstanding the above, there is reasonable enthusiasm for PBB within the public service because of the potential that it has for focusing attention on change-oriented results. It is recognized that a different level of advocacy is required in order to realize PBB on a more sustainable basis. The first observation is that, under the current Public Finance Management Act, the Minister of Finance is legally required to present budget estimates based on OBB format and appropriated at vote level by Parliament. This means that the adoption of PBB will require legal reforms. Furthermore, discourses around budget formats in Malawi are very much influenced by the IMF and World Bank. In this regard, it is advisable for UNDP to ascertain the positions of these agencies on PBB for Malawi before committing more resources to this initiative.

##### 3.5.2.1.2 Support to Annual Budget Analysis

137. As one way of ensuring that policies, programmes and budgets are aligned with the national development strategy, UNICEF has been providing support to annual budget analysis focusing mainly on its effects on the social sectors. The purpose of the analysis is to check for variances between budget allocations and agreed to international and national targets and to check for consistency with national development priorities especially the MDGs. UNICEF intervention consists of two activities. First is the analysis of Government budget as presented to Parliament by the Minister of Finance. The budget analysis report is used to engage Members of Parliament in the various committees while they sit in their clusters to consider the budget.[[49]](#footnote-49) The analysis focuses on variances and incompatibilities between the proposed budget figures and the high level commitments expressed in the national development strategies and other internationally agreed guidelines and conventions. This Evaluation established that members of Parliament have found this to be very useful and informative as it has helped them to quickly understand the budget and pronounce themselves on these issues during budget debates.

138. In the period under review, progress was registered on this deliverable. In 2013, Terms of Reference as well as analytical tools for a consultant to carry out the budget analysis were developed. However, due to inadequate funds, the budget analysis could not be carried out immediately.[[50]](#footnote-50) By July 2013, an analysis of the Social Services Budget had been done covering the financial years from 2007/08 to 2013/14. The analysis was commissioned by Malawi Economic Justice Network and supported by UNICEF.[[51]](#footnote-51) Similar analysis was carried out for the 2014/15 budget.[[52]](#footnote-52)

139. In spite of the value of the support to budget analysis, securing budget amendments has not been very easy. Technical arguments and reasoning are shelved for political expediency mainly because it is opposition MPs that lead in questioning inconsistencies between higher level commitments and the allocation of resources.[[53]](#footnote-53) Consequently, only on a few occasions have allocations to votes been changed and the changes have not been significant.[[54]](#footnote-54) Nevertheless, budget debates have often been informed by analyses supported by UNICEF. This has positively contributed to highlighting pertinent issues and helped in placing or sustaining specific development concerns on the political agenda.

140. There are two key challenges for support to budget analysis. The first is the question of sustainability. It requires that money be made available to hire consultants and convene meetings of the relevant cluster committees of Parliament. In this regard, it may be useful to explore investing in Parliamentary research services to build in-house capacity for budget analysis. The second challenge relates to the position of UN agencies in carrying out direct advocacy work or activism. It is evident that aligning budgets with policies and programmes requires vocal activism that UN agencies may not carry out. It is, therefore, advisable that civil society actors in the relevant sectors be identified and supported to carry out advocacy work that will increasingly align policies, programmes and budgets to national development strategies and internationally agreed development goals. Commissioning the analyses through MEJN is a good start. However, increasing impact of the analyses will require that relevant CSOs be brought on board to use the analyses for more advocacy work. A more effective strategy for the dissemination of the results of the consultants’ budget analyses, targeting both Government and CSOs should help in influencing public opinion that should, in turn, make parliamentarians more receptive to the findings of the analytical works.

141. Besides support to budget analysis, Public Expenditure Tracking Survey (PETS) was planned for 2014. However, the activity was delayed such that, by December 2014, only training on impact evaluation had been carried out in preparation for the PETS.[[55]](#footnote-55)

##### 3.5.2.1.3 Training Needs Assessment Report on MDG-based Planning and Costing Tools

142. A review of Malawi’s performance in 2010/2011 showed that the country was going to miss most of the MDG targets by 2015. It was also observed that budgetary resource allocations and development work plans were not directly speaking to the aspirations expressed in the MDGs. Although there are many factors that explain the weak performance on MDG targets, lack of skills in planning for MDGs was singled out. Consequently, a training needs assessment was carried out with heads of planning and other officers in the ministries of Health, Education, Energy, Local Government and Rural Development, Gender, Justice and Constitutional Affairs. These ministries were selected because of their central portfolio linkage to the MDG targets and indicators. This Evaluation found that the needs assessment was carried out in 2013 and that the report was going to be used in developing a training module on MDG planning and costing that would be used for training in 2014. The Annual progress for 2014 shows that the module was developed[[56]](#footnote-56) but the training was not yet done and carried forward to 2015.

143. An important observation here is about the timeliness and, therefore, the relevance of the intervention. The MDGs were adopted in 2000 for a fifteen year span. It would have been more helpful if the training needs assessment of this nature was undertaken shortly after the launch of the MDGs. It is, thus, unlikely that the needs assessment would alter much with regard to the alignment of planning and budgeting with the MDGs. The assessment would, still be important in readiness for the post 2015 period for the MDGs successor goals, namely, the Sustainable Development Goals (SDGs). In this respect, it is recommended that UNDP pursues the current effort to ascertain the skills and capacities needed of the country particularly in the key sectors that are strategic to service delivery improvements.

##### 3.5.2.1.4 Support to Sector Working Groups

144. The Government of Malawi established Sector Working Groups (SWGs) in 2008 as a means of implementing the National Development Strategy as well as fulfilling and localizing international commitments on aid effectiveness, notably the Paris Declaration and the Accra Agenda for Action (see analysis of Output 4.2.3 above). The Government’s policy since then is for its Ministries, Departments and Agencies (MDAs) as well as its stakeholders to use SWGs in delivering development programmes. SWGs are, therefore, meant to be building blocks for planning, implementing and reporting of progress in the implementation of the country’s National Development Strategies such as MGDS II.

145. This Evaluation has established that most of SWGs have had problems carrying out their mandates and do lack appropriate guidance for discharging their tasks. Through DEAP, UNDP has provided financial support for the development of new guidelines on planning and management of the SWGs.[[57]](#footnote-57)

146. During the second half of 2014, Government commissioned a study to review the performance of SWG,[[58]](#footnote-58) which concluded that these Groups have the potential to enhance alignment of policies, programmes and budgets to development priorities but that their current structure presents problems that compromise their effectiveness. Two problems stand out. The first is that the composition of the SWG mirrors the MDAs mandates rather than thematic areas that are driven by desired development results. The second issue is that SWGs do not have a sustainable source of funding to enable them carry out their work. Given the new roles of the SWG in the DCS where they are expected to feed into the dialogue structures for aid management and development effectiveness, and in the efforts aimed at introducing programme-based budgeting, it seems imperative that a way is found to financially support their work in a sustainable manner.

147. The role of SWGs requires serious reflections as they seem to have assumed an elevated status in Malawi’s economic governance in spite of the obvious challenges at the level of composition and effectiveness. UNCT, representing UN Agencies and, indeed, other DPs, need to open dialogue with the Government, through DAD, regarding the full extent of SWGs’ mandate. Scanning through the latest SWG Guidelines, an impression is made that these Groups have both consultative/advisory and implementation mandates, a worrisome provision as it does dilute and confuse the core functions of mainstream government functionaries. The following sample statements from the Guidelines do give this impression:

* “These working groups are generally the means by which programme-based approaches such as Programme Based Budgeting (PBB), Result-Based Management (RBM) and Sector Wide Approaches (SWAPs) or stand-alone projects are coordinated. The Joint Sector Strategies should contain the same programs as the medium-term expenditure frameworks (MTEF) and national budgets.” (pp. 2-3).
* “To be more effective, SWGs should develop, finance and implement a collaborative Joint Sector Strategy and Work Plan with established processes for negotiations and reviewing sectoral performance against jointly agreed milestones and targets.” (p. 6).
* “SWGs should establish a framework for mutual accountability among Government, development partners and other actors for their respective commitments.” (p.10).
* “SWGs should enhance harmonization of development partners' systems, procedures and activities, avoiding aid fragmentation through active pursuit of division of labour and delegated cooperation, and strengthening joint programming.” (p.11).
* “To ensure that each SWG acts as an effective mechanism for alignment and co-ordination of development assistance, all Development Partners within a sector should participate in the SWG. Development Partners membership of the SWG will enable them to participate in monitoring sector performance against mutually agreed objectives.” (p.12).

148. The quotes above seem to delegate to consultative bodies responsibilities that are normally the preserve of governments and legitimate concerns can be raised as to whether, once these functions are given to a body that include non-state and external actors, Government would absolve itself of responsibilities for omissions or commissions during the course of the performance of these tasks. While being consultative and inclusive is important as an assurance for good governance in the management of public affairs, it seems clear that important canons were overlooked by the crafters of these Guidelines as well as those that finally adopted them as Government Guidelines. The sheer size of the membership of the SWGs brings to the fore whether quality of decisions will not be sacrificed. In this regard, this Evaluation has concluded that the size of SWGs should, to the extent possible, be scaled down to ensure that the meetings are not so large as to compromise effective dialogue. The size of membership can also be down-sized through rotation, which should allow different DPs rotate in and out. Notwithstanding this recommendation, it is noteworthy that some sectors may require more representatives than others because of the number of issues being covered and the diversity of the issues handled.

149. Perhaps of particular interest to UN Agencies, as it should for other DPs, is the composition of SWGs. According to the most current (undated) SWGs Planning and Management Guidelines, “development Partners working in [the] thematic/functional area” are all expected to be members of the SWGs. A number of issues call for retrospection. To begin with, there are concerns among DPs, expressed during the course of this Evaluation, that the Government expectation that DPs should attend all the SWGs in all the sectors where they maintain presence is not only insensitive to the Paris Declaration tenets that demand of donors to allow partner governments to be in the driver’s seat but, equally important, that such attendance would be too onerous on the time of DPs. Many DPs interviewed during the course of this Evaluation maintained that the management of SWG should remain the sole responsibility of Government and that, rather than asking them to assume considerable responsibilities as quoted above from the new SWGs Guidlines, Government should take charge of these responsibilities.[[59]](#footnote-59)

150. The reported absence of adequate consultations with DPs during the preparation of the SWG Guidelines may have contributed to the seemingly limited appreciation of the reality that the form and extent of donor monitoring of Government programmes ought to be based on protocols that guide their country operations and presence, not excluding respect for such notions as national sovereignty and need to avoid getting too intimately into the running of the affairs of the host government. There is also need to manage better the routine contacts between donors and Government on matters that are of mutual interest in the donor-recipient relationships.

151. In the same spirit, the UN System is urged to facilitate conditions whereby the dialogue system recognises obvious sensitivities that, if improperly managed, could derail an otherwise cordial relationship with the Malawian Government. High level politically sensitive issues (such as democratic governance, which, interestingly, is also a Sector Working Group) that require high-level political officials, considerable doses of diplomacy, and backstage hard-nosed negotiations should ideally be left to those that are better positioned - and equipped - to handle them, not excluding ambassadors and high commissioners. The logic of having such issues being handled at the HLF level (rather than at SWGs level) immediately comes to mind. In this regard, it is recommended that, given its strategic position, UNDP sponsors a conversation with Government to consider transferring the responsibility for the Democratic Governance SWG to the HLF who are better placed to take follow-up actions on governance issues that are fundamentally of political orientation nature and whose associated sensitivities may have contributed to the hardening feelings between the Government and DPs at different times in the recent past. This recommendation does not preclude the establishment of strictly technical sub-groups that could be used to feed into the HLF dialogue with Government in this and similar areas.

##### 3.5.2.1.5 Production of the National Human Development Report

152. In order to better report on the performance of the MGDS II and the MGDs, UNDP supports the production of National Human Development Reports (NHDRs). A consultant was hired in 2013 to produce one on Inclusive Growth [[60]](#footnote-60) and by December 2014, position papers had been produced and reviewed. The NHDR has been produced.[[61]](#footnote-61) The Report is an important input to ensuring that vital information on the state of human development is available, which is important for informing enhanced services delivery as per the expectation of Outcome 4.2. NHDR presents useful quantitative and analytic data that, if adequately disseminated and utilised in decision-making, should inform the implementation of MGDS II as well as its monitoring. What is important, going forward, is to work towards improving the speed at which this vital Report is produced so that it is released annually. The production of the current one lasted for almost two years. It is further recommended that UNDP considers aligning the annual release NHDR with UNDAF and MGDS programming cycles so that its vital data and analysis directly inform national decision-and policy-making.

#### 3.5.2.2 Overall Performance

153. A number of implementation realities are noteworthy. *Firstly*, this Evaluation has established that, generally, there was slow take off in the implementation of activities that targeted Output 4.2.4. The implementation began in 2013 when DEAP was signed. This meant that a full one year under UNDAF programming/ implementation was lost for this Output.

154. *Secondly*, there have been some challenges at the level of resource flow towards the programmed activities for Output 4.2.4. The first year of implementation (2013) was starved of resources as UNDP was only able to provide 11 percent of its commitment. However, 2014 was much better resource-wise as UNDP met 99 percent of its budget commitment while the EU disbursed 81 percent of its pledges. This gave an admirable 90 percent budget delivery, which was good for targeting the programmed activities. *Thirdly*, there has been some coordination and planning challenges whereby the multiplicity of actors were not always well harmonised in their respective inputs. These included the Government itself, civil society and UN agencies. This often led to delays in implementing activities in spite of the availability of resources. Appendix 6 presents detailed progress for the January - December 2014 regarding Output 4.2.4.

155. *Fourthly*, there are inconsistencies in reporting as same activities are reported under different outputs in the Annual Progress Reports. In addition, the annual progress reports miss out some deliverables such as support to budget analysis. Such reporting frailties could be rectified if attention is given to detail and when the performance indicators are clearly specified. As a matter of principle, indicators must carry the following characteristics: Specific, Measurable, Achievable, Realistic and Time-bound (SMART). A good M&E framework must link objectives to strategies and strategies to performance measures which basically include financial inputs, human resource, infrastructure etc. The progress for all the activities that are undertaken should be measured.

### 3.5.3 Conclusions

1. The interventions being implemented to achieve the output are all relevant. However, they need to be seen to be a package rather than as isolated interventions that make their own independent contributions.
2. So far the effort on PBB appears to be on track as a pilot. However, a complete adoption will entail amendments to the Public Finance Management Act. Furthermore, other stakeholders such as World Bank and IMF will have to weigh in as they are important veto players in these issues in the country. Thus, UN agencies have to rise up to the reality of ‘working politically’ in order to achieve results. This means that, for future interventions, synoptic political economy analyses may be useful to map out key stakeholders and their attitudes towards proposed interventions. This will ensure that investment is made only into reforms that have traction.
3. While the UN’s principal partner is Government, securing some desired results will require riding against the political current. UN agencies are ill-placed for such advocacy work. It is advisable, therefore, to develop partnerships with credible civil society organisations that can carry out vocal advocacy work in the public realm. This is part of working politically to achieve results. The most important area is where budget allocations have to be checked for the consistency and compliance with programmes, policies and internationally agreed to targets.
4. For this output, it is observed that the UN’s level of delivery of resources is as high as 99% of the budget.[[62]](#footnote-62) However, progress reports show that there were delays to implement some activities such as PETS. While the budget absorption rate is commendable, time lapses for project activities represent efficiency losses and, hence, room for improvement is merited.

## Overall Conclusions

156. The analysis above is specific to the different components of the UNDAF and has revealed a mixed picture of successes and challenges during the implementation of the UNDAF thus far. There are other broad-based revelations that are noteworthy from this Evaluation. *Firstly*, financial resource management under the UNDAF has generally performed well and different modalities have been used, including direct funding by UN Agencies to service providers; transfers to Government on reimbursable basis; and trust fund option.

157. *Secondly*, an issue of concern relates to resource mobilisation for UNDAF. The total budget for Outcome 4.2 was estimated at $54,600,000. Of this amount, a deficit of $17 million has been recorded and ought to be mobilised in the course of UNDAF implementation. This Evaluation has found that resource mobilization during the 2012-2014 period has been fraught with difficulties and uncertainties in some projects/programmes. Consequently, implementation has gotten affected due to delayed or inadequate resource flows. A clear example is the UNV deployment under Output 4.2.1 (see above) where resource flows led to premature termination of contracts. In the light of the above, more coordinated and enhanced approach to financing commitments by UN agencies beyond UNDP and UNICEF seems to be required. Although UNDAF has identified and listed UN Agencies that are expected to contribute to stated deliverables, the design did not provide sufficient force that should have secured the obligation of the named UN Agencies to meaningfully play their part in both resource provision and actual direct engagement in the activities under which they are listed. Consequently, although several UN Agencies are listed for each one of the four Outputs under Outcome 4.2, actual implementation has remained basically the responsibility of UNDP with UNICEF assuming part of this responsibility. This state of affairs does not seem to auger well with the concept of Delivering as One and does point to the outstanding need to secure sufficient compliance within the UN System in Malawi. The area of Public Service Reforms (Output 4.2.1) is a good example whereby the UNDP has assumed an overarching role, especially at the level of the provision of financial resources, while other UN Agencies listed in the UNDAF as participating in the delivery of this Output are somewhat taking a backseat. This state of affairs threatens the realisation of the desired outcomes given the quantum of resources required to make significant and sustained impression *vis-à-vis* the achievement of the intended goals.

158. *Thirdly*, there have been challenges with the UN financial reporting and accountability procedures relating to the analysed activities under Outcome 4.2. The bulk of the resources for the Joint Programme are provided through parallel funding arrangements. Each agency makes its own arrangement to disburse funds to designated Responsible Party (RP) in line with approved Annual Work Plans and following the procedures of the UN Harmonized Approach to Cash Transfers (HACT). Cash transfers for activities are then made by UN Agencies using a number of modalities, namely (a) direct cash transfers whereby cash is transferred directly to the Implementing Partner or OPC or Ministry of Finance or selected districts prior to the start of activities based on agreed cost estimates; (b) reimbursements whereby the IP is reimbursed for expenditures agreed prior to the costs being incurred; or (c) direct payments to districts, vendors or third parties for obligations incurred by the IP on the basis of requests signed by the designated official of the IP. The following quote from the DEAP Project Document makes this clear:

“The financial reports and requests are to be submitted according to the Funding Authorisation and Certificate of Expenditures (FACE) standard format observing the agreed dates. Delays in submission may negatively impact the access to future advances. No new direct cash transfers will be made until at least 80% of prior advances have been satisfactorily reported… If the Implementing Partner (IP) does not fully liquidate any advances within a stated period from date of transfer, UN Agencies will suspend any further Direct Cash Transfer until the IP clears all outstanding Direct Cash Transfer…Reimbursements of previously authorized expenditures shall be requested and released quarterly or after the completion of activities. UN agencies shall not be obligated to reimburse expenditures made by the IP over and above the authorized amounts.” [[63]](#footnote-63)

159. While the above-described provisions in financial management are standard UN procedures under the modalities that have been opted for in managing the UNDAF in Malawi, it is expected that, in the long run and while capacities are being developed within the Government systems, the use of government financial, accounting, auditing and monitoring systems would be the preferred option by the UN Agencies. This is because, when UNDP resources have to be accounted for using different reporting formats and timelines from those of Government, parallel systems and structures are introduced that ordinarily would cause a functional stress on the already over-burdened public service officials that have other line functions. The situation becomes even more unbearable if and when the country gets more DPs that too would demand separate financial reporting formats that are applicable to themselves alone. In this regard, to the extent possible and as the IP is established to have enhanced its capacity to account for financial resource application in a prudential manner, the use of local/country-level financial systems would be desirable. More importantly, to the extent that UNDP and the Government both emphasize RBM that ostensibly calls for more harmonised systems of monitoring results/outcomes, the progressive adoption of country systems for tracking resource use seems unavoidable in the medium-term to long term.

160. *Fourthly*, the UNDP practice to opt for direct payment to services providers ought to be understood in the right context. While it is desirable to use national systems, the financial management, auditing, reporting and monitoring challenges within Government have limited the extent to which funding agencies can disburse directly to IP in some cases without serious fiduciary risk. The ‘Cashgate’ seem to suggest significant control deficiencies within the Government accounting system. What is important to state is that, irrespective of the justification of the current UNDP financial *modus operandi*, the reported slow implementation associated with restrictive disbursements due to what is perceived as “tedious” and “onerous” disbursement conditions may have contributed to calls received during this Evaluation from within Government for the review of how best to speed up financial disbursements in the interest of smooth realisation of the set UNDAF Outcomes. The reported procurement challenges that continue to be faced by some of the activities examined in this Evaluation call for serious reflection especially when such issues begin to affect the speedy realisation of UNDAF objectives.

161. *Fifthly*, the efficiency of the projects/activities under Outcome 4.2 has generally been good as revealed earlier. A number of areas, however, need to be addressed to improve on the positive progress thus far registered. Capacity challenges within the National Statistical System, including inadequate data processing personnel, have, for example, reduced the quality of reporting, which could adversely affect the speed at which the objectives of interventions could be realised. This is principally a problem that originates from the government-wide human resource challenges and structural issues since the National Statistical Office depends on recruitment policies of Government and the associated conditions of service. The Government has faced serious financial stress in recent years and the capacity to recruit required personnel, let alone retaining them, has contributed to the web of capacity challenges that continue to dog the Government system.

162. *Sixthly*, the Output towards ensuring that Government has sufficient capacity to effectively negotiate, manage and account for development assistance (Output 4.2.3) is an important one for it touches on the reality that Malawi is a signatory of the Paris Declaration on Aid Effectiveness. One of the considerations with important implications for both the success of the aid relationship and for the overall capacity enhancement agenda within Government (and as being addressed by UNDAF) relates to the absence of a structure/system that enables more effective and informed dialogue between the Government and DPs, including UNDP. The adoption of the Development Cooperation Strategy, whose preparation was supported by UNDP, is a step in the right direction. This is because an effective dialogue mechanism is considered more important now in Malawi than perhaps ever before considering the evident stand-off between the Government and some of the strategic DPs that once played important roles in the development of the country. Facilitating such a dialogue framework or mechanism is also key to the achievement of most of the targeted Outcomes under UNDAF, in general, and under Outcome 4.2, in particular.

163. *Seventhly*, PFEM capacity strengthening is a particularly strategic area of UN support and the activities under it ought to reflect better what it takes to make a significant impression towards desirable effects under Outcome 4.2. A closer scrutiny of both the performance of, and actual authority enjoyed by, the Ministry of Finance is important to form a good basis for the UN System to come up with a more effective capacity building intervention for this important central Ministry. All ministries of finance world-over possess two-pronged role of (a) determining the *allocations* of financial resources and maintaining-cum-enforcing the requisite fiscal discipline; and (b) *supervisory* function, which aims to ensure that spending ministries secured value for money in the context of the set objectives of government. With respect to the allocative function, indications are that the Ministry of Finance has performed this responsibility fairly well. But the supervisory function goes well beyond the preservation of value for money to include securing a consistent policy across all the arms of the Government in the country. Here lies what currently seems to be the missing link in UNDP capacity building support under DEAP, which deserves to be better conceptualised and programmed in the next UNDAF.

164. While it is a reality that sector level policies originate from sector ministries (that should assume a lead role in their crafting), it should be the responsibility of the Ministry of Finance to ensure that there is policy consistency particularly in those areas that possess important implications for macroeconomic and fiscal stability, including around issues that facilitate a hospitable environment for attracting foreign direct investment that is needed to contribute towards the turning around of the Malawian economy. The Finance Ministry’s *supervisory* function is particularly evident when it comes to the budgetary process since, at this level, it is the legislated function of this central Ministry to ensure that budget submissions received from sector ministries remain in tandem with approved Government policy and the guiding resource application instruments such as the national annual budget and MGDS II. At the ministerial functional level, this means that it is also the responsibility of the Ministry of Finance to ensure, through checking, that spending ministries are not only pursuing UNDAF II’s stated objectives but also that resource spending maximises value for money. This also entails ensuring that procurement procedures are adhered to by sector ministries in order to eliminate possible abuse of resources as it happened under ‘Cashgate.’

165. To address the systemic and operational issues associated with public financial management, it is important, before a meaningful effort is embarked upon at the level PFEM capacity enhancement, for UNDP to establish the extent to which the Ministry of Finance commands sufficient capacity to discharge both the *allocative* and *supervisory* roles. This Evaluation has concluded that the Ministry of Finance does not have robust enough organisational structure and capacity, sufficient political authority, suitable incentives, and the right skills mix to discharge both the *allocative* and *supervisory* roles effectively. One noteworthy aspect about the organisational structure of the Government at the time UNDAF was developed and subsequently approved was that it separated the intimately linked functions of *planning* and *budgeting* between two Ministries that hardly coordinated their functions.Consequently, the planning and budgeting functions remained fragmented, an aspect that threatened the needed stability in the functional link between the Government and the UNDAF system, in general, and the UNDAF Outputs under review here, in particular. It is in this regard that UN Agencies, through PFEM, ought to consider supporting not only the areas related to capacity enhancement that secures resource allocative and management efficiency (its present main focus) but also interventions regarding the supervisory function of the Ministry of Finance.

166. *Eighthly*, Malawi’s Public Sector Reforms and capacity development efforts have been piecemeal for many decades. The current wave of support by UNDP (as analysed above) is important and has real potential to deliver a significant part of the desired change. However, UNDP needs to recognise the primacy of politics in the reforms process. Thus, in addition to technical soundness of the reforms that it wishes to support, there is need for more political grounding for the reforms. Politics will determine what reforms will carry the day and, therefore, what kind of change will be brought about.

167. *Lastly*, for public service reforms to be meaningful and successful, they ought to be sufficiently comprehensive and linked to other supportive reforms. The effort of UNDP in the area of public service management and capacity development in Malawi has, for many years, tended to be piecemeal, discreet and disjointed from the attention of the majority of other DPs that have concentrated on PFEM reforms. And yet the link between these is so intimate that it perhaps required a dramatic *“cashgate scandal”* to bring to the surface the need for these reforms to be implemented in a more harmonized and complementary manner. The RBM reforms, similarly, are so strategic to the overall public service reform agenda that to see it in isolation from the other public sector reforms could be part of the reasons that explain why there has been little ground covered towards positive outcomes from the reforms effort. Because of the disjointed and piecemeal manner in which these complimentary reforms are being supported, one finds RBM and related M&E reforms being housed and managed in a department of the Ministry of Finance; PFEM in another department of the Ministry of Finance; and PSR, apparently considered to be more superior, under the Office of the Vice President. Because of its visibility, being housed in OPC, Public Service Reform has received better attention and more resources. Consideration for the transfer of M&E reforms to OPC as well could reduce the artificial segregation and can, in fact, elevate the M&E function in its political profile as an important function in improved service delivery.

4

# Main Findings and Lessons Learnt

## 4.1 Main Findings

### 4.1.1 UNDAF Design and Alignment to MGDS II

1. Overall, the preparation of UNDAF in Malawi closely followed the UN Guidelines for the preparations of these documents. The only exception to this was an attempt, not so successful, to merge two programming matrices into one (Results and Resources Framework and the Monitoring and Evaluation Framework).
2. The design of the UNDAF was guided by the Government priorities under its second Malawi Growth and Development Strategy (MGDS II) that runs over the 2011 to 2016 period. To the extent that the MGDS II is the overarching medium term strategy for Malawi and is designed to attain the country’s long term aspiration as spelt out in its Vision 2020, UNDAF has respected one of the primary tenets of the Paris Declaration on Aid Effectiveness, namely, donor alignment to country goals and priorities. Indeed, the formulation of the UNDAF rested on a consultative process that involved major stakeholders, including the Government of Malawi.
3. With regard to UNDAF’s Outcome 4.2, namely, “*Public institutions are better able to manage, allocate and utilize resources for effective development and service delivery by 2016*,” all the stated Outputs confirmed their relevance and strategic position. Output 4.2.1 that focuses on strengthening the capacity for public sector management, for example,targets the improvement of the Malawian Government’s capacity to align policies, programmes and budgets with national development strategy and the MDGs. The aim is to upscale public sector capacity in the areas of project planning, appraisal, M&E, and budget and aid policy management. Considering the existing challenges the Government faces in effectively and efficiently delivering services, this Output targets one of the core needs of the country. Similarly, the component on Public Finance and Economic Management (PFEM) under this Output supports a number of felt needs, which include the strengthening of an integrated public finance management system that should help contribute towards greater transparency and accountability in the management of domestic and external resources. It is also clear that the goals and objectives of UNDAF are grounded in Malawi’s realities and are in line with the country’s national development policies and strategies. UNDAF’s focal areas are given further legitimacy by the fact that they almost mirror the MGDS II pillars.
4. Output 4.2.2 that aims to strengthen the capacity of the Government to use Results-Based Management (RBM) aims to facilitate the institutionalization of this approach in the ministries as well as at the district level. To the extent that UN support here focuses on establishing sustainable training capacity in RBM, MGDS/MDG planning and costing, this Output is quite strategic to the country’s development especially in view of the dearth of these competences within Government at both the central and district levels. Support under this Output also includes the improvement of institutional capacity of the Ministry of Finance to better undertake the MGDS annual reviews.
5. Output 4.2.3 that aims to ensure that Government has sufficient capacity to effectively negotiate, manage and account for development assistance is another area that is important to the country considering that aid accounts for about 40 percent of development finance. Its effective management is, therefore, an important aspect of enhanced service delivery.
6. Output 4.2.4 on enabling national institutions to have the capacity to align policies, programmes and budgets with national development strategies and the MDGs is another strategic area that is important in the light of a rather disjointed manner with which programmes are sometimes implemented in Malawi and the mismatch or discrepancies that exist between clearly spelt out aspirations and intentions, on the one hand, and the allocation of resources through the national budget, on the other.
7. The M&E Framework for the UNDAF was not appropriately designed to serve as a useful tool for monitoring performance/ progress and report accurately on this. In most instances, the indicators provided are inappropriate while, in others, the logic of change is not robust.

### 4.1.2 UN Strategic Position under UNDAF

1. The UNDP-supported Public Financial and Economic Management (PFEM) strengthening is a particularly strategic area that requires prioritisation as it has been found in this Evaluation to be strategic for the success of the entire public service reforms effort. In particular, national capacity in economic management in Malawi is weak and, in some cases, has to be created from scratch. The role of the UN System at this level has remained strategic over the years. Through UNDAF, for example, UN Agencies have jointly made clear effort to align their collective support to the country. The UN Agencies’ selection of interventions under UNDAF’s Outcome 4.2 demonstrated clear positive response to the expressed priorities of the Government as stated in MGDS II.
2. While the UN System has responded well to MGDS II priorities and, hence, asserted its strategic position in the country, a good number of challenges have persisted in Malawi due, in part, to the existence of a political and economic environment that has been fairly unstable. The changes of government at frequent intervals and the subsequent Cashgate Scandal, for example, had introduced an element of distrust between DPs and the Government around the country’s accountability/oversight systems. This state of affairs precipitated the urgency of addressing the country’s institutional and human resource capacity challenges. This need has further been amplified by the country’s generally poor economic performance as exemplified by weaknesses over the years in most macroeconomic fundamentals amidst persistent, widespread and, in some cases, quite severe poverty levels. The country’s high dependence on aid during the period when many DPs remained generally apprehensive about both the growth prospects under the Government’s chosen growth path has generally complicated the country’s opportunities of an economic turn-around.
3. The decision by a good number of UN Agencies to include technical assistance (TA) in their support portfolio under UNDAF interventions is important and also relevant to national aspiration of Malawi in the light of the capacity frailties. In Malawi presently, the gap between the demand for qualified public sector professionals and their availability is wide. It is also increasingly becoming clear that the demands of programmes implementation often require competencies and skills that are not readily accessible on the domestic market. In some cases, even the generally objectionable ‘gap-filling’ form of TA is needed, in the short-term, to enable the country perform certain tasks. Important though this aid component is, Government has voiced the need for greater improvement in its procurement and application to make it more efficient and effective. The Government’s capacity to manage TA by, inter-alia, putting in place a clear policy within which external experts are solicited, recruited, utilized, and their performance monitored as an integral part of external resource support to the country is seen to be essential.

### 4.1.3 UNDAF Main Achievements

#### 4.1.3.1Public Sector Capacity Enhancement

While a number of challenges have been identified in this Evaluation with respect to Output 4.2.1 relating to *the enhancement of**capacity for public sector to attain effective service delivery* (see below), the following achievements during the 2012-2014 UNDAF implementation period are noteworthy.

1. The Public Service Act (1994) was reviewed successfully, which assisted in the reduction of the confusion of roles between political and bureaucratic heads of government ministries, departments and agencies in the Malawi public service. This deliverable was important in service delivery as the conflicting roles often contributed to the current sub-optimal performance of the public service.
2. The National Capacity Development Strategy, Action and Financing Plan were developed with UNDP assistance. Although the Strategy is yet to be adopted by the Government, an important knowledge product, namely, the National Human Resource Survey, albeit delayed, has been successfully conducted.
3. With UNDP support, the Government developed and launched in 2013 the Public Service Code of Conduct and Ethics as well as the Malawi Public Service Charter whose primary aim is to ensure that holders of public offices are accountable. Public servants at various levels have also been trained in ethics, integrity and professionalism for the public service.
4. In July 2013, the Government introduced Organizational Performance Assessments (OPAs) for all ministries, departments and agencies with the aim of improving the delivery of public services by holding officials responsible and accountable for their actions.

#### 4.1.3.2 Utilisation of RBM

With respect to Output 4.2.2 that focuses on ensuring that *national institutions utilize RBM systems for planning, monitoring and evaluation to enhance ownership and leadership for achievement of development results*, the following main achievements have been recorded during the 2012-2014 period of UNDAF implementation:

1. **By the close of the** JPSME II **in March 2013, as much as 75 percent of the planned Outputs were achieved.**
2. **The Joint Programme’s aim of s**trengthening the M&E function and systems in the covered sectors recorded significant improvements and M&E sector frameworks were reported to have been established in all the 23 M&E units in sector ministries. Slightly over 50 percent of the targeted personnel were trained in M&E, project evaluations, impact assessment and policy analysis.
3. At the end of the Joint Programme in March 2013, many sector ministry officers as well as those at the district levels benefited from training in project evaluation, M&E, RBM and impact assessments. Officials from civil society organisations were also trained in M&E processes, including in the user-interface of MASEDA, which was also institutionalized and launched within NSO.
4. TheGovernment, through UNDP support, is piloting RBM in 3 ministries and 4 districts as part of its overall support for M&E.
5. The introduction of PBB as a substitute to the current output/activity-oriented budgeting promises to make it easier to link M&E activities with budget evaluation, an aspect that has important implications for the enhancement of RBM. The ability to reflect both expenditures and results within the same programming and reporting system, when ultimately achieved, would enhance the RBM function. Already, Integrated Planning and Budgeting Guidelines have been developed, which should accelerate progress at this level. A pilot PBB-oriented budget document was presented to Parliament for the 2014/15 budget.

#### 4.1.3.3 Capacity to effectively use Development Assistance

Regarding Output 4.2.3 that aims to ensure that Government *has sufficient capacity to effectively negotiate, manage and account for development assistance*, the following positive achievement are noteworthy:

1. UNDP support to the Aid Management Platform (AMP) is an important and more visible input from the UN System in Malawi in the area of facilitating better capturing/tracking of external assistance and its application. AMP’s relevance is more pronounced at revolutionalising aid monitoring and reporting in Malawi, which should contribute towards better management for results.
2. AMP’s rolling out to NGOs in May 2014, which entailed the collection and reporting of information on non-Development Partner funding sources of NGO activity, is commendable. Equally important, the decision to add to the AMP the geo-coding Initiative that allows for the tracking of the location of aid activities has improved, in a transparent manner, the aid monitoring function.
3. UNDP support to the preparation of the Development Cooperation Strategy (DCS) has enabled the Government to come up with a clearer approach to external support.

#### 4.1.3.4 Aligning Policies, Programmes and Budgets to National Strategies

With regard to Output 4.2.4 that focuses on enabling *national Institutions have the capacity to align policies, programmes and budgets with national development strategies and MDGs for efficient achievement of development results*, the following achievements have been recorded during 2012-2014 UNDAF implementation:

1. In a positive effort to introduce an integrated and results-oriented national planning that uses the MTEF, the Development Effectiveness and Accountability Programme (DEAP) is supporting the introduction of programme-based budgeting (PBB), which links resources to results/outcomes through the budget process. PBB is already being piloted.
2. UNICEF has continued its support to annual budget analysis, which contributes to ensuring that policies, programmes and budgets are aligned with the national development strategy by focusing mainly on their effects on the social sectors. Engagement with members of parliament as part of this support process has proved to be helpful in making legislators become better informed of the effects of their decisions and, in the process, take corrective actions.
3. UNDP has effectively extended support to SWGs through capacity enhancement and review of their performance. Through this support, both opportunities and serious challenges that ought to be addressed by the Government have been revealed.
4. UNDP has continued its support towards the production of National Human Development Reports (NHDRs), which are important inputs to ensuring that vital information on the state of human development in Malawi is available to assist in, *inter alia*, informing enhanced services delivery as per the expectation of Outcome 4.2. NHDRs have also provided useful quantitative and analytic data that has informed the implementation and monitoring of MGDS II.

### 4.1.4 Main Limitations and Challenges

In spite of the positive achievements presented in Section 4.1.3 above, UNDAF has also encountered several challenges that are noteworthy under Outcome 4.2. The following main ones are particularly noteworthy.

#### Public Sector Capacity Enhancement

1. This Evaluation established that both the envisaged National Capacity Development Strategy (NCDS) and the Human Resource Planning and Development Strategy have not been put in place. To the extent that the NCDS is expected to match human resource planning and management with national development goals, the delay in establishing it has reduced the quality of focus in the area of capacity enhancement that is so essential to improved service delivery. UNDP’s excessive focus on *human* resources development in its capacity enhancement support to the Government (as opposed to a well structured *institutional* capacity enhancement) could be explained by the absence in the country of NCDS. Both the NCDS and the Human Resource Planning and Development Strategy were not achieved because they were dependant on the delivery of another preliminary output, namely, the National Human Resource Survey, which was seriously delayed. Ideally, the Survey should have been prioritised to be delivered first since it was meant to serve as a launch pad or basis for the other deliverables.
2. Sector Working Groups (SWGs), which were introduced in 2008, have not been adequately conceived in both their composition and mandates and the reality that many of them are not functioning as expected suggests the need for a complete overhaul at this level. Out of the total of 16 SWG that were established, only five were fully active, two were occasionally active, and six were dormant by October 2014, including the one on Public Administration and four were insipient.
3. Although the UNDAF’s implementation period began in January 2012, delivery on Output 4.2.1 began in 2013 with the first financial disbursement done in April 2013. This effectively meant that one year of implementation for output 4.2.1 was lost in the maze of rules and regulations governing funding requirements and modalities. This state of affairs contributed to serious challenges in meeting the targeted outputs. The resource deficits experienced underscore the importance of better prioritization of activities and matching interventions with secured resources.
4. Almost all the indicators for Output 4.2.1, as is the case for indicators of the other Outputs for Outcome 4.2, are targeting outputs with little consideration for Outcomes. In addition to this, some indicators given for Output 4.2.1 have no direct relationship with the desired results and do not have sufficient indication regarding the source of data that could be used to track performance. This weakness is generalised for most of the four Outputs under Outcome 4.2.
5. Funding seems to be the most critical threat to the sustainability of Public Service Reforms especially that they are still at Output level and mechanism for progression to Outcome level results are either nascent or not yet developed.

#### Utilisation of RBM

1. The Monitoring and Evaluation (M&E) system for UNDAF has too many inadequacies and deficits to serve as the main template for monitoring the performance of the identified activities under Outcome 4.2. In most cases, the UNDAF M&E Matrix lacks clarity regarding the anticipated risks and assumptions that are an important aspect in the determination of project/activity success. The attempt by the designers of UNDAF in Malawi to separate the Results and Resource Matrix from the Monitoring and Evaluation Framework caused significant lapses in logical flow regarding the information tendered. Furthermore, the attempt to identify important assumptions and risks fell short of the expected quality that is required for better targeted implementation and the monitoring of activities, particularly at Outcomes level.
2. The challenges reported in (2) above seems to be explained by the fact that, in the UNDAF design document (Results and Resource Framework), the measurement of Outcomes was generally misconceived, a situation that speaks to the need during the next UNDAF design for a better appreciation of programming tools especially with respect to monitoring that focuses on ‘real’ results/outcomes. During the UNDAF design stage, terminologies that are fundamental to appreciating the M&E processes were often used interchangeably, resulting in some level of confusion regarding what exactly is *being* measured, *should* be measured, *can* be measured, and *how* this should be done.
3. The annual reports regarding UNDAF performance generally stop at outputs with little effort to assess Outcomes, either real or potential. Consequently, there is outstanding need to prepare performance indicators that target the real *effects* of interventions. In this regard, RBM is still remotely being used in the monitoring function.
4. The M&E budget allocation is small and lacks many of the requisites to discharge this function. After the ending of the multi-donor JPSME programme, DEAP has been supporting the M&E Division in the Ministry of Finance but the resources have been insufficient to make a significant difference to the persistent challenges at this level. The over-dependence on external financing for the national M&E System has also raised concerns regarding the sustainability of the supported interventions.
5. One weakness of the Joint Programme Support for Monitoring and Evaluation (JPSME II), which compromised its success record was its wide-ranging objectives, numbering seven, and associated 25 outputs with a multiplicity of activities, an aspect that clearly brought into the picture the issue of realism of the Programme’s aspiration especially in view of the limited resource envelope and the short time frame and being implemented in a country that has well documented serious challenges that needed to be addressed at this level. Aiming, for example, to transform the entire Government of Malawi’s M&E system covering 23 sectors and 34 local authorities within a five-year time slice and with only US$5 million seemed to have overlooked not only the magnitude of the task required but also the constrained capacity of the UN System itself to handle this quantum of responsibility within the stated timeframe. This largely explained the reported Joint Programme’s limited success in meeting its programmed performance targets.
6. M&E is yet to be fully embraced as a management tool at sector level. This is probably because the demand for M&E products has remained very low in sector ministries in Malawi, generally. Despite some earlier progress under JPSME I & II, the overall effectiveness of M&E at all levels remains muted. The National M&E Master Plan’s almost 100 actions expected of the Secretariat in M&E Division over the period 2012-2016 have remained fragmented expectations and current efforts to strengthen and consolidate M&E as a key tool for accountability and evidence based planning and management have had only limited results. The over-dependence on external financing for the national M&E System also raises legitimate questions regarding the sustainability of the supported interventions.
7. Capacity challenges within the National Statistical System, including inadequate data processing personnel, have reduced the quality of monitoring and reporting, which has adversely affected the speed at which intended outcomes could be realised. This is principally a problem that originates from the government-wide human resource challenges and structural issues since the National Statistical Office depends on recruitment policies of Government and the associated conditions of service.
8. Despite progress, after more than eight years of concerted efforts under JPSME to develop national M&E systems, the overall effectiveness of M&E at all levels has remained weak. The M&E Division under the Ministry of Finance suffers from capacity challenges. Many of the actions in the M&E Master Plan remain unattended to and efforts to strengthen and consolidate M&E as a key tool for accountability and evidence-based planning and management have only achieved limited results.
9. The required linkage of the databases of the different key sectors with the Development Monitoring Information Systems (DMIS) is weak. Ideally and as part of setting up an effective RBM protocol, there should have been a functional linkage of the central ministry’s database with those based at the sectors and district levels to secure the consolidation, cleaning and standardisaion of data and, hence, the integrity of what is stored and retrieved. This state of affairs has constrained the smooth adoption of RBM, an aspect that continues to compromise the attainment of the declared aim of Government at this level, namely, “National institutions utilize RBM systems for planning, monitoring and evaluation to enhance ownership and leadership for achievement of development results.”

#### 4.1.4.3 Capacity to effectively use Development Assistance

1. There has been a significant delay in the release of the Malawi Aid Atlas. The fact that the latest Malawi Aid Atlas is for the 2010/2011 financial year has affected the currency of what is being accessed by the larger population that are not able to access the computer-based online AMP.
2. There still exist cases of some DPs failing to provide aid data timely and, in some cases, incomplete information is tendered. This situation has negatively affected the proper recording and reporting of aid flows, which has resulted in compromising the efficacy of the Government’s planning and budgeting processes considering that aid still accounts for a significant share of the total national budget.
3. Expenditure data is currently not being tracked in the AMP. Generally, although AMP does capture data from development partners, it does not track performance. Ideally, there should be closer integration of the AMP with the Government IFMIS system particularly at the level of project identification and the tracking of expenditure.

#### 4.1.4.4 Aligning Policies, Programmes and Budgets to National Strategies and MDGs

1. The planning tools that Government uses for aligning policies, programmes and budgets with the MGDS are generally inadequate to effectively handle this function. In particular, the credibility of the budget has been found to be undermined by weak links between the planning tools, namely the Medium Term Expenditure Framework (MTEF), the Public Sector Investment Programme (PSIP) and District Development Plans. The weak linkages between MTEF, PSIP and MGDS planning processes seem to have contributed to the ineffective use of development resources and misalignment of programmes and budgets to national priorities. The envisaged shift to PBB promises to correct some of these challenges.
2. Malawi is likely to miss most of the MDG targets by the end of 2015. Generally, budgetary resource allocations and development work plans are rarely speaking directly to the aspirations expressed in the MDGs and lack of skills in planning for MDGs has contributed to this. A training needs assessment was carried out in 2013. This was for use in, *inter alia*, developing a training module on MDG planning and costing. The relevance and timeliness of this intervention are questionable considering that the MDGs targeted the end of 2015.
3. Most of SWGs have had problems carrying out their mandates and do lack appropriate guidance for discharging their tasks. The most recent Guidelines for SWGs also require to be revisited at different levels, including the need to recast their mandates and composition as well as their continued mirroring sector ministries. The huge presence of DPs in SWGs has also raised legitimate concerns regarding notions of country leadership and ownership.

### 4.1.5 UNDAF Management and Implementation Mechanisms

In its implementation of UNDAF, the UNCT has strategically been positioned to provide the overall oversight responsibility. This responsibility has generally been discharged diligently and the role of the Resident Coordinator (RC) in the championing of the Delivering as One initiative and under the ‘One leader’ concept has remained strategic in this regard. A cursory examination of the overall UNDAF Coordination Structure under UNCT, however, suggests that a review of the existing systems is merited in order to minimise a few functional overlaps within the UNDAF coordination processes. The Programme Management Team, the Results Group, the Outcome Group, the Operations Management Team, and the UN Communications Group, although they are tasked with clear mandates, seem to possess limited ‘coordination and harmonisation flair’ that the RC requires to better pull together the UN Agencies in the spirit of ‘Delivering as One.’

## 4.2 Lessons Learnt

* + - 1. A stable and predictable political climate where economic and development policy is clear, predictable and consistent over a long period is more likely to enlist significant external support than one where policy shifts frequently.
      2. To register reasonable level of success, there is value in scaling down what is doable and feasible within the limited time span and constrained resource envelope. In this regard, there is virtue in targeting substantial resources in fewer and well defined activities. Capital deepening, as opposed to capital spreading, holds greatest promise particularly when resources are scarce.
      3. While focusing on skills of human resources development is important for capacity development/enhancement, effective service delivery is affected by many other variables including resource availability, policy context and formal and informal rules prevailing in the different domains of interventions. Increasing numbers of workers and improving their skills is important but not sufficient to capacitate the public service for effective service delivery unless the institutions within which the trained human resource operates are well structured and empowered to efficiently utilise it. Adoption of a broader and multi-faceted conceptualisation of capacity building is, therefore, desirable.
      4. Capacity limitations in the field of economic management have the adverse effect of compromising the prospects for effective service delivery. A strengthened public financial management (PFM) system is particularly important for efficient and effective national resource management and utilisation and could be catalytic in the attraction of development finance from outside the country. An efficient, cost-effective, transparent, and accountable procurement services is important in securing effective social service delivery and is needed as an integral part of the PFM system.
      5. A strengthened supervisory function of the ministry in charge of finance is essential for a more harmonised and coordinated approach to programme implementation and reduces fragmentation in macro-level development planning and management. It also maximises prospects for enhanced proactive interaction between that central ministry and sector ministries.
      6. The determination of positive Outcomes is the surest way to establish the value of any intervention while over-concentration on monitoring Outputs, while it has value in its own right, would not be sufficient to determine the real effects of external assistance.
      7. Weaknesses in planning and monitoring capacity of the central authority do set limits to the attainment of the set Outcomes. Capacity weaknesses in the apex economic ministry, in particular, have the effect of making national plans to be implemented in uncoordinated manner and, consequently, make it difficult to deliver services more effectively and efficiently. Similarly, weak monitoring and reporting reduces the capacity of national systems to learn from their performance record and minimises their ability to derive valuable lessons from implementation challenges and successes.
      8. Parallel systems of reporting and accountability inhibit effective implementation of interventions and possess the potential to reduce the achievement of desirable Outcomes.
      9. To secure service delivery sustainability, decentralisation is essential for it constitutes an effective vehicle for enlisting lower level inputs. Limited involvement of district level authorities and community level stakeholders in planning, implementation and monitoring of performance reduces the capacity to deliver positive results which, in turn, affects accelerated achievement of sustainable Outcomes. The Central Government has a crucial role to play in setting the framework of incentives and sanctions for district level capacity enhancement. The strengthening of district-level capacities need not necessarily be preceded by a strong central Government.
      10. As a rejoinder to the above lesson, decentralization effort can be difficult to realise if:

1. the requisite data/information for informed decision-making is not readily forthcoming and/or it is undertaken haphazardly without a clear framework;
2. it is operationalised without prior assessment and or analysis of existing capacities, structures, and resources at the lower level; and
3. it is not implemented in a systematic manner and not provided with sufficient financial and technical support from the central government.
   * + 1. The development of a formalised modality (in the form of a Memorandum of Understanding, Agreement, and/or joint assistance framework) to guide the roles and responsibilities of the different partners in a collaborative relationship is essential for the success of a collaborative effort. Such an approach does clarify working relations amongst partners by spelling out the norms of collaboration and roles and responsibilities of partners.
       2. There is a higher likelihood of positively addressing poverty when priority in resource allocation is targeted at the sectors that house the largest number of people (e.g. agriculture).
       3. The private sector is strategic in economic development and its enhancement through the provision of a hospitable environment for its growth does spur the much needed developmental resources. Close partnership between the government and private sector, thus, offers significant opportunities for pro-poor growth.

5

# Main Recommendations

### 5.3.1 Public Sector Capacity Enhancement

#### 5.3.1.1 UN-Wide Recommendations

1. There is an urgent need to consolidate UN Agencies’ strategic focus in economic management and governance in Malawi in the light of capacity challenges at this level that have been revealed in this Evaluation. Capacity limitations in the field of economic management in Malawi have been recognised as one of the most daunting challenges facing the country and for which capacity enhancement at both the institutional and human resource levels is essential. The UN System, in general, and UNDP, in particular, has found itself in a position of increased influence in Malawi in the wake of significant reductions in external support from DPs, particularly following the ‘Cashgate’ scandal. While this state of affairs has pushed the UN System into areas where it traditionally possesses limited comparative advantage, it does open opportunities for equipping such UN Agencies as UNDP with human resource competences and technical tools that should broaden their fields of operational interest. In a country where national capacity in economic management has been eroded by many years of stressed macroeconomic and fiscal downturn, a positive role of UNDP in economic transformation has to come with a commitment for self re-assessment, focusing on how best the Organisation can develop its own internal capacities to better contribute to the needed changes in economic management. In this respect, it is recommended as follows:
   1. Considering its elevated mandate to fill the gap created by the withdrawal of many DPs, UNDP in Malawi needs to strengthen its macroeconomic and sectoral advisory services, particularly during the period before other DPs re-emerge and assume a more directive and engaged complimentary role. This calls for enhancement of in-house and short-term outsourced competence mix in economic/development planning and macroeconomic modeling and making these tasks as part of the public sector capacity enhancement effort during the remaining part of UNDAF implementation.

* 1. Additional in-house capacity in Monitoring and Evaluation (M&E), especially as it relates to poverty interventions, in general, as the aspects of effective service delivery under UNDAF’s Outcome 4.2, in particular, is also needed considering the magnitude of assistance that is required within the Government in this field. Enhanced M&E expertise is also important in programme design, which is so essential for securing desirable effects especially in the area of targeting the overall goal of MGDS II, namely, poverty reduction.

1. There is need for better targeted support towards the improvement of Malawi’s Public Financial and Economic Management (PFEM) System through well thought-out public expenditure management and financial accountability interventions. Such an effort should target the improvement of efficiency, effectiveness and accountability in the management and utilisation of public financial resources in a manner that would avoid a repeat of the cashgate scandal. The improvement in the timeliness and follow-up of audits; improvement in the quality and timeliness of financial reporting; and enhancement of the quality of Government procurement systems are, in this regard, recommended as top priority interventions at this level.
2. Capacity Building (both human and institutional) should be at the centre of Government effort to improve the management of resources, both domestic and external. In this regard, support from UN Agencies in this area, through their leadership in the programming and implementation of UNDAF, is commendable and should be continued. This is because no amount of external resource flow would result in sustainable Outcomes as envisaged under MGDS II if the requisite institutional and human resource capacity in Malawi remains frail and/or is misapplied or poorly retained in the Government system. Better targeted extension of UN support to both national as well as sub-national systems and structures, particularly at the district level, is important. The current UNDAF concentration of capacity building effort at the governmental/central level, with only limited attention being extended, with equal zeal, towards sub-national structures, let alone non-state actors, ought to be reversed. In short, capacity building should be wholesome, all-inclusive and *national* in character rather than mainly governmental.

#### 5.3.1.2 UNDP-Specific Recommendations

UNDP should consider supporting the Ministry of Finance in the creation of a dependable management structure that can sufficiently marshal and oversee strategic policy and public sector reforms. Similarly, the Ministry’s institutional capacity to manage the economy (including the enhancement of its *supervisory* function *vis-à-vis* other ministries) should be supported by a highly motivated team of managers that should provide policy and strategic direction at the senior level. Technical assistance at this level is merited.

1. As a rejoinder to (1) above, the weak project appraisal function at the Ministry of Finance level needs to be addressed as an important prerequisite to building the Government’s capacity to accommodate and better manage externally supported interventions that come through the UNDAF. When the project appraisal function is weak, the ability of the Government to invest in viable programmes, whether internally- or externally-financed, remains problematic, an aspect that leads to wasteful resource application. In this regard and as an integral part of its capacity building support to the Ministry of Finance towards improved service delivery under Outcome 4.2, UNDP is advised to consider assisting Government in building this form of capacity.
2. To improve upon the current effort, Government and UNDP should strive to contextualise the PFEM interventions as important components of the larger Public Service Reforms rather than as a separate entity. This would entail better harmonisation of UNDP inputs at this level with those of DPs that presently are involved in securing more effective public financial management systems in Malawi.
3. The UNDP advisory and operational support roles in public sector capacity enhancement under UNDAF need to include stronger advocacy for decentralised modes of service delivery. In the economic sphere, this entails fiscal decentralisation as this holds greatest promise for reaching out to lower level organs where MDG-induced effects must reach. Capacity building for economic management and governance is particularly required at this level of intervention in the light of the findings of this Evaluation to the effect that there are serious capacity challenges at district levels in such areas as project planning, budgeting and M&E. It is important to recognise that decentralised modes of delivery, justified though they are, in principle, rarely emerge on their own from support systems that focus capacity building attention at central structures. To reach out down there, UNDP needs to embark on an economic governance advocacy/crusade (similar to the global MDG effort) to influence the Government approaches towards more devolved modes of service delivery. The attainment of enhanced service delivery under outcome 4.2 is more likely to be realised through this process.
4. An important lesson for UNDP is that capacity development in the public service through public sector reforms is more than a technical process. It is profoundly a political one so much that it is important to be conversant with the political economy context of such reforms in order to effectively pull them off. In this regard, UNDP is encouraged to invest in understanding better Malawi’s political economy. This would allow the Organisation to better appreciate the real drivers of policy and policy choices and, consequently, be in a position to easily predict policy choices and actions.
5. To improve upon the current UNDP capacity enhancement effort within the Government of Malawi, the Organisation is urged to guard against too much emphasis on training government officials through workshops, an approach that is also too costly. Human resource training ought to also be closely linked/aligned to institutional/structural capacity enhancement. As long as the organisational structures for which the trained individuals are expected to perform are themselves moribund and require urgent transformation, an over-focus on training in the name of capacity development would not yield the desirable levels of transformation of the public service for enhanced service delivery as expected under Outcome 4.2 of the UNDAF. This conclusion also speaks to the need for improving the prioritisation and sequencing of UNDP interventions under UNDAF, which should take into account what must be supported first as prerequisites to subsequent interventions. The current modality of UNDAF implementation does not seem to prioritise interventions even within individual UN agencies, let alone when all the activities of a multiplicity of UN Agencies are put together.

### 5.3.2 M&E and Results-Based Management

#### 5.3.2.1 UN-Wide Recommendations

1. This Evaluation has underscored the critical importance of monitoring, evaluation and reporting to the success of development planning, generally, and, in particular, to the attainment of the desired Outcomes across the interventions analysed. Effective reporting and monitoring of the activities are critical functions of delivery. These processes, firstly, provide essential data and insights for drawing lessons, priority setting and forward planning. Secondly, they offer the assurance that funds are used for agreed purposes. Good quality financial reporting is critical to the effective implementation UNDAF-supported interventions and to accountability in the use of resources. There should be a distinction between (a) *implementation monitoring* that involves oversight at the level of processes and the registered progress with respect to the timely use of the budgeted resources (which currently dominates the UNDAF monitoring function under UNDP), and (b) *results monitorin*g, which concerns the measurement of results and the attainment of the set goals/Outcomes. Both levels of monitoring ought to be strengthened and UNDP needs to strengthen its instruments at this level. In the light of this, Government, with the help of UNDP, should be encouraged to work towards strengthening the reporting and monitoring systems at both the macro and sector levels in ways that would allow it to fully capture the total public expenditure. In the light of the above and in order to improve upon the reporting and monitoring functions under UNDAF in Malawi, the following are recommended:
2. In monitoring UNDAF performance, UNDP should track changes in the overall macro and sectoral performance, focusing on both resource use/application and, most importantly, on Outcomes.
3. A common monitoring framework should be agreed upon between the Government and UN Agencies and performance indicators should always be kept simple, relevant, specific, measurable, time-bound, achievable, realistic, and easily verifiable.
4. UNCT should ensure that reporting and monitoring requirements under UNDAF are aligned to, and feed into MGDS II’s overall reporting and monitoring system and that UNDAF progress reports’ timing is synchronized with key Government planning cycles, including Ministry of Finance budget process.
5. In the spirit of the emerging emphasis on RBM, Outcome monitoring system should be strengthened, focusing on (a) the improvement of the national statistical system’s data collection function; (b) the timeliness and quality of processing, analysis and publication/dissemination of the data; and (c) the utilization of Outcome monitoring results in policy-making and resource allocation. The strengthening of the Government’s economic/ development planning as well as the planning units of sector ministries should receive attention. The role of SWGs at this level should be better defined to ensure that their contributions are better conceived and supported.
6. Efficient monitoring and evaluation of UNDAF requires (a) reliable information systems that capture, analyse, and report data on programme/activity implementation; and (b) the establishment of appropriate procedures for joint reviews involving the Government, participating UN Agencies, and other stakeholders. In this regard, it is recommended that harmonizing UN Agencies’ reporting and monitoring requirements around UNDAF ensures that the Ministry of Finance and sector ministries and agencies are enabled over time to produce data of greater degree of consistency, Similarly, an effective feedback loop should be created whereby the information that is generated at the sub-national/district levels is routinely fed into the government-wide server/database. Conversely, the lower-level organs should be well linked and anchored to the national database in a manner that enables them to access information that is relevant to quality decision making for enhanced service delivery. Support from UN Agencies at these levels is recommended.
7. There is urgent need for UNCT to provide leadership in prioritising monitoring of results in the context of RBM beyond the current focus on outputs. In this respect, it is recommended that UN Agencies should strive to improve their programming tools and assumptions to ensure that the Outcomes are both accurate and realistic and that they do reflect the essence and spirit of the shift from focusing monitoring on Outputs to targeting Outcomes. When handled properly, this would not only help better monitor progress but, equally important, it will enable the Organisation identify appropriate interventions/activities that best offer opportunity for realising the intended impact.
8. The UN System is encouraged to ensure that the procedures and timetables for all approved UNDAF-supported programmes are synchronized with the monitoring and annual reviews of MGDS II so that progress reports are allowed to feed into the country’s overall development performance assessment.

#### 5.3.2.2 UNDP-Specific Recommendations

1. A serious effort is required to upscale the profile of the monitoring and reporting function in Government. To do this effectively, better structured UNDP assistance shall be required. The aim should be to develop the requisite capacities at different layers of the national (not only Government) system to ensure that the MGDS II is programmatically monitored through different levels of implementation frameworks, including the District Assemblies through the decentralized governance structures; the sector ministries through their own strategic plans; and the Central Government as managed by the Ministry of Finance and Development Planning. The strengthening of the National Monitoring and Evaluation Database is equally important. The consolidation of district council databases ought to be an integral part of such effort. The revelation during this Evaluation that almost all the UNDAF-supported district council databanks are non-functional calls for urgent attention to this problem. Ideally, the national database should represent aggregates of data generated from the lower to higher levels of monitoring.
2. As a rejoinder to (1) above and in order to address the dearth in baseline data that has complicated the measurability of UNDAF outputs and outcomes, there is need for UNDP to contribute, in a better structured manner, to the enhancement of the capacity of all the strategic institutions in Government as well as among non-state actors that are in charge of statistical systems. More specifically, UNDP needs to better target its support to Government towards the strengthening of the M&E systems in a way that would allow the latter to better capture the total public expenditure behaviour. The facilitation of the production of stronger national statistical and information systems that would lend support to Outcome (as opposed to only Output) monitoring is called for at this level. In doing this, there is need to take advantage of existing advances in ICT solutions, focusing on hardware and software acquisition; computer skills enhancement through training; and communications infrastructure improvement.
3. Considering the finding of this Evaluation that much of the monitoring function (for both UNDAF and MGDS II) has thus far largely focused on outputs rather than on Outcomes/Impact, UNDP should, as a matter of urgency, revisit both (a) its approach in monitoring and reporting performance; and (b) its own M&E human resource base. In particular, the annual progress reporting of UNDAF performance should review its indices of performance/success to avoid the evident challenge of inappropriate reporting of performance “success” that has evidently prevented the UN Agencies, in general, and UNDP, in particular, from taking timely and corrective actions towards the achievement of Outcome 4.2.
4. UNDAF monitoring in Malawi is yet to fully take advantage of Participatory Monitoring. Presently, data that is collected by NGOs/CBOs is not readily accessible by Government policy makers, a state of affairs that calls upon UNDP, in particular, to broaden its M&E support function to cover inputs from other actors. Better sharing of information on identified UNDAF indicators is recommended to secure a more coordinated, participatory and inclusive national monitoring of interventions.

### 5.3.3 Effective Aid Management

#### 5.3.3.1 UN-Wide Recommendations

1. UNDP should enhance its resolve to support the renewed Government commitment to improving aid management and coordination as exemplified in its new Development Cooperation Strategy (DCS). In this regard, UNDP is urged to continue working closely with the Government in its renewed effort to consolidate an appropriate framework on Development Cooperation especially in the context of *Development Effectiveness*. In the same vein, Government should be supported in its renewed resolve, through the new Development Cooperation Strategy, to operationalise and improve the dialogue framework with Cooperating Partners. In this regard, the revised Guidelines for SWGs should, as a matter of urgency, be revisited as they contain some elements that fly in the face of the required Government leadership under the changing aid architecture.
2. There is need for all UN Agencies to make their UNDAF financial commitments known in good time and their disbursements timely for the programmed activities. In this regard, UN Agencies that are participating in Outcome 4.2 should programme their contributions over the UNDAF’s multi-year timeframe and concurrently make multi-year funding commitments. The timing of their financial commitments and disbursements as well as their performance review processes should, to the extent possible, be aligned with the Government’s budget cycles.
3. UN Agencies’ commitment to dialogue, coordination and information sharing with the Malawian Government around UNDAF is cardinal. For UN Agencies participating in Outcome 4.2, there is need to develop and nurture constructive and mutually beneficial dialogue that is founded on the spirit of genuine partnership in the spirit of Busan Principles of country leadership and development effectiveness. The emerging dialogue architecture, particularly after Busan, should, therefore, be supported with a view to ensuring that effective information sharing is facilitated.
4. The principle of *mutual accountability* needs to be upheld in Malawi’s development cooperation effort. Ideally, mutual accountability calls for clearly defined commitments on both sides of the aid relationship. In this respect, UN Agencies under UNDAF are urged not to crowd out the mutual accountability agenda of Malawi with their own monitoring and reporting demands and in ways that could leave the Government at the receiving end of procedures and protocols without any reciprocal expectation from themselves. This calls all UN Agencies (and other DPs) to avoid setting up parallel monitoring and reporting systems that unduly demand Government accountability to them rather than to the country’s constitutionally-provided institutions of oversight such as Parliament and the office in charge of the audit function.

#### 5.3.3.2 UNDP-Specific Recommendations

1. The positive strides thus far achieved with respect to the UNDP support towards the Aid Management Platform (AMP) that tracks foreign aid and debt commitments and disbursements are commendable and should be scaled up. The generated data from the Platform, covering information from around 30 DPs, complimented by Quarterly Aid Disbursement Reports and Quarterly Monitoring Reports of donor-funded programmes/projects, is laudable. The rolling out of AMP to NGOs during 2014 should further enhance the quality and comprehensiveness of reported data. Similarly, the adding to the AMP of the Geo-coding Initiative that allows for the tracking of the location of all aid activities is equally important as is the envisaged plan to import Government contributions and projects into the AMP from IFMIS. Efforts to timely produce the Malawi Aid Atlas would give additional value to this effort. Similarly, once expenditure data is also tracked under AMP, this tool should enhance even further its utility value in enhancing the effectiveness of aid management.
2. Technical Assistance (TA) should be addressed in Malawi’s Development Effectiveness discussions and in the context of the expectations of the new Development Cooperation Strategy. UNDP’s stewardship in this area, being the lead UN Agency in supporting the Development Effectiveness Agenda of the Government of Malawi, is important. As a starting guiding principle, TA should be defined by, and supportive of, national efforts and that, rather than being seen as an isolated component of development assistance and reporting to the agency that extends it, it ought to be carefully calibrated into, and become an integral part of, Malawi’s development effectiveness agenda, in general, and human resource development strategy, in particular. In this regard, TA that is extended through UNDAF activities and related capacity building effort by the UN System should always be recruited through, operate under, and report to, the Implementation Partner within the Government of Malawi where the supported interventions are housed/being implemented.
3. As part of the next UNDAF, a clear programme of UNDP support is recommended for strengthening Government institutional capacity for debt management, which should include work towards the development and operationalisation of a Debt Management Strategy. A clear roadmap for a debt arrears clearance strategy should be made part of the areas worth of UNDP support. Overall, External assistance should strive to assist Government to ensure that it keeps debts to manageable and sustainable levels. In the light of this, Government ought to be made aware that any new borrowing should be aligned to Malawi’s capacity to repay and on terms that would not unduly expose the country to preventable risk of defaulting. In particular, UNDP capacity building effort ought to be directed towards securing prudential contraction and management of external and domestic loans. As part of this, Government should be supported, through technical advice, to ensure that more debt oversight authority is extended to Parliament.

### 5.3.4 Alignment of Policies to Development Strategies and MDGs

#### 5.3.4.1 UN-Wide Recommendations

1. Considering the special interest other DPs such as the World Bank and the IMF may have in the area of Programme-Based Budgeting (PBB), any effort by UN Agencies towards sponsoring the shift to this financial planning/management modality needs to start conversation with these other players who should be lobbied to endorse the effort. It also means that UN agencies have to rise up to the reality of ‘working politically’ in order to minimise possible hurdles in arriving at desired change. This means that, for future interventions, synoptic political economy analyses by the UN in Malawi may be required to establish other *‘drivers of change’* around areas of potential reform interest. This would help in ensuring that UN Agencies’ investments in systemic reforms are embarked upon but only into reforms that promise political traction with other strategic players in the country.

#### 5.3.4.2 UNDP-Specific Recommendations

1. Considering the difficulty of securing major reforms regarding how the Government conducts its business, particularly in the more sensitive political/government areas, it is important for UNDP to always seek to secure some desired results through collective effort with other players, particularly those that are better equipped and placed to undertake advocacy work directly. It is, therefore, recommended that UNDP strengthens its partnerships with credible civil society organisations that can carry out, on its behalf, vocal advocacy work in the public realm. This ought to be seen as part of ‘working politically’ to achieve desired results.

### 5.3.5 System-wide Improvement

#### 5.3.5.1 Government Level

1. Political will to assume local ownership and leadership of aid management is essential for DPs, in general, and the UN System, in particular. This would better assist the Government to improve its service delivery through the realisation of Outcome 4.2. Above everything else, the challenge of putting in place a good aid management and dialogue system requires political will and dedicated professionals within Government. This means that the new ways of doing things require a team of champions at the highest level in the political and technocratic hierarchy to lead the drive forward. It also means that no amount of external stimulus, for example, from activities under UNDAF’s Output 4.2.3, can yield desirable effects without the needed Political Will for change in this area.
2. UNDP should increasingly rely on its strong *convening power* to bring together the Government, DPs and civil society organisations towards delivering a better future for Malawi at the level of the re-definition of Malawi’s development route in the light of the serious economic and structural challenges the country presently faces. In the same context and as a strategic DP active in Malawi presently, UNDP is urged to assume the brokering role of facilitating the creation of an effective dialogue mechanism that brings Government and other DPs together to meaningfully initiate the much needed dialogue over the developmental route the country should take and towards which external support should be channelled. Such effort should aim to simplify working relationships in a way that ‘softens’ hard feelings post the Cashgate scandal; one that fosters flexibility, and facilitates better structured communication within the Government system, between the Government and its Cooperating Partners, and among DPs themselves.
3. In its effort to improve services delivery as supported by Outcome 4.2 of the UNDAF, the Government of Malawi is urged to ensure that capacity building and capacity retention remain at the centre of its effort to improve the management of resources. No amount of external resource flow would result in sustainable Outcomes as envisaged under UNDAF if the requisite human resource capacity in Malawi remains frail. Without the required competent, experienced and motivated human resource that would drive institutions and systems forward, no amount of UN external support, no matter how well structured, would be rewarded with positive change. To the extent that institutional reorganizations and capacity building depend on human resources, addressing the existing human resource capacity gaps in aid/development management through training and the retention of professionals within the relevant ministries should receive the highest priority. Notwithstanding this reality, human resource capacity is of limited value and relevance if it is not enabled to function under strong, transparent and accountable institutions and structures. In this respect, *human* resource capacity enhancement must be matched with *institutional* capacity building.
4. To make DPs’ input into improved service delivery more worthwhile, Government should ensure that, in its crafting of guidelines and operational protocols, the structures of Sector Working Groups (SWGs) are reoriented towards the real challenges in their respective areas of coverage. Perhaps more importantly, DPs should not be allowed (or persuaded) to over-crowd the developmental agenda of Government by making them a dominant part of the SWGs priority setting. The expectation that all DPs in a given sector should be members of the respective SWG ought to be revisited in the light of this recommendation.
5. It is important for Government leadership to take hold and ensure that, to the extent possible, SWGs remain largely *advisory* in nature and, hence, the State should not surrender its core responsibility of superintending over the planning, implementation, managing and monitoring of its developmental activities. Government should also account for its actions and inactions less to DPs and more to the legislated national systems/structures of oversight that include Parliament. In this regard, it is recommended that UNDP support towards the enhancement of Government systems and structures seeks to operationalise this principle and that DPs, including the UN System, should make a conscious effort not to make conditionalities that inundate Government in ways that divert its accountability protocols away from local systems towards external actors.
6. Government is advised to restructure the mandate and operational coverage of SWG. In particular, there should be a conscious effort by Government, with support from UNDP, to gravitate away from making SWGs a mirror image of sector ministries. To the extent that Government has accepted RBM as an important instrument in enhanced service delivery, monitoring and reporting, and also considering that Programme Based Budgeting (PBB) calls for a shift from sectoral outlook towards *programmes*, it is important that budgetary allocation and operational structures focus on what the programmes (rather than individual sectors) require. This recommendation is founded on the understanding that, at operational level, the average intervention requires more than one sector to realise the desired outcome/impact while individual sectors can only contribute their outputs towards a higher level *effect* (Outcome). If resource application and their management remain in the current ‘sectoral silos,’ it will be difficult to deliver services effectively using either RBM or PBB. This also means that if the ‘sectoral silo’ modality remains, targeting *Development Effectiveness* would be difficult to realise.
7. There is need to strengthen Government’s own internal dialogue architecture in a manner that (a) streamlines the processes of intra-government dialogue and (b) builds the requisite capacities needed for effective aid/development management. In this regard and through UNDP support, Government should strengthen the aid management function of DAD through a review of the current structure of the Department, taking into account the implications of the more systemic recommendations in this Report. The review could include the following important elements:
   1. Aligning DAD’s functions to the changing aid architecture, which has re-shifted attention from aid effectiveness to *development effectiveness*. This should include an examination of what should be captured at reporting level through, for example, the AMP and the Aid Atlas.
   2. The nature of the relationships between DAD and the other arms of Government that are involved in mobilising, receiving, managing and monitoring aid resources.
   3. Recommend how best to receive and manage technical assistance (TA) as an important, albeit expensive, component of development assistance.
   4. Recommend the departmental structure, size as well as the professional/ competence mix of the personnel within DAD in the light of emerging aspects of development effectiveness.
   5. Recommend the best operational protocols when dealing with DPs on day-to-day basis as well as at the level of reporting progress on both sides of the aid relationship.
   6. Recommend the appropriate DPs coordination framework that would allow them to better harmonise their interventions as guided by the Development Cooperation Strategy (DCS) that was launched in late 2014. Consideration of coming up with a Joint Assistance Strategy for DPs, similar to what obtains in Zambia, could be made. Recommendations at this level could also give guidelines on how Division of Labour (DoL) can best be managed and how the UN System’s Delivering as One (DaO) could best be embraced to secure better interface between the Government and DPs.

#### 5.3.5.2 UN System Level

In order to position UNCT, in general, and the RC, in particular, to better discharge their coordination and oversight functions *vis-à-vis* UNDAF design, implementation and monitoring, it is recommended that a review of the UNCT management and implementation mechanisms is commissioned in the spirit of Delivering as One (DaO). The review could focus on the following four aspects that this Evaluation has concluded require attention:

1. How best to strengthen the ‘firewall’ between RC and the UNDP Resident Representative to ensure that the former acts even more visibly and more strategically for the whole UN system. The redefinition of the roles/inputs of other UN Agencies in complimenting and supplementing the RC coordinating function could also be reviewed in order to enhance the already good progress recorded thus far.
2. Consideration by UNCT of entering into a Memorandum of Understanding that should clearly spell out the roles and functions of different UN Agencies and the *modus operandi* that would govern their collaboration amongst themselves and with Government.
3. Recommending a reasonable balance between the representative character of the dialogue structures that are provided for under the DCS, on the one hand, and, on the other, the need to ensure that membership size (for different structures) is not so convoluted and oversized that it begins to adversely affect the quality of dialogue. The composition of the HLF and SWGs, in particular, could be reviewed in this regard.
4. Establishing the required professional mix of current UN agencies staff in response to what is required on the ground in line with the changing aid/development architecture in the context of, say, Development Effectiveness, RBM, PBB, etc.

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## 

## Appendices

*Appendix 1*

**DEAP Joint Programme Planned Outputs**

|  |  |
| --- | --- |
| JP Planned Outputs | Planned activities |
| National institutions utilize RBM systems for planning, monitoring and evaluation to enhance ownership and leadership for achievement of development results | 1. Targeting both ministries and districts 2. Develop the capacity of learning and training institutions (University of Malawi, MIM, Bunda College and SDI) for delivering training in RBM, MGDS/MDG-based planning and budgeting and HRBA 3. Train managers in planning, debt and aid management targeting budget and M&E officers in OPC, central and ministries and districts in RBM, HRBA, MGDS/MDG-based planning and budgeting and links to budgeting. 4. Upgrade M&E architecture on the basis of thorough assessment of results-based and gender sensitive M&E and reporting capacity across all ministries and district councils addressing, inter alia, data quality, integrity and harmonization issues and compatibility of data systems. 5. Updating MASEDA, WMS and MVAC and strengthening their utilization in national planning and policy development. 6. Undertake MGDS II annual review: 7. Conduct annual analysis of the national budget alignment to MGDS II priorities and MDGs. 8. Undertake public expenditure tracking surveys (PETS) in key sectors. 9. Produce and disseminate annual MGDS II review reports. 10. Facilitate review of progress by PSs and Cabinet and in Parliament. 11. Conduct biannual consultations with stakeholders. 12. Produce and disseminate annual MDGs reports and post-2015 MDGs report. 13. Develop mechanisms at OPC for assessing performance of public entities on the basis of performance agreement, enforcing of delivery of planned outcomes and holding managers accountable for results. 14. Improve the institutional capacity of the MEPD to undertake the MGDS annual reviews and the OPC-Department of Projects and Programmes Implementation, Monitoring and Evaluation to assess performance and accountability for results. 15. Strengthen the Dept. of Projects/Programmes Implementation, Monitoring and Evaluation to provide effective monitoring and oversight functions |
| National Institutions have the capacity to align policies, programmes and budgets  with national development strategies and MDGs for efficient achievement of  development results | 1. Develop a comprehensive RBM Manual incorporating budgeting, policy analysis, HRBA and MGDS/MDGs based planning and costing and guidelines for mainstreaming gender. 2. Update and disseminate programme and project planning and appraisal, policy analysis and M&E guidelines on the basis of the RBM Manual. 3. Update and disseminate budget guidelines on the basis of RBM manual. 4. Update and disseminate district socio-economic and District Development Planning manual/guidelines for alignment with National Budget, sectoral and national priorities. 5. Facilitate the mid-term MGDS II update and formulation of successor strategy to the MGDS II. 6. Roll out RBM practices, MGDS/MDG-based sector review, planning and budgeting in at least 5 sectors for achieving harmony with national priorities and consistent definition of results for the budget and MTEF. 7. Manage the SWG process through:    1. Review SWGs functionality and approved guidelines;    2. Support sector to initiate SWGs    3. Organize joint learning events for members of SWGs in SWAps/PBAs, sector MTEFs, national debt and aid policy and strategy requirements    4. Organize joint discussions between sectors to ensure coherence of sector planning processes and alignment with national priorities 8. Undertake national development strategy review and evaluation: 2 x NHDRs, mid- and end-term MGDS II reviews, debt and aid policy and strategy reviews, at least 3 x MGDS II based thematic evaluations by 2016. 9. Roll out district development review and planning process and RBM in at least 10 pilot districts for achieving harmony with sectoral national priorities and the budget. 10. Develop and implement comprehensive communication strategies for key NHDR, MDGs and MGDS II |
| Government has sufficient capacity to effectively negotiate, manage and account for development assistance | 1. Strengthen aid and debt management functions: (i) update description of functions in DAD and staff job descriptions; (ii) produce and disseminate debt and aid reports (annual Aid Atlas, annual Debt Report, Debt Sustainability analysis report, quarterly monitoring of donor funded projects reports) in time for CABS, HLF, and MGDS review; (iii) upgrade and extend access to the Aid Management Platform (AMP) and CS-DRMS systems and link them to the budget system. 2. Formulate and disseminate Development Cooperation Strategy for 2012-2016 and a post-Busan implementation plan. 3. Formulate and disseminate Development Cooperation Strategy for 2012-2016 and a post-Busan implementation plan. 4. Review Debt and Aid Policy and Strategy. 5. Support the preparation of HLF and CABS review meetings, PAF indicators formulation and review of progress, production of policy papers and reports that facilitate Govt. – DPs mutual accountability. 6. Assess capacity of civil society and private sector to participate in aid and development effectiveness agenda. 7. Undertake aid and development effectiveness education and sensitization activities targeting senior officials in Government, district level officials, CSOs, private sector, academia, and Members of Parliament. 8. Support Malawi’s participation in international development effectiveness fora (Global Partnership for Effective Development Cooperation meetings and building blocks) |
| Effective Project management services delivered | 1. Provide implementation support including young professionals x 2 and Accountant. 2. Provide for UNDP programme assurance, coordination and management. 3. Provide technical services for effective production of programme outputs/Deploy Programme Specialist – CTO. 4. Organize programme steering committee meetings, TWGs meetings and implement attendant recommendations and decisions. 5. Organize and conduct monitoring activities. 6. Facilitate project audits. 7. Facilitate project mid-term and end of term evaluations. |

*Appendix 2*

**Table 2: UNDAF at a Glance**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| MDG | MDG 1, MDG 7, MDG 8 | MDG 2, MDG 3, MDG 4, MDG 5, MDG 6 | MDG 6 | All MDGs |
| MGDS THEMES, AND KEY PRIORITY AREAS (KPAs) | **Sustainable Economic Growth**  **Social Support and Disaster Risk Management**  **KPAs:** Agriculture and food security, Climate change, Natural Resources and Environmental Management, Trade, | **Social Development**  **KPAs:** Health, Education, Child Development, Youth Development, Water and Sanitation | **Social Development**  **KPA:** HIV and AIDS Management | **Improved Governance**  **Social Development**  **KPA:** IRD |
| UNDAF THEMES, KEY PRIORITIES AND OUTCOMES | **Theme 1 – Sustainable and Equitable Economic Growth and Food Security**  **Key Priority 1:**  National policies, local and national institutions effectively support equitable and sustainable economic growth and food security by 2016.  **Outcome 1.1:**  Targeted rural households in selected districts are food and nutrition secure by 2016  **Outcome 1.2:** Women, youth, people with disability and households benefit from decent employment, income generation and pro-poor private sector growth by 2016  **Outcome 1.3**  Targeted population in selected districts benefit from effective management of environment, natural resources, climate change and disaster risk by 2016  **Outcome 1.4**  Most vulnerable groups are capable of meeting their basic needs and withstanding shocks by 2016 | **Theme 2 – Equitable and quality basic social and protection services**  **Key Priority 2:**  National institutions effectively deliver equitable and quality basic social and protection services by 2016.  **Outcome 2.1** The population in selected districts has increased access to equitable and quality essential health services by 2016  **Outcome 2.2**  Children under five years of age, pregnant women and lactating women in selected districts have access to and use quality nutrition services by 2016  **Outcome 2.3**  Rural and peri-urban underserved areas in selected districts have access to integrated safe water supply, sanitation, hygiene and environmental health services by 2016  **Outcome 2.4**  Boys and Girls of school-going age in selected low performing districts enrol, are retained, learn, and complete basic education by 2016  **Outcome 2.5** Children, young people and women are better protected from violence, abuse, exploitation and neglect and have access to an expanded range of protection services by 2016 | **Theme 3 – National response to HIV and AIDS**  **Key Priority 3:**  National response to HIV and AIDS scaled up to achieve Universal Access to HIV prevention, treatment, care and support by 2016.  **Outcome 3.1** Key populations have equitable access to and uptake of quality gender sensitive HIV preventive services by 2016  **Outcome 3.2**  The population will have increased and equitable access to quality HIV treatment services by 2016  **Outcome 3.3**  Families and communities in selected districts are protected from social, psychological and economic impact of HIV and AIDS by 2016  **Outcome 3.4**  The national response to HIV is evidence-informed, coordinated, well-resourced, efficient and based upon a supportive legal and policy environment by 2016 | **Theme 4 – Governance and Human Rights**  **Key Priority 4:**  National institutions effectively support transparency, accountability, participatory democracy and human rights by 2016.  **Outcome 4.1** National institutions foster democratic governance and human rights to promote transparency, accountability, participation and access to justice for all especially women and children by 2016  **Outcome 4.2**  Public institutions are better able to manage, allocate and utilize resources for effective development and service delivery by 2016  **Outcome 4.3**  National institutions advance gender equality and status of women by 2016  **Outcome 4.4**  National laws, policies and public behaviour patterns responsive to population dynamics for sustainable development by 2016 |

*Appendix 3*

**Detailed Progress per Output (January – December 2014)**

**Public institutions are better able to manage, allocate and utilize resources for effective development and service**

| **Component** | **Deliverables** | **Performance Rating** | **Remarks** |
| --- | --- | --- | --- |
| **Public Service Policies, Regulations, Strategies and Guidelines** | Public Service Act (PSA) 1994 revised for consistency with the Constitution, Cabinet Minister’s and Principal Secretary’s Handbooks (Review of MPSR) |  | Done.  Began as review of Malawi public service regulations (MPSR) |
| Support to public sector reforms |  | Done  Public service modernisation programme;  Financial and technical support to the PSRC |
| National Capacity Development Strategy, Action and Financing Plan developed. |  | Earmarked deliverable not delivered but there has been progress towards it.  Support to a national human resource survey successfully provided and output delivered. |
| Gender-sensitive recruitment guidelines developed and adopted. |  | Earmarked deliverable not delivered but there has been progress towards it.  Support to a national human resource survey successfully provided and output delivered. |
| Public Administration Sector Wide Approach (PA-SWAp) established and operational. |  | Done |
| **Leadership, Management and Public Service Ethics and Integrity** | Executives and parliamentarians acquire leadership and management skills to provide public service delivery oversight. |  | Not Done. Cancelled due to the risk of sunk cost |
| Bureaucratic skills and competencies upgraded for new entrants, middle and senior-level managers in public service. |  | Done |
| Public service ethics and integrity standards developed and enforced. |  | All done  Public service code of ethics  Public service charter  Assessment of ethics in public service  Training on ethics |
| **Human Resource Planning and Management** | A gender-sensitive human resource planning and management strategy developed. |  | Earmarked deliverable not delivered but there has been progress towards it.  Support to a national human resource survey successfully provided and output delivered. |
| Institutional performance management system (PMS) developed and implemented in selected institutions |  | OPA established with 34 MDAs;  Performance enforcement unit established in OPC |
| **ICT and e-Government Policy and Standards** | ICT Policy finalized and e-government strategy and standards developed and enforced. |  | Policy draft done but stuck in cabinet process so not yet adopted |
| Increased application of ICT/e-government in the public service. |  | Training of a selected number of public servants done but no way of checking on ‘increased application’ |
| **HIV and AIDS and Gender Mainstreaming** |  |  | Partially done. Gender sensitivity demonstrated in conscious effort to include women; gender mainstreaming not very well done as there is no evidence in the actual interventions;  HIV/ Aids not done because of difficulties on how to include it in the issues |

*Appendix 4*

**Table 5:** **Detailed Progress per Output (January – December 2014)**

**National Institutions utilize Results-Based Management (RBM) systems for planning, monitoring and evaluation to enhance ownership and leadership for achievement of development results**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Annual Targets** | **Activities** | **Target** | **Status** | **Resources** ($) | | **Remarks** |
|  | | | | Budget | Expenditure |  |
| 1,012,587 | 955,493 |
| **1.1 Capacity Development for RBM and RBM practice** | | | | | | |
| **Indicator 1**: Number of staff within learning and training institutions who have RBM skills and knowledge and are delivering RBM training  **Baseline: 4 Target: 30 Target 2014: 20**  **Indicator 2:** Number of staff in ministries and districts trained in RBM **Baseline: 56** at district level; 25 in line ministries  **Target (2016): 800** at district level; 260 at central level and in line ministries;  **Target 2014:** 210 at district level; 120 at central/line ministry level | 1.1.1 Intensive training on policy evaluation (4 officers -2 M&E, 2 Planning) | 4 | 2 |  |  | 1 Planning and 1 M&E officer trained. |
| 1.1.2 Recruitment of RBM consultant | 1 | 1 |  |  | Done |
| 1.1.3 Further develop the RBM manual, training curriculum and training materials for RBM; include HRBA, gender, other cross-cutting areas and MGDS/MDGs based planning and budgeting aspects | 1 | 1 |  |  | Done |
| 1.1.4 Undertake capacity development of learning and training institutions - Training of trainers (15 trainers) | 15 trainers | 0 |  |  | Not done due to change of approach where Polytechnic is being used instead. Some discussions with training institutions on incorporating RBM in their curricula are ongoing as part of the RBM work. |
| 1.1.5 Draft MoUs with TIs with support of DHRMD | 3 MoUs | 0 |  |  | Same as above |
| 1.1.6. Constitute a core team to champion RBM, agree ToRs and deliver RBM training to the core team | 10 officers | 10 |  |  | Done. MFEPD, MoLGRD, OPC, DRMD |
| 1.1.7 Support practical application and utilization of RBM practice in 3 line ministries and 3 districts – introductory /preparatory meetings with senior management, 1 day RBM orientation for all key staff; | 3 ministries  3 districts | 4  4 |  |  | Done. Gender, Transport, NAO and MITC and Mchinji, Karonga, Dedza and Mwanza |
| 1.1.8 Provide hands-on support for RBM to 3 line ministries and 3 districts | 3 ministries  3 districts | 3  4 |  |  | Orientation and training provided as initial support. |
|  | 1.1.9 Procure a vehicle and 15 PC units and 5 laptops | 1 vehicle  15 PCs  5 laptops | 1  15  5 |  |  | Completed |
| **1.2 Support to the implementation of the National System Strategic Plan including MASEDA and MDGs End line Survey** | | | | | | |
|  | 1.2.1 Coordinate production of MDGs End-line Survey Report, incl. TWG and SC meetings | Yes | Yes |  |  | MEPD coordinated and participated in the MDG End line Survey and data analysis despite the financial challenges – USAID contribution.  Done |
|  | 1.2.2 Regularly update MASEDA Database (Quarterly) | Yes | Yes |  |  | MASEDA database was updated |
| **1.3 Government M&E system strengthened** | | | | | | |
| **Indicator 3:** % of Ministries with functional M&E systems (M&E staff in place and attended training and produced M&E plan and reports)  **Baseline: 60%, Target 90% Target 2014 65%**  **Indicator 4**: MASEDA, district database and DMIS utilized in decision – making:  **Baseline: 0, Target Yes(2016)**  **Indicator 5:** Number of district councils with functional M&E systems  **Baseline: 7 (2012)**  **Target (2016) 28**  **Target 2014: 7** | 1.3.1 Review the State of M&E for readiness for post 2015 development agenda– ToRs, Team/Consultant | Yes | Yes |  |  | Done |
| 1.3.2 Update M&E Frameworks in 10 Ministries and 7 districts (start with 3 ministries and 3 districts) | 10 ministries  7 districts | 3  3 |  |  | Partially done |
| 1.3.3 Support user-friendly District Data banks at least in 7 districts councils (start with 3 – KA, DZ & MJ) | 7 districts | 3 |  |  | Partially done. Data collection tools developed. However this is a long term activity and the M&E Study has provided recommendations on the way forward. DMECC are functioning with UNICEF support |
| **1.4 MGDS II annual; mid-term and end of term review processes supported** | | | | | | |
| **Indicator 6:** Quality and timeliness of MGDS review [completeness and accuracy of information, reports produced by Sept. each year]  Baseline: No Target : Yes (2016) **Target (2014) Yes** | 1.4.1 Undertake public expenditure tracking surveys (PETS) in key sectors (preparatory work only – Impact Evaluation Training) | 1 report |  |  |  | Delayed but underway. Funds provided by UNICEF and DEAP |
| 1.4.2 Produce and disseminate 2012/13 annual MGDS II review report  1.4.2.1 Organise quarterly MGDS II meetings with SWGs for the 2013/14 MGDS review | 1 report | 1  1 |  |  | 2013 MGDS report produced  2014 MGDS Annual Review Report - draft |
| 1.4.2.2 Agree on Concept Note and plan to conduct Quarterly PSIP Projects reviews | 1 report | 1 |  |  | Underway funded by government - ORT |
| 1.4.2.3 Undertake PSIP projects review and organize validation workshops | 1 | 1 |  |  | Underway funded by government - ORT |
| 1.4.3 Disseminate 2013 MDG reports and Malawi’s post-2015 development agenda report among senior government officials, planners and parliamentarians (3 x regional workshops) | 3 | 3 |  |  | Done |
| **1.5 Develop mechanisms at OPC for assessing performance of public entities and holding managers accountable for results** | | | | | | |
| **Indicator 7:**  Number of public institutions assessed for performance annually and provided feedback  **Baseline:** 0 ( 2011); **Target**: ( 2016): 44  **Target** ( 2014): 44 | 1.5.1 Recruit a consultant to develop an OPA manual | ToRs;  consultant in place | 1 |  |  | TORs and evaluation of consultants that expressed interest done, contractual issues pending and shifted to 2015 |
| 1.5.2 Conduct stakeholder consultations on the development of the OPA manual | 32 | 32 |  |  | Pending the above - however some consultations were done |
| 1.5.3 Train MDAs on the manual highlighting standards, reporting guidelines, templates and criteria  for evaluating performance | 4 trainings | 4 |  |  | Done but not using the manual |
| 1.5.4 Recruit a consultant to develop a tracking module for OPA and budget analysis linked to the government  M & E System | 1 | 0 |  |  | Not done. The activity was included into the Work plan at a later stage. It will be implemented in 2015. |
|  | 1.5.5 Undertake capacity building activities and study tour on an effective and efficient delivery and organizational performance systems | Yes | Yes |  |  | A joint M&E Division, Budget Division and PED team attended a learning exchange on effective performance monitoring and evaluation in South Africa. |
| **1.6 Assess the performance of public entities in achieving results as a mechanism for strengthening feedback and enforcing accountability for results** | | | | | |
| 1.6.1. Conduct orientation and OPA planning/preparation sessions with MDAs for development of OPA | 7 | 7 |  |  | Done |
| 1.6.2 Conduct organizational performance assessment based on OPA | 2 | 2 |  |  | Done |
| 1.6.3 Conduct tracking on the delivery of projects and programmes | 36 | 44 |  |  | Done |

*Appendix 5*

**Table 6: Detailed Progress per Output (January – December 2014)**

**Government has sufficient capacity to effectively negotiate, manage and account for development assistance**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Annual Targets** | **Activities** | **Target** | | **Status** | **Resources** ($) | | | **Remarks** |
| Budget | | Expenditure |
|  |  | |  | 344,261 | | 282,219 |  |
| **3.1 Strengthen debt and aid management functions** | | | | | | | | |
| **Indicator 1:** % of staff with updated job descriptions  Baseline: 0; Target: 100% (2014) | 3.1. Update DAD Staff job descriptions | 100% | | 0 | |  |  | Not Done   * This is unlikely to be done using DEAP resources. | |
| **Indicator 2a:** Aid Atlas Report produced annually by September Baseline (2013): No; Target: Yes (2014)  **Indicator 2b:** Aid Calendar produced for year 2014 ; Baseline: No; Target Yes (2014)  **Indicator 2c:** Debt and Aid reports produced | 3.2 Produce and disseminate Aid Atlas | 400 | | 0 | |  |  | * Aid Atlas produced * Recalled from the printer because DPs requested to revise their figures before printing the Atlas * Printing expected to be done by end of February 2015 | |
| 3.3 Develop and disseminate Development Cooperation Calendar | 200 | | 200 | |  |  | Done | |
| 3.4 Produce and disseminate debt and aid reports | Yes | | Yes | |  |  | Done   * 2013/14FY Annual Debt Report printed with funding from EU not DEAP. * Aid Atlas finalized. | |
| **Indicator 3:** No of DPs, sector ministries, districts and INGOs using the online AMP Baseline (2013) 10 DPs; 6 ministries; 0 districts; Target (2016): All resident DPs , All ministries, All districts Target (2014): All resident DPs, 10 ministries and Dept; 5 districts and 5 resident INGOs | 3.5 Roll out AMP to ministries, DPs and INGOs | All resident DPs; 10 ministries and 2 INGOs | | All resident DPs; 5 ministries and 24 INGOs | |  |  | Work in progress   * Extension of AMP to remaining ministries still on-going to 2015 * Refresher training on AMP is being provided to INGOs to facilitate their use of the System. * Almost all development partners operating in Malawi have access to AMP but the problem remains on timely and comprehensive reporting of aid data through the AMP, many are still sending excel templates. * Refresher trainings for all users planned for 2015 | |
| **3.2. Support to Effective Development Cooperation** | | | | | | | | | |
| **Indicator 4:** DCS produced  Baseline: No; Target: Yes  **Indicator 5**: Functional HLF meetings; Baseline (2012): No; Target 2014: Yes | 3.2.1 Development Cooperation Strategy produced and disseminated | 1500 copies | | 1500 | |  |  | Done   * The DCS was produced and officially launched by Minister of Finance and Economic Planning and Development on 11th December 2014. * Dissemination being done * Regional meetings planned for 2015 | |
|  | 3.2.2 Support the CABS Review process | 1 | | 1 | |  |  | Done   * The review process supported * 2nd 2013/14 CABS Review meeting held in March 2014. | |
| **3.3 Support to Debt and Aid Policies** | | | | | | | | | |
|  | 3.3.1 Review Debt and Aid Management Policies | 1 | | 1 | |  |  | Done   * Policies have been reviewed and updated and will be submitted to OPC for approval | |
|  | 3.9 Formulate and disseminate the Medium Term Debt Sustainability Strategy | 1 | | 1 | |  |  | Done   * MTDS finalised but not printed. For internal use only. | |
| **3.4 Learning & Information Exchange on Development Effectiveness** | | | | | | | | | |
|  | 3.4.1 Support learning and information exchange for government, CSOs, academia, media, Members of Parliament and private sector on development effectiveness agenda including South-south Cooperation and Triangular Cooperation and participation in Global Partnership and other international meetings. |  | |  | |  |  | * Malawi successfully participated in the Global Busan Monitoring process and in the Mexico High Level Meeting, the DCF and the meetings of the International Aid Transparency Initiative (IATI), and the annual Effective Institutions Platform workshop. * A stakeholders meeting was held to disseminate Busan Monitoring and Mexico HLF results at country level. The meeting was well attended by representatives from Government, DPs, civil society, private sector and media. * CSOs forum on development effectiveness was supported by the Programme. The forum was attended by representatives from CSOs, private sector and Government. It marked the way forward in terms of CSOs commitment and involvement in the implementation of the DCS. | |

*Appendix 6*

**Table 8: Detailed Progress per Output (January – December 2014)**

**National Institutions have the capacity to align policies, programmes and budgets with national development strategies and MDGs for efficient achievement of development results**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | | |  | **Resources** ($) | | |  |
| **Annual Targets** | **Activities** | **Target** | | | **Status** | Budget | | Expenditure | **Remarks** |
| 458,124 | | 406,619 |
| **Indicator 1:** Government Guidelines manuals on the basis of RBM in place  **Baseline:** No  **Target:** Yes  **Indicator 2**: Programme based budgeting piloted in institutions. **Baseline**, No (2012); **Target** 6 (2014)  **Indicator 3:** Sector and district plans aligned with MGDS priorities and linked to MTEF process  **Baseline:** 0 (2011)  **Target: (2016)** 5 sectors and 10 districts  **Target: (2014)** 4 sectors and 2 districts | 2.1.1 Establish and support PBB core team incorporating focal points from MoF and MEPD | 1 | | | 1 |  | |  | Thirteen member team established - 7 from Finance and 6 from EPD |
| 2.1.2 Study tour on PBB for 10 officials from the core team for PBB | 1 | | | 1 |  | |  | The study tour was successfully accomplished. Study tour report and work plan to implement experience learned developed. |
| 2.1.3 Recruit PBB consultant | 1 | | | 1 |  | |  | All expected deliverables successfully provided. |
| 2.1.4 Workshops on PBB guidelines/ RBM requirements and mainstreaming allocations to gender (core RBM/PBB teams) | 3 | | | 3 |  | |  | Workshops held with the PBB and RBM teams to agree on the operating environment requirements and the integrated planning and budgeting manual. Gender is included in the RBM pilot ministries. |
| 2.1.5 Briefings and workshops with pilot ministries for PBB | 6 | | | 6 |  | |  | PBB approach piloted in 5 government institutions. Programme based budgets prepared in all pilots. |
| 2.1.6 RBM briefing in budget briefings in the regions (MLGRD) | 3 | | | 0 |  | |  | Cancelled. No such briefings organized this year. |
| 2.1.7 Update guidelines for District Development Planning to incorporate RBM and alignment requirements (workshops) | 1 | | | 1 |  | |  | Done. Awaiting printing. |
| **2.2 Strengthen SWG process** | | | | | | | | | |
| **Indicator 4**: Number of functional SWGs  **Baseline:** 6 (2012); **Target: 16**, (2016) **Target (2014):** 10 | 2.2.1 Set up SWGs secretariat in MEPD (core team) | 1 | | | 1 |  | |  | Done |
| 2.2.2 Recruit consultant for a comprehensive review of SWGs | 1 | | | 1 |  | |  | Final report submitted. |
| 2.2.3 Work with consultant in undertaking SWG review |  | | |  |  | |  | Done |
| 2.2.4 Organise joint meeting of non-functioning SWGs – Tourism wildlife and culture, energy and mining and environment/lands/natural resources | 3 | | | 3 |  | |  | Meetings held with all the three SWGs and Energy and Lands have been revived. |
| 2.2.5 Conduct training for SWG Desk Officers and Secretariat | 1 | | |  |  | |  | Not done. Guidelines have just been finalised and all Directors briefed. They will be printed next year. |
| 2.2.6 Update the 2008 SWG guidelines | 1 | | | 1 |  | |  | Done with steering from the PS. |
|  | 2.2.7 Undertake Study tour for the core team for SWGs | 1 | | | 0 |  | |  | Postponed. No positive responses from Uganda, Rwanda etc. |
| **2.3 Support National development strategy review and evaluation : 2 x NHDRs, policy and social impact assessments in selected areas, at least 3 x MGDS II based thematic evaluations by 2016 and dissemination of key reports** | | | | | | | | | |
| **Indicator 5**: Mid-term MGDS II review report in place and acted on Baseline: N/A; Target: Yes | 2.3.1 Develop ToRs for Mid Term Review of MGDS II and undertake the review | **1** | | |  |  | |  | Cancelled due to other considerations. |
| 2.3.2 Support preparation of the National Human Development Report including task team, TAC and SC meetings | Yes | | | Yes |  | |  | Done |
| 2.3.3 Organise training for NHDR Technical Advisory Team | Yes | | | Yes |  | |  | Done |
| 2.3.4 Support review of position papers | Yes | | | Yes |  | |  | Done |
|
| **2.4 Support formulation of successor strategy to MGDS II to include post 2015 development agenda** | | | | | | | | |
| 2.4.1 Conduct a sensitization workshop for Istanbul Program of Action | 1 | 0 | | |  | |  | Not Done. Included in the next Work Plan. |
|  | 2.4.2 Prepare Annual Report for Istanbul PoA | 1 | 0 | | |  | |  | Not Done. Included in the next Work Plan |
| **Joint Output 3: Government has sufficient capacity to effectively negotiate, manage and account for development assistance** | | | | | | | | | |
| **Annual Targets** | **Activities** | **Target** | **Status** | | | **Resources** ($) | | | **Remarks** |
| Budget | | Expenditure |
|  | | | | | | 344,261 | | 282,219 |  |
| **3.1 Strengthen debt and aid management functions** | | | | | | | | | |
| **Indicator 1:** % of staff with updated job descriptions  Baseline: 0; Target: 100% (2014) | 3.1. Update DAD Staff job descriptions | 100% | | 0 | | |  |  | Not Done   * This is unlikely to be done using DEAP resources. | |
| **Indicator 2a:** Aid Atlas Report produced annually by September Baseline (2013): No; Target: Yes (2014)  **Indicator 2b:** Aid Calendar produced for year 2014 ; Baseline: No; Target Yes (2014)  **Indicator 2c:** Debt and Aid reports produced | 3.2 Produce and disseminate Aid Atlas | 400 | | 0 | | |  |  | * Aid Atlas produced * Recalled from the printer because DPs requested to revise their figures before printing the Atlas * Printing expected to be done by end of February 2015 | |
| 3.3 Develop, and disseminate Development Cooperation Calendar | 200 | | 200 | | |  |  | Done | |
| 3.4 Produce and disseminate debt and aid reports | Yes | | Yes | | |  |  | Done   * 2013/14FY Annual Debt Report printed with funding from EU not DEAP. * Aid Atlas finalized. | |
| **Indicator 3:** No of DPs, sector ministries, districts and INGOs using the online AMP Baseline (2013) 10 DPs; 6 ministries; 0 districts; Target (2016): All resident DPs , All ministries, All districts Target (2014): All resident DPs, 10 ministries and Dept; 5 districts and 5 resident INGOs | 3.5 Roll out AMP to ministries, DPs and INGOs | All resident DPs; 10 ministries and 2 INGOs | | All resident DPs; 5 ministries and 24 INGOs | | |  |  | Work in progress   * Extension of AMP to remaining ministries still on-going to 2015 * Refresher training on AMP is being provided to INGOs to facilitate their use of the System. * Almost all development partners operating in Malawi have access to AMP but the problem remains on timely and comprehensive reporting of aid data through the AMP, many are still sending excel templates. * Refresher trainings for all users planned for 2015 | |
| **3.2. Support to Effective Development Cooperation** | | | | | | | | | | |
| **Indicator 4:** DCS produced  Baseline: No; Target: Yes  **Indicator 5**: Functional HLF meetings; Baseline (2012): No; Target 2014: Yes | 3.2.1 Development Cooperation Strategy produced and disseminated | 1500 copies | | 1500 | | |  |  | Done   * The DCS was produced and officially launched by Minister of Finance and Economic Planning and Development on 11th December 2014. * Dissemination being done * Regional meetings planned for 2015 | |
|  | 3.2.2 Support the CABS Review process | 1 | | 1 | | |  |  | Done   * The review process supported * 2nd 2013/14 CABS Review meeting held in March 2014. | |
| **3.3 Support to Debt and Aid Policies** | | | | | | | | | | |
|  | 3.3.1 Review Debt and Aid Management Policies | 1 | | 1 | | |  |  | Done   * Policies have been reviewed and updated and will be submitted to OPC for approval | |
|  | 3.9 Formulate and disseminate the Medium Term Debt Sustainability Strategy | 1 | | 1 | | |  |  | Done   * MTDS finalised but not printed. For internal use only. | |
| **3.4 Learning & Information Exchange on Development Effectiveness** | | | | | | | | | | |
|  | 3.4.1 Support learning and information exchange for government, CSOs, academia, media, Members of Parliament and private sector on development effectiveness agenda including South-south Cooperation and Triangular Cooperation and participation in Global Partnership and other international meetings. |  | |  | | |  |  | * Malawi successfully participated in the Global Busan Monitoring process and in the Mexico High Level Meeting, the DCF and the meetings of the International Aid Transparency Initiative (IATI), and the annual Effective Institutions Platform workshop. * A stakeholders meeting was held to disseminate Busan Monitoring and Mexico HLF results at country level. The meeting was well attended by representatives from Government, DPs, civil society, private sector and media. * CSOs forum on development effectiveness was supported by the Programme. The forum was attended by representatives from CSOs, private sector and Government. It marked the way forward in terms of CSOs commitment and involvement in the implementation of the DCS. | |

*Appendix 7*

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**Results Matrix: UNDAF Action Plan (2012 – 2016)**

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **UN Agency** | **Indicators, Baseline and Targets** | **Means of Verification** | **Risk and assumptions** | **Key Partners** |  | **Indicative Resources (USD)** | | | | |
| **Agency** | **Core** | **Non-Core** | **Gap** | | **Total** |
| **Outcome 4.2 Public institutions are better able to manage, allocate and utilize resources for effective development and service delivery by 2016.** | UNAIDS, **UNDP**, UNFPA, UNICEF | % of senior public servants trained in leadership and management (2010: 45 ; 2017: 70) | Public Sector Admin. Training reports | **Risk:** Lack of support from key stakeholders to a PA-SWAp arrangement; Insufficient funds for institutionalisation of RBM and M & E; High turnover of skilled staff in Government; Insufficient resources for implementation of the MGDS priorities.    **Assumptions:** Effective government ownership and leadership of the SWAp process; National commitment to RBM and M and E practice; Government commitment to reporting on utilization of development assistance; Government's commitment to efficient achievement of MGDS priorities | OPC, MoDPC, MoF, DPSM, ODPP, NAO, AG, CIAU, Min of Info, MoLGRD, NAO, NSO, MoGCCD, Local Authorities |  | 18,390,000 | 19,200,000 | | 17,010,000 | 54,600,000 |
| Percentage of aid reported in the national budget (2009: 55%, Dec 2016: 75%) | National Budget and Aid Atlas reports |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **UN Agency** | **Indicators, Baseline and Targets** | **Means of Verification** | **Risk and assumptions** | **Key Partners** |  | **Indicative Resources (USD)** | | | | |
| **Agency** | **Core** | **Non-Core** | **Gap** | | **Total** |
| **4.2.1 Capacity for public sector management strengthened for effective service delivery.** | UNDP, UNICEF | PA SWAp established (2011: None; 2016: Done) | PA SWG reports |  | OPC, MoDPC, MoF, DPSM, ODPP, NAO, AG, CIAU, NSO, Min of Info, MoLGRD, MoGCCD, MoH, Local Authorities |  |  |  | |  |  |
| % of national budget allocated to public sector administration training (2011: 0.01%, 2016: 0.02%) |  |  |
| No. of specialist medical doctors and General Practitioners (GPs) in each central and district hospital, respectively. Baseline - 2011: 15 specialists; 1 GP. Target - 2016: 35 specialists, 6 GPs | MoH Annual Reports |  |
| **Annualized Key Results 2012** | A: National Public Sector Capacity diagnostic study conducted (UNDP) | | | | | UNDP | 750,000 | - | | 600,000 | 1,350,000 |
| B: Two public sector administration training programmes implemented for senior and middle-level management (UNDP) | | | | | UNDP | 150,000 | 360,000 | | 450,000 | 960,000 |
| C: Database with key child indicators established and implemented at national level and in 8 districts (UNICEF, UNDP) | | | | | UNICEF | 35,000 |  | | 20,000 | 55,000 |
| D: District social welfare officers trained in planning and management of OVC programmes in five districts (UNDP) | | | | | UNDP |  | 350,000 | |  | 350,000 |
| E. An average of 15 specialist medical doctors in central hospitals and two general practitioners in district hospitals (UNDP) | | | | | UNDP | - | 2,150,000 | | - | 2,150,000 |
| **4.2.1-Total Annualised Key Results for 2012** | | | | |  | **935,000** | **2,860,000** | | **1,070,000** | **4,865,000** |
| **Annualized Key Results 2013** | A: National Capacity Development Strategy, action and financing plans developed for Public Administration (PA) SWAp (UNDP) | | | | | UNDP | 810,000 |  | | 400,000 | 1,210,000 |
| B: Public administration curricula in 6 national training institutions | | | | | UNDP | 100,000 | 390,000 | | 600,000 | 1,090,000 |
| C: Database with key child indicators established and implemented at national level (UNICEF, UNDP) | | | | | UNICEF | - |  | | 20,000 | 20,000 |
| D. District social welfare officers trained in planning and management of OVC programmes in six additional districts | | | | | UNDP |  | 350,000 | |  | 350,000 |
| E. An average of 20 specialist medical doctors in central hospitals and 3 GPs in district hospitals (UNDP) | | | | | UNDP | - | 2,150,000 | | - | 2,150,000 |
| **4.2.1-Total Annualised Key Results for 2013** | | | | |  | **910,000** | **2,890,000** | | **1,020,000** | **4,820,000** |
| **Annualized Key Results 2014** | A: Selected capacity development interventions from the national CD Strategy implemented within the PA SWAp (UNDP) | | | | | UNDP | 400,000 | 200,000 | | 250,000 | 850,000 |
| B: Two additional public sector administration training programmes implemented for senior and middle-level management (UNDP) | | | | | UNDP | 70,000 | 450,000 | | 700,000 | 1,220,000 |
| C:Database with key child indicators established and implemented at national level (UNICEF) | | | | | UNICEF | 35,000 |  | | 20,000 | 55,000 |
| D. District social welfare officers trained in planning and management of OVC programmes in six additional districts (UNDP) | | | | | UNDP |  | 350,000 | |  | 350,000 |
| E: An average 25 specialist medical doctors in central hospitals and 4 GPs in district hospitals (UNDP) | | | | | UNDP | - | 1,280,000 | | - | 1,280,000 |
| **4.2.1-Total Annualised Key Results for 2014** | | | | |  | **505,000** | **2,280,000** | | **970,000** | **3,755,000** |
| **Annualized Key Results 2015** | A: Selected Capacity development interventions from the national CD Strategy implemented within the PA SWAp (UNDP) | | | | | UNDP | 300,000 | 360,000 | |  | 660,000 |
| B: Two additional public sector administration training programmes implemented for senior and middle-level management (UNDP) | | | | | UNDP | 70,000 | 450,000 | | 600,000 | 1,120,000 |
| C:Database with key child indicators established and implemented at national level (UNICEF) | | | | | UNICEF | - |  | | 20,000 | 20,000 |
| D. District social welfare officers trained in planning and management of OVC programmes in six additional districts (UNDP) | | | | | UNDP |  | 350,000 | |  | 350,000 |
| E: An average of 30 specialist medical doctors in central hospitals and 5 GPs in district hospitals (UNDP) | | | | | UNDP | - | 1,050,000 | | - | 1,050,000 |
|  | **4.2.1-Total Annualised Key Results for 2015** | | | | |  | **370,000** | **2,210,000** | | **620,000** | **3,200,000** |
| **Annualized Key Results 2016** | A. Selected capacity development interventions from the national CD strategy implemented within the PA SWAp (UNDP) | | | | | UNDP | 250,000 | - | | - | 250,000 |
| B: Four public sector administration training programmes implemented for senior and middle-level management (UNDP) | | | | | UNDP | 100,000 | 360,000 | | 600,000 | 1,060,000 |
| C:Database with key child indicators established and implemented at national level (UNICEF) | | | | | UNICEF | - |  | | 20,000 | 20,000 |
| D. District social welfare officers trained in planning and management of OVC programmes in five additional districts (UNDP) | | | | | UNDP |  | 350,000 | |  | 350,000 |
| E: An average of 35 specialist medical doctors in central hospitals and 6 GPs in district hospitals (UNDP) | | | | | UNDP | - | 1,050,000 | | - | 1,050,000 |
| **4.2.1-Total Annualised Key Results for 2016** | | | | |  | **350,000** | **1,760,000** | | **620,000** | **2,730,000** |
|  | **TOTAL- OUTPUT 4.2.1** | | | | |  | **3,070,000** | **12,000,000** | | **4,300,000** | **19,370,000** |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **UN Agency** | **Indicators, Baseline and Targets** | **Means of Verification** | **Risk and assumptions** | **Key Partners** |  | **Indicative Resources (USD)** | | | | |
| **Agency** | **Core** | **Non-Core** | **Gap** | | **Total** |
| **4.2.2 National institutions utilize RBM systems for planning, monitoring and evaluation to enhance ownership and leadership for achievement of development results.** | UNDP, UNICEF, UNAIDS, UNFPA | No. of public institutions practising RBM (2010: 0 ; 2016: 7) | MoDPC reports |  | OPC, MoDPC, MoF, DPSM, ODPP, NAO, AG, CIAU, NSO, Min of Info, MoLGRD, MoGCCD, MoH, Local Authorities |  |  |  | |  |  |
| No. Of public institutions utilizing the MDG based planning and costing tools (2010: 2; 2016: 16) | MoFDP Reports |  |
| % of Ministries with functional M& E systems (2010: 60 ; 2016 : 90) | MoDPC reports |  |
| **Annualized Key Results 2012** | A: Planning and M&E officers trained in RBM, HRBA, MDG based planning and costing, focusing on at least 4 sectors and 5 districts annually (UNICEF, UNDP, UNFPA) | | | | | UNFPA | 55,000 | 77,500 | | 55,000 | 187,500 |
| UNDP |  | 500,000 | | 350,000 | 850,000 |
| UNICEF | 69,350 |  | | 30,000 | 99,350 |
| B: Performances audit in health, education, and agriculture sectors and selected parastatals completed (UNICEF, UNDP) | | | | | UNDP | 50,000 | 60,000 | | 100,000 | 210,000 |
| UNICEF | 10,000 |  | | 10,000 | 20,000 |
| C. MGDS and MDG annual review reports produced and disseminated(UNDP) | | | | | UNDP | 150,000 | 250,000 | | 300,000 | 700,000 |
| D. MASEDA fully updated, customized to sectoral and district needs, and utilised by line ministries and districts for evidence-based planning and decision-making (UNFPA, UNDP, UNICEF, UNAIDS) | | | | | UNFPA | 40,000 | 120,000 | | 40,000 | 200,000 |
| UNDP | 25,000 | 50,000 | | 200,000 | 275,000 |
| UNICEF | 25,000 |  | |  | 25,000 |
| UNAIDS | 34,500 | 8,750 | | 25,000 | 68,250 |
|  | **4.2.2-Total Annualised Key Results for 2012** | | | | |  | **458,850** | **1,066,250** | | **1,110,000** | **2,635,100** |
| **Annualized Key Results 2013** | A: Planning and M&E officers trained in RBM, HRBA, MDG-based planning and costing and collection and use of data, focusing on at least 4 sectors and 5 districts annually (UNICEF, UNDP, UNFPA) | | | | | UNFPA | 155,000 | 117,500 | | 55,000 | 327,500 |
| UNDP | 275,000 | 175,000 | | 300,000 | 750,000 |
| UNICEF | 163,350 |  | | 30,000 | 193,350 |
| B: RBM practices, MDG-based planning and costing and HRBA and standard tools institutionalised in four additional sectors and five district councils annually (UNDP, UNICEF, UNFPA and UNAIDS) | | | | | UNFPA | 155,000 | 117,500 | | 55,000 | 327,500 |
| UNDP | 150,000 | 150,000 | | 660,000 | 960,000 |
| UNICEF | 366,830 |  | | 50,000 | 416,830 |
| UNAIDS | 34,500 | 8,750 | |  | 43,250 |
| C. MGDS and MDG annual review reports produced and disseminated (UNDP) | | | | | UNDP | 150,000 | 200,000 | | 300,000 | 650,000 |
| D. MASEDA fully updated, customized to sectoral and district needs, and utilised by line ministries and districts for evidence-based planning and decision-making (UNFPA, UNDP,UNICEF,UNAIDS) | | | | | UNFPA | 25,000 | 97,500 | | 15,000 | 137,500 |
| UNDP | 50,000 |  | | 100,000 | 150,000 |
| UNICEF | 75,000 |  | |  | 75,000 |
| UNAIDS | 34,500 | 8,750 | | 25,000 | 68,250 |
| **4.2.2-Total Annualised Key Results for 2013** | | | | | **4,099,180** | **1,634,180** | **875,000** | | **1,590,000** | **4,099,180** |
| **Annualized Key Results 2014** | A: Planning and M&E officers trained in RBM, HRBA and collection and use of data, focusing on at least 4 line ministries and 5 districts annually (UNICEF, UNDP, UNFPA) | | | | | UNFPA | 155,000 | 117,500 | | 55,000 | 327,500 |
| UNDP | 200,000 |  | | 400,000 | 600,000 |
| UNICEF | 560,480 |  | | 50,000 | 610,480 |
| B: RBM practices, MDG-based planning and costing and HRBA and standard tools adopted in four additional sectors and five district councils annually (UNDP, UNICEF, UNFPA and UNAIDS) | | | | | UNDP | 100,000 |  | | 300,000 | 400,000 |
| UNICEF | 20,250 |  | |  | 20,250 |
| UNAIDS | 15,500 | 8,750 | | 25,000 | 49,250 |
| C: MGDS and MDG annual review reports produced and disseminated(UNDP) | | | | | UNDP | 200,000 | 200,000 | | 200,000 | 600,000 |
| D. MASEDA fully updated and utilised by line ministries and districts for evidence-based planning and decision-making (UNFPA, UNICEF,UNAIDS,UNDP) | | | | | UNFPA | 15,000 | 97,500 | | 15,000 | 127,500 |
| UNDP | 50,000 |  | | 200,000 | 250,000 |
| UNICEF | 65,250 |  | |  | 65,250 |
| **4.2.2-Total Annualised Key Results for 2014** | | | | |  | **1,381,480** | **423,750** | | **1,245,000** | **3,050,230** |
| **Annualized Key Results 2015** | A: Planning and M&E officers trained in RBM, HRBA and collection and use of data, focusing on at least 4 line ministries and 5 districts annually (UNICEF, UNDP, AIDS, UNFPA) | | | | | UNFPA | 115,000 | 117,500 | | 55,000 | 287,500 |
| UNDP | 100,000 |  | | 300,000 | 400,000 |
| UNICEF | 410,480 |  | | 50,000 | 460,480 |
| B: RBM practices, MDG-based planning and costing, HRBA and standard tools institutionalised in additional four sector and five district councils (UNICEF, UNFPA, UNAIDS,UNDP) | | | | | UNDP | 100,000 | 8,750 | | 300,000 | 408,750 |
| UNICEF | 100,000 |  | | 200,000 | 300,000 |
| UNAIDS | 15,500 | 8,750 | | 25,000 | 49,250 |
| C. MGDS and MDG annual review reports produced and disseminated (UNDP) | | | | | UNDP | 50,000 | 250,000 | | 150,000 | 450,000 |
| D. MASEDA fully updated and utilised by line ministries and districts for evidence-based planning and decision-making (UNFPA, UNICEF,UNDP,UNAIDS) | | | | | UNFPA | 15,000 | 97,500 | | 15,000 | 127,500 |
| UNDP | 50,000 |  | | 390,000 | 440,000 |
| UNICEF | 65,250 |  | |  | 65,250 |
| **4.2.2-Total Annualised Key Results for 2015** | | | | |  | **1,021,230** | **482,500** | | **1,485,000** | **2,988,730** |
| **Annualized Key Results 2016** | B: RBM practices, MDG-based planning and costing, HRBA and standard programming tools institutionalised in all key sectors and all district councils (UNCEF, UNFPA, UNAIDS, UNDP) | | | | | UNFPA | 55,000 | 117,500 | | 55,000 | 227,500 |
| UNDP | 80,000 |  | | 240,000 | 320,000 |
| UNICEF | 410,480 |  | | 50,000 | 460,480 |
| UNAIDS |  | 15,500 | |  | 15,500 |
| C. MGDS and MDG annual review reports produced and disseminated (UNDP) | | | | | UNDP | 200,000 | 115,000 | | 200,000 | 515,000 |
| D. MASEDA fully updated and utilised by line ministries and districts for evidence-based planning and decision-making (UNFPA, UNICEF,UNDP,UNAIDS) | | | | | UNFPA | 15,000 | 97,500 | | 15,000 | 127,500 |
| UNDP | 20,000 | 50,000 | | 200,000 | 270,000 |
| UNICEF | 65,250 |  | |  | 65,250 |
| UNAIDS | 15,500 | 15,500 | | 15,500 | 46,500 |
| **4.2.2-Total Annualised Key Results for 2016** | | | | |  | **861,230** | **411,000** | | **775,500** | **2,047,730** |
|  | **TOTAL- OUTPUT 4.2.2** | | | | |  | **5,356,970** | **3,258,500** | | **6,205,500** | **14,820,970** |

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|  | **UN Agency** | **Indicators, Baseline and Targets** | **Means of Verification** | **Risk and assumptions** | **Key Partners** |  | **Indicative Resources (USD)** | | | | |
| **Agency** | **Core** | **Non-Core** | **Gap** | | **Total** |
| **4.2.3 Government has sufficient capacity to effectively negotiate, manage and account for development assistance** | UNDP | % of aid flows provided as program based approach (2010: 22 ; 2016: 70) | Paris monitoring survey reports |  | OPC, MoDPC, MoF, DPSM, ODPP, NAO, AG, CIAU, NSO, Min of Info, MoLGRD, MoGCCD, MoH, Local Authorities |  |  |  | |  |  |
| % of aid flow using national procurement and Public Finance Management Systems, respectively (2010: 62%, 66%; 2016: 75%, 75%) |  |  |
| % of development budget (part 1 and 2) utilized (2010: 30 ; 2016 : 80) | Paris monitoring survey reports |  |
| **Annualized Key Results 2012** | A: 2012-2016 Development Assistance Strategy and action plan developed (UNDP) | | | | | UNDP | 150,000 |  | | 150,000 | 300,000 |
| B. Aid Management Platform (AMP) becomes fully operational and is rolled out to development partners (UNDP) | | | | | UNDP | 350,000 |  | | 700,000 | 1,050,000 |
| C. Sector Working Groups reviewed to improve their functionality (UNDP) | | | | | UNDP | 90,000 |  | | 100,000 | 190,000 |
| D. Procurement audits conducted in selected public procurement entities (UNDP) | | | | | UNDP | 100,000 |  | | 50,000 | 150,000 |
| **4.2.3-Total Annualised Key Results for 2012** | | | | |  | **690,000** | **-** | | **1,000,000** | **1,690,000** |
| **Annualized Key Results 2013** | C: Sector working groups facilitate discussions on improved division of labour among development partners active in Malawi (UNDP) | | | | | UNDP | 200,000 |  | | 200,000 | 400,000 |
| B: AMP is upgraded to include integrated geocoding and monitoring and evaluation components, and is rolled out to line ministries and made accessible to the general public (UNDP) | | | | | UNDP | 250,000 |  | | 100,000 | 350,000 |
| D. Procurement audits conducted in selected public procurement entities (UNDP) | | | | | UNDP | 100,000 |  | | 50,000 | 150,000 |
| E. Country's macroeconomic framework reviewed to support development effectiveness (UNDP) | | | | | UNDP | 50,000 |  | |  | 50,000 |
| **4.2.3-Total Annualised Key Results for 2013** | | | | |  | **600,000** | **-** | | **350,000** | **950,000** |
| **Annualized Key Results 2014** | G. Key staff in public institutions and civil society organizations trained in aid management and coordination (UNDP) | | | | | UNDP | 200,000 |  | | 250,000 | 450,000 |
|  | B: AMP is integrated with other government information systems ( IFMIS, PSIP, budget, Devinfo) (UNDP) | | | | | UNDP | 100,000 |  | | 170,000 | 270,000 |
|  | D. Procurement audits conducted in selected public procurement entities (UNDP) | | | | | UNDP | 100,000 |  | | 50,000 | 150,000 |
|  | E. Country's macroeconomic framework reviewed to support development effectiveness (UNDP) | | | | | UNDP | 50,000 |  | |  | 50,000 |
|  | F. Mid-term review of the Development Assistance Strategy and Action Plan (UNDP) | | | | | UNDP | 60,000 |  | |  | 60,000 |
|  | **4.2.3-Total Annualised Key Results for 2014** | | | | |  | **510,000** |  | | **470,000** | **980,000** |
| **Annualized Key Results 2015** | B. AMP adopted and utilized in key public institutions for aid management, budgeting, development planning, monitoring and evaluation(UNDP) | | | | | UNDP | 80,000 |  | | 20,000 | 100,000 |
| D. Procurement audits conducted in selected public procurement entities (UNDP) | | | | | UNDP | 100,000 |  | | 50,000 | 150,000 |
| G. Key staff incl. controlling officers and audit staff both in public institutions and civil society organizations trained in aid management and coordination (UNDP) | | | | | UNDP | 160,000 |  | | 40,000 | 200,000 |
| H: Aid management and coordination are strengthened in Min. of Finance and Dev. Planning, other parts of Government and civil society org. (UNDP) | | | | | UNDP | 100,000 |  | |  | 100,000 |
| **4.2.3-Total Annualised Key Results for 2015** | | | | |  | **440,000** |  | | **110,000** | **550,000** |
| **Annualized Key Results 2016** | B: AMP is fully institutionalized and integrated with other government information systems (UNDP) | | | | | UNDP | 400,000 |  | | 50,000 | 450,000 |
|  | D. Procurement audits conducted in selected public procurement entities (UNDP) | | | | | UNDP | 100,000 |  | | 50,000 | 150,000 |
|  | G. Key staff incl. controlling officers and audit staff both in public institutions and civil society organizations trained in aid management and coordination (UNDP) | | | | | UNDP | 160,000 |  | | 40,000 | 200,000 |
|  | H: Aid management and coordination are strengthened in Min. of Finance and Dev. Planning, other parts of Government and civil society org. (UNDP) | | | | | UNDP | 100,000 |  | | 40,000 | 140,000 |
|  | **4.2.3-Total Annualised Key Results for 2016** | | | | |  | **760,000** | **-** | | **180,000** | **940,000** |
|  | **TOTAL- OUTPUT 4.2.3** | | | | |  | **3,000,000** | **-** | | **2,110,000** | **5,110,000** |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **UN Agency** | **Indicators, Baseline and Targets** | **Means of Verification** | **Risk and assumptions** | **Key Partners** |  | **Indicative Resources (USD)** | | | | |
| **Agency** | **Core** | **Non-Core** | **Gap** | | **Total** |
| **4.2.4 National institutions have the capacity to align policies, programmes and budgets with national development strategies and MDGs for efficient achievement of development results.** | UNDP, UNICEF | % annual national budget allocated to key sectors (health, education, agriculture, respectively) - baseline - 2011: 12.2%, 18%, 13%. Target - 15%, 20%, 14% | National Budget |  | OPC, MoDPC, MoF, DPSM, ODPP, NAO, AG, CIAU, NSO, Min of Info, MoLGRD, MoGCCD, MoH, Local Authorities |  |  |  | |  |  |
| **Annualized Key Results 2012** | A: Annual analysis conducted of the national budget to assess its alignment with MGDS II priorities and MDGs (UNDP, UNICEF, UNFPA) | | | | | UNFPA | 30,000 | 15,000 | | 39,210 | 84,210 |
| UNICEF | 148,280 |  | |  | 148,280 |
| UNDP | 50,000 | 50,000 | | 200,000 | 300,000 |
| B: Public expenditure tracking survey of key sectors conducted (UNICEF, UNDP) | | | | | UNICEF | 110,000 |  | | 10,000 | 120,000 |
|  |  |  |  |  | UNDP | 100,000 |  | | 300,000 | 400,000 |
| C: MGDS II/MDG/NHDR communication strategy and action plan developed and implemented (UNDP) | | | | | UNDP | 50,000 | 200,000 | | 100,000 | 350,000 |
| D: Key staff in planning and budgeting units in all ministries and districts trained in aligning budgets and sectoral plans to MGDS II and MDGs (UNDP, UNFPA) | | | | | UNFPA | 105,000 | 52,500 | |  | 157,500 |
| UNDP | 100,000 | 200,000 | | 200,000 | 500,000 |
| **4.2.4-Total Annualised Key Results for 2012** | | | | |  | **693,280** | **517,500** | | **849,210** | **2,059,990** |
| **Annualized Key Results 2013** | A. Annual analysis conducted of the national budget to assess its alignment with MGDS II priorities and MDGs (UNDP, UNICEF, UNFPA) | | | | | UNDP | 50,000 | 200,000 | | 100,000 | 350,000 |
| E: National Policy and action plan for Children in line with the MGDSII developed (UNICEF) | | | | | UNICEF | 164,950 |  | | 111,820 | 276,770 |
| C. MGDS II/MDG/NHDR communication strategy and action plan developed and implemented (UNDP) | | | | | UNDP | 50,000 | 300,000 | | 100,000 | 450,000 |
| F. National strategy for achieving the MDGs lagging behind implemented (UNDP) | | | | | UNDP | 850,000 | 600,000 | | 400,000 | 1,850,000 |
|  | | | | | UNICEF | 500,000 |  | |  | 500,000 |
| **4.2.4-Total Annualised Key Results for 2013** | | | | |  | **1,614,950** | **1,100,000** | | **711,820** | **3,426,770** |
| **Annualized Key Results 2014** | A: Annual analysis conducted of the national budget to assess its alignment with MGDS II priorities and MDGs (UNDP, UNICEF, UNFPA) | | | | | UNDP | 50,000 | 250,000 | | 100,000 | 400,000 |
| C. MGDS II/MDG/NHDR communication strategy and action plan implemented (UNDP) | | | | | UNDP | 50,000 | 100,000 | | 100,000 | 250,000 |
| F. National Strategy for achieving the MDGs lagging behind developed and implemented (UNDP) | | | | | UNDP | 320,000 | 400,000 | | 100,000 | 820,000 |
|  | | | | | UNICEF | 500,000 |  | |  | 500,000 |
| G: Mid-term review of the MGDSII conducted (UNICEF,UNDP) | | | | | UNDP | 800,000 | 200,000 | | 492,000 | 1,492,000 |
| UNICEF | 200,000 |  | | 52,160 | 252,160 |
| **4.2.4-Total Annualised Key Results for 2014** | | | | |  | **1,920,000** | **950,000** | | **844,160** | **3,714,160** |
| **Annualized Key Results 2015** | A. Annual analysis conducted of the national budget to assess its alignment with MGDS II priorities and MDGs (UNDP, UNICEF, UNFPA) | | | | | UNDP | 50,000 | 100,000 | | 99,280 | 249,280 |
| B: Public expenditure tracking survey of key sectors conducted (UNICEF, UNDP) | | | | | UNDP | 80,000 | 100,000 | | 100,000 | 280,000 |
| C. MGDS II/MDG/NHDR communication strategy and action plan implemented (UNDP) | | | | | UNDP | 50,000 | 100,000 | | 100,000 | 250,000 |
| F. National strategy to achieve the MDGs lagging behind developed and implemented (UNDP, UNICEF) | | | | | UNDP | 765,000 | 474,000 | | 200,000 | 1,439,000 |
| UNICEF | 400,000 |  | | 377,450 | 777,450 |
| **4.2.4-Total Annualised Key Results for 2015** | | | | |  | **1,345,000** | **774,000** | | **876,730** | **2,995,730** |
| **Annualized Key Results 2016** | A. Annual analysis conducted of the national budget to assess its alignment with MGDS II priorities and MDGs (UNDP, UNICEF, UNFPA) | | | | | UNDP | 50,000 | 200,000 | | 100,000 | 350,000 |
| F. National strategy to achieve the MDGs lagging behind evaluated and lessons learned disseminated (UNDP) | | | | | UNDP | 250,000 | 100,000 | | 10,000 | 360,000 |
| G: MGDS II final review produced and disseminated with recommendations to inform the formulation of the next national development strategy (UNDP, UNICEF) | | | | | UNICEF | 246,950 |  | | 275,130 | 522,080 |
|  | | | | | UNDP | 150,000 | 300,000 | | 350,000 | 800,000 |
| H. Increase in budget allocation for social sectors (UNICEF) | | | | | UNICEF | 692,850 |  | | 377,450 | 1,070,300 |
| **4.2.4-Total Annualised Key Results for 2015** | | | | |  | 1,389,800 | 600,000 | | 1,112,580 | 3,102,380 |
|  | **TOTAL- OUTPUT 4.2.3** | | | | |  | **6,963,030** | **3,941,500** | | **4,394,500** | **15,299,030** |
|  | **TOTAL FOR OUTCOME 4.2 (UNDAF)** | | | | |  | **18,390,000** | **19,200,000** | | **17,010,000** | **54,600,000** |
|  | **TOTAL FOR OUTCOME 4.2 (UNDAF-AP)** | | | | |  | **18,390,000** | **19,200,000** | | **17,010,000** | **54,600,000** |

*Appendix 8*

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Persons Interviewed

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| **Name** | **Organization** | **Designation** |
| **UN Agencies** | | |
| 1. Ms. Mia Seppo | UNDP | Resident Representative |
| 1. Ms. Carol Flore-Smereczniak | UNDP | Deputy Resident Representative |
| 1. Dr. Ernest Misomali | UNDP | Assistant Resident Representative |
| 1. Mr. Peter Kulemeka | UNDP | Monitoring & Evaluation Specialist |
| 1. Mr. Venge Nkosi | UNDP | PSR Specialist |
| 1. Mr. Arinaitwe | UNDP | PSR Advisor |
| 1. Mr. Titus Kavalo | UNDP |  |
| 1. Ms. Roisin De Burca | UNICEF | Deputy Resident Representative |
| 1. Ms. Sophie Shawa | UNICEF | Social Protection Officer |
| 1. Mr. Naison Malizani | UNICEF | M&E Specialist |
| 1. Mr. Ntikani Msonda | UNICEF | Planning & Evaluation Officer |
| 1. Mr. Bill Chanza | UNFPA | National Programme Officer |
| 1. Mr. Benard Mijoni | UNFPA | M&E Officer |
| Development partners | | |
| 1. Ms. Dorothy Nyasulu | UNFPA | Assistant Representative |
| **Government** | | |
| 1. Mr. Randson Mwadiwa | Office of the President and Cabinet | Principal Secretary, Performance Enforcement Department |
| 1. Mr. Luckie Sikwese, | Office of the Vice President | Secretary to the Vice President |
| 1. Mr. Peter Simbani | Ministry of Finance, Economic Planning and Development | Director, Debt and Aid Division. |
| 1. Mr. Francis Zhuwao, | Ministry of Finance | Director of Planning, M&E |
| 1. Mr, Francis Zhuwao | Ministry of Local Government and Rural Development | Director, Planning |
| 1. Ms. Mercy K. Safalaoh | Office of the President and Cabinet | Deputy Director, Recurrent Budget Assessment, Performance Enforcement Department |
| 1. Mr. Richard Perekamoyo, | Ministry of Finance | Deputy Director, Budget |
| 1. Dr. Henry Ndindi, | Ministry of Health | Deputy Director, Clinical Services and CD in Health Sector Project Coordinator |
| 1. Ms. Betty Ngoma | Ministry of Finance | Assistant Director, Debt and Aid management |
| 1. Mr. Walusungu Kaira | Ministry of Local Government and Rural Development | Chief Economist |
| 1. Mr. A. Phiri | Office of the President and Cabinet | Performance Enforcement Department |
| 1. Mr. Robert Msuku | Ministry of Finance | M&E Department |
| 1. Mrs. Tithokoze Samuel | Ministry of Finance | - |
| 1. Mr. Twaib Ali | Ministry of Finance | Head of PFEM Unit |
| 1. Mr. Jimmy Kawaye, | Ministry of Finance | Programme Coordinator, DEAP |
| 1. Mr. Peter Chambewu, M&E Officer | Mchinji District Council | M&E Officer |
| 1. Ms. Chimvano Thawani | Ministry of Finance | Debt and Aid Officer |
| 1. Ms. Magdalena Kouneva | Ministry of Finance | Aid effectiveness Advisor |
| **Other Development Partners** | | |
| 1. Dr. Chance Mwabutwa, | EU | Economic and Public Affairs Section, EU |
| 1. Ms. Hildegunn Tobiassen | Royal Norwegian Embassy | First Secretary |
| 1. Dr. Luke Mukubvu, | DFID Malawi | Governance & Institutional Advisor, PFEM & Service Delivery |
| **Others** | | |
| 1. Prof. Lewis Dzimbiri | University of Malawi , Chancellor College | Professor of Management Studies, Independent Reviewer of OPA |
| 1. Mr. Eric Chimpesa, | The Polytechnic, University of Malawi. | Management Studies Dept, Coordinator of RBM Course, |

*Appendix 9*

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**TERMS OF REFERENCE**

For Joint Mid-term Evaluation of the UNDAF **Outcome 4.2**

**Public institutions are better able to manage, allocate and utilize resources for effective development and service delivery by 2016**

**1. BACKGROUND AND CONTEXT**

The Malawi United Nations Development Assistance Framework (UNDAF) 2012-2014 has 14 priority development outcomes. As a Delivery As One volunteering country, the United Nations Country Team (UNCT) agreed that individual UN agencies would adopt appropriate UNDAF outcomes in their CP documents instead of developing agency specific outcome statements for their respective Country Programme Documents (CPDs).

Outcome 4.2, namely: ***Public institutions are better able to manage, allocate and utilize resources for effective development and service delivery by 2016*** is one of the six outcomes of the UNDAF to which UNDP is directly contributing financially and technically.The areas of intervention under the outcome are contributing to MGDS II, Theme 5: Improved Governance - Sub-theme 1: Economic Governance. In addition, the interventions under the outcome are contributing to the MGDS II, Theme 2: Social Development - Sub-theme 2: Health.

At the operational level, Outcome 4.2 is contributing to Public Service Reforms (PSR) and the Public Financial and Economic Management Reform Program (PFEM RP). The former (PSR) is aimed at public institutional strengthening and modernization and improving civil and public service delivery in the country. The latter (PFEM RP) is a key initiative of Government towards fulfilling economic governance objectives of the MGDS II designed to achieve macro fiscal discipline, effective allocation of resources, efficient and effective delivery of government programs, transparency of public finances and strengthened accountability. In recent months the PFEM RP has assumed a more important role as a vehicle for addressing the ills associated with the infamous “cashgate” scandal.

Outcome 4.2 has four outputs as follows:

**Output 4.2.1:** Capacity for public sector management strengthened for effective service delivery;

**Output 4.2.2** Public institutions utilize RBM systems for planning, monitoring and evaluation to enhance ownership and leadership for achievement of development results;

**Output 4.2.3** Government has sufficient capacity to effectively negotiate, manage and account for development assistance;

**Output 4.2.4**: National institutions have the capacity to align policies, programmes and budgets with national development strategies and the MDGs.

Key interventions under each of the four outputs are listed in the 2012-2016 UNDAF Action Plan. The UNDAF Action Plan also presents results matrices including indicators and Annualised Key Results (AKRs) for each output. Annex 1 presents the relevant section of the 2012-2016 UNDAF Action Plan.

The interventions under this outcome are being implemented assistance from the following UN agencies: UNAIDS, UNDP, UNFPA and UNICEF. Support from UNFPA, UNICEF and UNDP is both technical and financial while UNAIDS is meant to provide in-kind technical assistance. UNDP is the lead UN Agency for the Outcome. It has been strongly recommended that the outcome be jointly evaluated the participating UN agencies i.e. UNAIDS, UNDP, UNFPA and UNICEF. Annex 3 provides a full list of key stakeholders and partners for the outcome.

**2. PURPOSE, OBJECTIVES AND SCOPE OF THE EVALUATION**

The purpose of the evaluation is to:

* Assess the contribution made by the UNCT, collectively, and participating UN agencies, individually, to strengthening public institution capacity for development effectiveness and public service delivery as envisaged under outcome 4.2 of the UNDAF including cross human rights and gender equality;
* Inform the UNDAF review planned for 2015;
* Support learning across the UN to improve programme effectiveness.

The objectives of the evaluation are:

1. Determine the extent to which the planned outcome and related outputs have been achieved or are being achieved and the likelihood of being achieved by the end of 2016 in general and the extent of participating UN agencies’ contributions.
2. Determine the impact, both positive and negative, from achievement of the outcome and its related outputs;
3. Assess the relevance of the outputs to the effective achievement of the outcome;
4. Assess the adequacy or inadequacy of UNCT and UN agency partnership strategy(ies) for the achievement of the outcome;
5. Examine and analyse factors that facilitate and/or hinder the progress in achieving the outcome by the UNCT collectively and the participating UN agencies, individually, both in terms of the external environment and those internal to the portfolio interventions including: weakness in design, management, human resource skills and resources;
6. Explore strategic values and comparative advantage of each of the participating UN agency in contributing to the outcome;
7. Assess how the participating UN agencies worked together jointly in the planning, implementation and reporting of the outcome;
8. Document lessons learnt from the implementation of the interventions.
9. Make recommendations for the UNCT and specifically for each participating UN agency in strategic areas for improving the achievement and sustainability of the outcome; partnership arrangements, mainstreaming of cross-cutting issues and resource mobilization strategies.

**Evaluation scope:**

The evaluation will cover the period from January 2012 to 31 December, 2014. Geographically, the evaluation is national in nature although there are also district interventions. It will include a review of the UNDAF annual work plans and annual reports, agency level project documents and work plans and related progress reports. Annex 4 provides a list of further documents to be consulted by the evaluators.

**3. EVALUATION QUESTIONS AND CRITERIA:**

In order to fulfil the purpose and specific objectives stated above, the evaluation shall address the following five specific questions:

1. Whether the Results and Resources Framework (RRF) including the Outcome and Output indicators were properly designed.
2. Whether the level of financial resources made available by different UN Agencies was sufficient for successful implementation of the outcome vis-a-vis the planned resource envelope.
3. What progress has been made so far towards the outcome and whether the outcome will be met by December, 2016;
4. To what extent has UNDP contributed to the achievement of the outcome?
5. What are the main factors (positive and negative) that are affecting the achievement of the outcomes? How have these factors limited or facilitated progress towards the outcome?

**Evaluation Criteria:** The evaluation of performance of the UNCT and the participating UN agencies individually in the outcome and outputs will be made using the standard criteria: relevance; effectiveness; efficiency; impact and sustainability. Below are detailed questions related to each criterion to be addressed by the evaluators.

*Relevance and design:*

* To what extent is UNCT’s collective and the participating UN agencies’ engaged in promoting the effective management, allocation and utilization of resources for effective development and service delivery, including UNCT’s role in this area and its comparative advantage vis-a-vis other partners?
* To what extent has UNCT, collectively, and the participating UN agencies selected method of delivery been appropriate to the development context?
* Has UNCT been influential in national debates in promoting the effective management, allocation and utilization of resources for effective development and service delivery?
* To what extent did the UNCT mainstream gender and human rights in Outcome 4.2?

*Effectiveness*

* What evidence is there that UNCT collectively and individual UN agency support has contributed towards better management, allocation and utilization of resources for effective development and service delivery?
* To what extent has progress been made towards achieving the outputs and key results under Outcome 4.2?
* Has the support at the national level been effective in helping improve the achievement of effective development and delivery of services at the local level in Malawi? Do these local results aggregate into nationally significant results?
* Has UNCT and individual UN agencies worked effectively with other international and national delivery partners to improve management, allocation and utilization of resources for effective development and service delivery?
* How effective has UNCT collectively and individual participating UN agencies been in partnership with civil society and the private sector to promote effective management, allocation and utilization of resources for effective development and service delivery?
* Has UNCT collectively and participating individual UN agencies utilised innovative techniques and best practices in its programming on effective development and public service delivery?
* Did UN coordination reduce transaction costs and increase the efficiency of implementation of the programmes relating to the outcome? To what extent did interventions create actual synergies among agencies and involve concerted efforts to optimise results and avoid duplication?
* Is UNCT collectively and individual participating UN agencies perceived by stakeholders as a strong advocate for effective development in Malawi?
* What contributing factors and impediments enhance or impede UNCT’s collectively and individual UN agencies’ performance in this area?

*Efficiency*

* Have participating UN agency strategies and execution of the outcome been efficient and cost effective?
* Has there been an economical use of financial and human resources?
* Are the monitoring and evaluation systems that UNCT collectively and individual participating UN agencies have in place helping to ensure that programmes are managed efficiently and effectively?

*Sustainability*

* What is the likelihood that the interventions are sustainable?
* What mechanisms have been put in place by UNCT and participating UN agencies of Malawi to sustain improvements made through these interventions?
* Are UNCT’s management structures and working methods appropriate and likely to be effective in achieving this outcome?
* What changes should be made in the current set of partnerships and strategies in order to promote long term sustainability?
* What could be done to strengthen sustainability?
* Are there resource mobilization strategies at the UNCT or individual agency level for outcome 4.2?

**4. METHODOLOGY**

The evaluation team should provide details in respect of:

1. **Review of project documentation**. Review of key project documents such as approved program documents, recent studies, evaluations and reviews, project monitoring documents, disbursement reports, progress reports and other information available implementing agencies or participating UN agency offices.
2. **Construct a theory, identify detail evaluation questions, methods (mixed methods) and instruments**, stakeholder mapping, etc.
3. **Data collection**: (i) visits to selected stakeholders to carry out in depth interviews, inspection, and analysis of the project activities; (ii) phone interviews and performance data surveys of institutions not visited in person; (iii) interviews with the implementing agencies and participating UN agencies. For each of these interviews, the consultant should first develop and present their ideas for the content and format of the interview forms that will be applied to capture the information required, as well as the method to be used in administering them and tabulating the results.
4. **Analysis:** Data triangulation and analysis triangulation to validate evidence and arrive at findings.

The evaluators will be expected to develop and present detailed statement of evaluations methods/approaches in an inception report to show how each objective, evaluation question and criterion will be answered.

**5. IMPLEMENTATION ARRANGEMENTS**

* An Evaluation Management Task Force will be established to manage the evaluation process. Each participating UN Agency will appoint an evaluation focal point who will be members of the task force. The full membership of the task force will include government counterparts to UNDAF outcome 4.2 and selected UN officers from the UNDAF outcome 4.2 group. The task force will assist in key aspects of the evaluation process including reviewing evaluation Terms of Reference, selecting evaluators, providing documents, providing detailed comments on the inception and draft evaluation reports and dissemination of evaluation findings, lessons learnt and recommendations.
* The evaluation coordinating agency, UNDP in consultation with the RCO will provide the necessary guidance on the process and in reviewing reports.
* The UNDP Assistant Resident Representative (CD) will support the Evaluation Team on daily basis with respect to providing background information and progress reports and other documentation on Outcome 4.2, setting up stakeholder meetings and interviews, arrange field visits and coordinating with Government, other IPs and DPs. The ARR will also lead the Evaluation Management Task Force.
* The Evaluation team leader will have the overall responsibility for the conduct of the evaluation exercise as well as quality and timely submission of the final evaluation report to UNDP.
* The Evaluation Team will be expected to be fully self-sufficient in terms of office equipment and supplies, communication, accommodation and transport. Furthermore the evaluators will be expected to familiarise themselves with the United Nations Evaluation Group’s standards and norms for conducting project evaluations.
* The Evaluation Team will provide the UNDAF Outcome 4.2 Lead (the UNDP Assistant Resident Representative (ARR)) with regular reports and feedback on the progress of the evaluation process.
* The UNDAF Cluster 4 Lead, i.e. the UNDP Deputy Resident Representative (Programme) will provide the overall oversight to the Outcome evaluation and ensure timely delivery and satisfactory final product.

**6. DELIVERABLES**

* **Inception report** – within 5 days of the start of the assignment with UNDP. The report will include a detailed approach and methodology, schedule, a draft data collection protocols and an evaluation matrix. Annex 5 gives a template of the evaluation matrix. The work plan should also include an outline of the evaluation report as set out in Annex 2 of this TOR.
* **Key emerging issues paper** – a presentation of preliminary findings to key stakeholders orally and in writing will be made after the data collection exercise with 4 weeks after presentation of the inception report. The purpose of this session is to provide opportunity for initial validation and elaboration of the evaluator’s observations and analysis.
* **Draft evaluation report** – The Evaluator will present a Draft Report within 5 weeks after presentation of the inception report.
* **Final Evaluation Report**. The evaluators will present a Final Report 5 days after receiving feedback and comments from UNDP.

1. Outcome 4.2 has four outputs, namely, (a) Capacity for public sector management strengthened for effective service delivery; (b) Public institutions utilize RBM systems for planning, monitoring and evaluation to enhance ownership and leadership for achievement of development results; (c) Government has sufficient capacity to effectively negotiate, manage and account for development assistance; and (d) National institutions have the capacity to align policies, programmes and budgets with national development strategies and the MDGs. [↑](#footnote-ref-1)
2. Here, UNDAF concentrates activities in the critical areas of maternal and child health, reproductive health and epidemic prevention, With respect to nutrition, the UN focus is on interventions that increase availability of and access to a wide range of nutrition services to break the intergenerational cycle of malnutrition. With respect to protection services, the UN works with the Government to ensure that national legal and regulatory frameworks for a national child protection system are fully developed and coordination mechanisms put in place and enforced. [↑](#footnote-ref-2)
3. At this level, the UN promotes the development of capacity of national institutions to advance transparency, accountability, participatory democracy, sustainable economic growth, achievement of the Millennium Development Goals (MDGs), and human rights. [↑](#footnote-ref-3)
4. Here, the UN in Malawi supports pro-poor, more inclusive economic growth through initiatives targeting the most poor who are most likely to be women living on the smallest plots of land as well as all workers in poorly remunerated and unregulated sectors. [↑](#footnote-ref-4)
5. At this level, the overarching goal of UNDAF under HIV and AIDS is to provide unified support and leverage UN funding to scale up the national response to HIV and AIDS to achieve universal access to prevention, treatment, care and support. [↑](#footnote-ref-5)
6. As presented in particular in Principles for the Evaluation of Development Assistance, OECD-DAC, 1991; and Quality Standards for Development Evaluation, OECD-DAC, February 2010. [↑](#footnote-ref-6)
7. Membership of the Programme Steering Committee is composed of senior officials from the following institutions: MEDP Planning and M&E Divisions, OPC, Office of the Director of Public Procurement (ODPP), Ministries of Local Government and Rural Development, Agriculture, Education, Health and Transport and Public Works, National Statistical Office (NSO), Malawi Economic Justice Network (MEJN), EU, WB, DFID, AFDB, UNAIDS, UNICEF, UNFPA, UNDP, MIM, MCCCI, Economics Association of Malawi (ECAMA), Lilongwe District Council. [↑](#footnote-ref-7)
8. The others named in the UNDAF document are Office of Director of Public Procurement, National Audit Office, Accountant General Office, CIAU, National Statistical Office (NSO), Ministry of Information, Ministry of Local Government and Rural Development, MoGCCD, Ministry of Health, and Local Authorities. [↑](#footnote-ref-8)
9. UNDAF Annual Progress Report, 2014. [↑](#footnote-ref-9)
10. Holloway, Sarah (2014) Malawi: Review of Public Service Reform. Final Report. 17th February, 2014 [↑](#footnote-ref-10)
11. OPC-PSRU (2015) Annual Progress Report, January to December 2014. [↑](#footnote-ref-11)
12. PSRC (2014) Looking into the Future: Making Malawi Work: Transforming Malawi’s Public Service [↑](#footnote-ref-12)
13. Staff Development Institute (2014) Comprehensive National Human Resource Survey (Lilongwe: DHRMD) [↑](#footnote-ref-13)
14. Output 1.3 of component I, Project Support Document. Malawi: Public Service Capacity Development Project 2012-2016. [↑](#footnote-ref-14)
15. Government of Malawi (2008) Sector Working Groups Planning and Management Guidelines (Lilongwe: Ministry of Finance, Planning and Economic Development). [↑](#footnote-ref-15)
16. Taylor, Alan (2014) Review of the functionality of Sector Working Groups (Lilongwe: MoFPDC) [↑](#footnote-ref-16)
17. 2014 Annual Progress Report: Public Service Capacity Development Project: Office of the President and Cabinet; Public Sector Reforms Management Unit; January 2016. [↑](#footnote-ref-17)
18. Interviews with a PS and a Director. [↑](#footnote-ref-18)
19. Taylor (2014) [↑](#footnote-ref-19)
20. Malawi Electoral Commission (2014) Results of Parliamentary Elections (MEC: Blantyre). [↑](#footnote-ref-20)
21. Skills Focus Consult (August 2013) Impact Assessment of Public Service Administration Courses. [↑](#footnote-ref-21)
22. Ibid. p.8. The trainings were carried out involving 212 participants that included 44 PS and Heads of constitutional bodies. The training sessions were essentially on strengthening integrity and accountability. [↑](#footnote-ref-22)
23. OPC-PSRU (2015) Public Service Capacity Development Project: Annual Progress Report, January to December 2014. P.9 [↑](#footnote-ref-23)
24. Ibid, pp.10-11. [↑](#footnote-ref-24)
25. Capacity Development in Health Project: Strengthening the Capacity in Government to Deliver Quality Service, 2013 Annual Progress Report [↑](#footnote-ref-25)
26. Project Support Document, Capacity Development in Health [↑](#footnote-ref-26)
27. Ministry of Health, Capacity Development in Health: Progress Report, January to December 2014 [↑](#footnote-ref-27)
28. Capacity Development in Health Project: Strengthening the Capacity in Government to Deliver Quality Health Service, Annual Report 2012 [↑](#footnote-ref-28)
29. Interview with Director of Clinical Services, Ministry of Health. [↑](#footnote-ref-29)
30. ibid [↑](#footnote-ref-30)
31. UNDAF Annual Progress Report, 2013 [↑](#footnote-ref-31)
32. Interview with Director of Clinical Services [↑](#footnote-ref-32)
33. For example, 25 physiotherapists were trained at College of Medicine. [↑](#footnote-ref-33)
34. JPSME I was concluded in 2008. [↑](#footnote-ref-34)
35. Most of the findings regarding the Programme are derived from a comprehensive End-of-Term evaluation of JPSME II by Executive Solutions Limited, Lilongwe, August 2013. They were also cross-checked and broadly reconfirmed in interviews during this current Evaluation. [↑](#footnote-ref-35)
36. Training was offered at Bunda College of Agriculture, the Polytechnic, Malawi Institute of Management and at the Staff Development Institute. [↑](#footnote-ref-36)
37. Executive Solutions Limited, End-of-Term evaluation of JPSMEII, Lilongwe, August 2013. [↑](#footnote-ref-37)
38. NMEMP, to run over the 2012-2016 period, is “owned” by the M&E Division of EPD in the Ministry of Finance and Economic Planning & Development. [↑](#footnote-ref-38)
39. Government of Malawi, Revised M&E Master Plan, Lilongwe, 2012 [↑](#footnote-ref-39)
40. M&E Division, State of M&E in Malawi: A Report to put Monitoring and Evaluation in the Driving Seat of Malawi’s Development Agenda, Lilongwe, Ministry of Finance, Economic Planning & Development, December 2014, p. 11. [↑](#footnote-ref-40)
41. Ibid. [↑](#footnote-ref-41)
42. M&E Division, State of M&E in Malawi: A Report to put Monitoring and Evaluation in the Driving Seat of Malawi’s Development Agenda, Lilongwe, Ministry of Finance, Economic Planning & Development, December 2014 [↑](#footnote-ref-42)
43. *Ownership:* Developing countries must lead their own development policies and strategies, and manage their own development work on the ground. This is seen to be essential if aid is to contribute to truly sustainable development. DPs, on their part, must support developing countries in building up their capacity to exercise this kind of leadership by strengthening local expertise as well as institutions and management systems. The target set by the Paris Declaration is for three-quarters of developing countries to have their own national development strategies by 2010. [↑](#footnote-ref-43)
44. *Alignment:* At this level, DPs must line up their aid firmly behind the priorities outlined in developing countries’ national development strategies. Wherever possible, they must use local institutions and procedures for managing aid in order to build sustainable structures. In this regard, DPs committed themselves to making more use of developing countries’ procedures for public financial management, accounting, auditing, procurement and monitoring. Where these systems are not strong enough to manage aid effectively, DPs promised to help strengthen them. They also promised to improve the predictability of aid, to halve the amount of aid that is not disbursed in the year for which it is scheduled, and to continue to untie their aid from any obligation that it be spent on donor-country goods and services. [↑](#footnote-ref-44)
45. *Harmonization:* DPs must coordinate their development work better amongst themselves to avoid duplication and high transaction costs for developing countries. DPs committed themselves to coordinating better at the country level to ease the strain on recipient governments, for example, by reducing the large numbers of duplicative field missions. They agreed on a target of providing two-thirds of all their aid via the so-called “programme-based approaches” by 2010. This means aid is pooled in support of a particular strategy led by a recipient country rather than fragmented into multiple individual projects [↑](#footnote-ref-45)
46. *Managing for results:* All parties in the aid relationship must place more focus on the end result of aid, the tangible difference it makes in poor people’s lives. They must develop better tools and systems to measure this impact. The target set by the Paris Declaration is for a one-third reduction by 2010 in the proportion of developing countries without solid performance assessment frameworks to measure the impact of aid. [↑](#footnote-ref-46)
47. *Mutual accountability:* DPs and developing countries must account more transparently to each other for their use of aid funds, and to their citizens and parliaments for the impact of their aid. The Paris Declaration says all countries must have procedures in place by 2010 to report back openly on their development results. [↑](#footnote-ref-47)
48. MOFEPDC- DEAP Annual Progress Report, January to December 2014 [↑](#footnote-ref-48)
49. Interview with UNICEF representatives [↑](#footnote-ref-49)
50. MoFPDC – DEAP Annual Progress Report, February 2013 [↑](#footnote-ref-50)
51. Ronald Mangani (2013) Social Services Budget Analysis from 2007/08 to 2013/14; Implications of the Malawi National Budget on the Delivery of Social Services: 2007/08 to 2013/14 [↑](#footnote-ref-51)
52. A Review of Public Expenditure towards Key Social Sectors in Malawi,2014-2015 Draft Budget; Child-Friendly Budgeting; Highlights from the Malawi 2014/15 Mid-term Budget Review: Budget Monitoring and Tracking, February 2015. [↑](#footnote-ref-52)
53. Ibid. [↑](#footnote-ref-53)
54. Interview, UNICEF [↑](#footnote-ref-54)
55. MoFEPD DEAP progress Report, January to December 2014. [↑](#footnote-ref-55)
56. Annual report p.9 [↑](#footnote-ref-56)
57. MoFEPD, Sector Working Groups Planning and Management Guidelines [↑](#footnote-ref-57)
58. Taylor, Alan (2014) Review of the Functionality of Sector Working Groups in Malawi [↑](#footnote-ref-58)
59. Recurrent position in interviews with DPs representatives, including Norway, EU and DfID. [↑](#footnote-ref-59)
60. Ministry of Finance (2013) DEAP Annual Progress Report p. 9. [↑](#footnote-ref-60)
61. Malawi National Human Development Report 2015: Inclusive Growth in Malawi. [↑](#footnote-ref-61)
62. Ibid p.29. [↑](#footnote-ref-62)
63. UN Joint Programme Document: Strengthening Institutional Capacity for Development Effectiveness and

    Accountability, Lilongwe. [↑](#footnote-ref-63)