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**UNDP MALAWI**

**2016 – 2017 Resource Mobilization Action Plan**

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1. **Introduction**

Resource mobilization is an important pillar of the Malawi Country office’s work. The office is expected to mobilize resources to complement its regular annual allocations whose levels have been declining over time. For the current programming cycle between 2012 and 2015, UNDP has mobilized $46,890,847 from donors, which enables the CO to work on partnership approaches with other development partners.

The adoption of Sustainable Development Goals (SDGs) has increased the demand for development resources in an increasingly competitive environment. This calls for greater and more concerted efforts in resource mobilization initiatives than previously undertaken.

The Country Office has prepared a resource mobilization action plan to guide and facilitate coordination of its efforts in order to sustain and increase levels of donor contributions to its programmes while expanding the donor base.

1. **Donor Resource Flows**

## **2.1 Donor receipts**

Between 2012 and 2015, UNDP mobilized $46,890,847 in non-core resources. The key donors over this period were the EU, DFID, Norway, Irish Aid, GEF and the Government of Malawi – Ministry of Health.

Table 1 shows the flow resources from the key donors. The EU has been the largest donor to UNDP in Malawi, totaling $11,971,711. The bulk of these resources were provided for activities related to the 2014 tripartite elections. DFID is the second largest donor with a total contribution of $8,782,782. The funds were allocated to the Private Sector Development and Election projects. The contributions from EU, DFID, Irish Aid and Norway went up in 2013 and 2014 and significantly dropped in 2015 because the bulk of the funding was towards the 2014 tripartite elections which took place in 2014.

GEF represents an important and growing source of non-core resources for the country moving from $769,570 in 2012 to $3,185,152 in 2015, which translates into 15% and 26%, respectively of total non-core resources. The share of GEF funding to total non-core resources will remain significant as Malawi qualified for an allocation of approximately $12.3 million from the Green Climate Fund to be programmed from 2016.

The table also shows that the size of the programme has grown over time. Much of the funding is linked to projects which are closing in 2016, implying that respective contribution agreements are also expiring in December unless there are efforts and opportunities to extend the agreements.

Table 1: **Cost-sharing Resources by Donor, 2012-2015** ($)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **DONOR** | **2012** | **2013** | **2014** | **2015** | **TOTAL** |
| **EU/EC** | 904,556 | 5,643,318 | 4,276,559 | 1,147,278 | **11,971,711** |
| **DFID** |  | 2,227,867 | 3,461,377 | 3,093,538 | **8,782,782** |
| **NORWAY** | 865,113 | 4,102,414 | 2,164,723 | 519,763 | **7,652,013** |
| **IRISH** | 289,856 | 1,716,509 | 588,804 | 882,154 | **3,477,323** |
| **MALAWI** | 1,224,513 | 1,670,254 |  |  | **2,894,767** |
| **UNITAR** | 145,150 | 26,750 | 10,000 | 38,200 | **220,100** |
| **ONE FUND** | 858,412 | 1,022,488 | 761,686 | 3,239,037 | **5,881,622** |
| **MILLIMIUN PROMISE ALLIANCE** | 14,359 |  |  |  | **14,359** |
| **GEF** | 769,570 | 980,056 | 1,061,391 | 3,185,152 | **5,996,169** |
| **TOTAL** | **5,071,528** | **17,389,655** | **12,324,540** | **12,105,123** | **46,890,847** |

* 1. **Resource utilization**

Table 2 shows the utilization of donor receipts from 2010 to 2015. The average delivery rate of donor resources is 73%. This performance fell short of the minimum delivery rate of 85% set by the UNDP Regional Bureau for Africa. In the 2015, the minimum delivery rate was raised to 90%. This imperative to spend calls for resources mobilization efforts in the country office to be accompanied by effective measures to ensure high programme quality to result in high programme delivery and results.

**Table 2:** Budget and Expenditures for Cost-sharing Resources, 2010-2015

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **2010** | **2011** | **2012** | **2013** | **2014** | **2015** |
| **Budget $** | 28,119,000 | 15,010,000 | 11,324,575 | 16,588,937 | 21,045,136 | 12,808,194 |
| **Expenditure $** | 17,221,000 | 12,025,000 | 6,466,205 | 9,950,295 | 18,368,475 | 11,659,188 |
| **Delivery %** | **61** | **80** | **57** | **60** | **87** | **91** |

1. **UNDP Malawi Value Proposition**

UNDP is well positioned to assist the Government of Malawi in spearheading the development agenda based on its **50 years of experience** in sustainable development. Key partners - government, funding agencies, other UN agencies and private sector - generally view UNDP in Malawi positively. The 2015 Partnership Survey found that UNDP in Malawi has a favourable image and is viewed by its partners as a trusted partner, with programmes that are aligned to Malawi’s national priorities.

1. **Positioning UNDP for High Quality Development Programming**

In 2014-15, UNDP Malawi went through a programme alignment and restructuring process, to reposition itself to deliver better and high quality programmes and provide better services to the clientele which it serves. The restructuring was a result of the 2014 – 2017 UNDP Corporate Strategic Plan, so that the organisation remains relevant in a fast changing and dynamic world and remains fit for purpose.

The programme alignment and restructuring processes of the Country Office led to the following:

* Moving away from a projectized to an issues based approach or more holistic programming in recognition of the complexity of development challenges to ensure greater impact.

* Change in the programme portfolios from four clusters to two portfolios and introduction of an advisory team on development impact. The two programmes, namely: *Responsive Institutions and Citizen Engagement* (RICE) and *Resilience and Sustainable Growth* (RSG) address three issues whose selection is based on (i) the perception of Development Partners (DPs) about where UNDP has greatest potential to add value, (ii) the mandate of UNDP and (iii) is adequately geared for effective implementation.
* A revitalized Country Office Structure whichgives UNDP the right profile - one that is sustainable within available resources, and that can deliver optimally and grow with demand in the areas where it excels.

Following the programme alignment and restructuring processes, the CO came out stronger, better positioned for high quality programming and for raising the image of the organization than before. These attributes are essential for resource mobilization efforts.

1. **Future Resource Requirements and Opportunities**

The demands for development resources at all levels are rising due to the growing complexities of society needs and a multiplicity of development actors who are able to make a difference on the ground. In particular, there is need for unprecedented levels of resources to implement the SDGs.

The SDGs present both a challenge and an opportunity for resource mobilization. As the custodian of the SDGs, these goals are not only strongly linked to the mission and mandate of UNDP but also fit well with the selected areas in the Strategic Plan. UNDP can leverage this identity to position itself as a leader in facilitating programming of interventions related to the prioritized goals by the national government.

Over the past four years, donors have continued to work with UNDP in the area of democratic governance, public sector management and private sector development. Following recent engagement by the CO, the EU, DFID and Irish Aid have shown different levels of interest to continue working with UNDP in these areas. Paragraph 7 below presents specific resource mobilization targets emanating from engagement with partners.

Based on the results of the 2015 Partnership Survey, UNDP must demonstrate improvements in quality and timely reporting, maintain high levels of transparency and accountability and pay attention to the operational efficiency and effectiveness. UNDP should ensure adequate visibility of its donors as well. It is imperative that UNDP should boost its image as a substantive partner to potential donors through visibility initiatives.

The National Registration and Identification System project offers huge opportunities for mobilizing third party and Government Cost Sharing resources. In this regard, UNDP should invest more resources to facilitate negotiations towards government contribution to the project and ensure that there is an agile and responsive team in place to provide support to Government through the Direct Implementation Modality. This should entail deployed of dedicated technical assistance personnel to ensure constant engagement with national authorities and key development partners.

Recent consultations with the representatives of the private sector have shown that the private sector is willing to contribute to development work if engaged in a meaningful way. For instance, the private sector has shown interest in getting involved in climate change initiatives because of the risks climate change poses to the growth of the sector and also the opportunities which adaptation technologies and approaches offer to the sector. More broadly, they also need to engage in the implementation of the SDGs.

The 2016 Resource Mobilization Action Plan is designed to pursue the opportunities outlined above, as well as other initiatives.

1. **Objective of the Resource Mobilisation Plan**

The main objective of this plan is to ensure a clear and coordinated approach to resource mobilisation initiatives by the CO. Through this plan, UNDP seeks to expand its resource mobilization base for the continuity and stability of UNDP and its work and strengthen partnership with existing donors to ensure sustenance of resource availability for UNDP to fulfill its mandate as a partner of choice in Malawi’s development agenda.

The plan has four results areas. Firstly, it seeks to position UNDP as a trusted, substantive, accountable and transparent partner to manage donor resources based on the principles of quality, value for money and cost effectiveness.

Secondly, the plan seeks to enhance visibility of donor partners and of UNDP’s contribution to Malawi development work in order to demonstrate the contribution of both UNDP and donors in development.

Thirdly, the plan enlists support activities aimed at strengthening institutional and staff capacities for successful implementation of resource mobilization strategies.

Lastly, through this plan, UNDP seeks to strength engagement with existing and potential donors to support specific initiatives that are aligned to the UNDP focus areas as outlined in the 2014-2017 Strategic Plan as well as the SDGs.

Table 3 below provides a summary of the outputs and activities which will be implemented to realise the above objectives.

1. **2016-2017 Resource Mobilization Targets**

Table 4 shows resource mobilization targets for the period January, 2016 to December, 2017. In total, UNDP is expected to conclude financing agreements amounting to approximately $ 77 million by the end of December, 2017. It is understood that these targets relate to ongoing discussions and consultations with respective partners. In most cases the consultations started prior to 2016. While in some cases the donor contributions reflect a perceived funding gap, in some cases the figures represent donor ear-markings for a particular intervention based on donor considerations. The traditional donors, namely: EU, Irish Aid, DFID, GEF and Norway continue to be the most important donor partners of UNDP in the country. In addition, there is a significant expected contribution from the Government of Malawi towards the National Registration and National Identification System. By 31 December, 2017, over Euro 10.2 million is expected from non-traditional partners. These are KfW and the International Fund for Agricultural Development (IFAD) who will both contribute towards the Malawi Innovation Challenge Fund under the Private Sector Development project.

# **Table 3:** 2016-2017 Resource Mobilisation Action Plan Results Matrix

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **OUTPUT** | **ACTIVITY** | **TIMEFRAME** | | | **RESPONSIBLE**  **PERSON(S)** |
| **2016** | | **2017** |
| **UNDP positioned as a trusted, substantive, accountable and transparent partner to manage donor resources on principles of quality, value for money and cost effectiveness**. | Ensure the UNDP programme results match with investment-value for money and cost effectiveness including limiting workshops and travel in favour of programme delivery. |  | | On-going | Portfolio Managers/DRR (P&O) |
| Make experts available to inform UNDP Malawi pipeline projects in key programmatic areas of democratic governance, development effectiveness, public sector management, Private Sector Development, climate change, economic growth and disaster risk management. | Q2-Q4 | | Q1-Q4 | RR/DRR (P)/Learning Manager |
| **Enhanced visibility of both donor partners and UNDP’s contribution to Malawi development work** | Produce and distribute communication package through multiplicity of channels i.e. website, newsletters, newspaper pullout, documentaries (2017)-highlighting;   * Malawi Innovation Challenge Fund (MICF), Integrated Rural Development (IRD) launch, 2016 HDR * Results of project evaluation * Donor contributions * Success stories, human interest stories /testimonials * UNDP comparative advantage * UNDP achievements | Quarterly | | Quarterly | RR/DRR (P)/ Communication Analyst |
| Conduct round table and panel discussions with IPs, DPs and private sector around 2016 HDR, IRD Launch | Q4 | Q1 and Q4 | | RR/DRR (P)/ Communication Analyst |
| Strengthen media relationship for visibility of UNDP’s work by;   * Conduct informal sessions with media practitioners, aimed at raising awareness on MICF and general work of UNDP in Malawi. * Conduct media tour to beneficiaries of MICF grants and private sector. * Issue press release based on results of UNDP supported projects. | Q3 and Q4 | Q2 and Q4 | | Portfolio Managers/Communication Analyst |
| Conduct joint monitoring field visits | Bi-annual | Bi-annual | | DRR (P) and Portfolio Managers, Learning Manager |
| **Strengthened institutional and staff capacities for RM** | Train programme staff on managing donor relations (including donor language, reporting and handling) | - | Q2 | | DRR (P)/DRR (O)/BERA |
| Establish rules for donor/partner engagement for UNDP CO staff | Q2 & Q3 | - | | DRR (P)/DRR (O) |
| Conduct financial management training for non-finance programme staff | - | Q1 | | DRR (P)/DRR (O) |
| Participate in relevant Bureau for External Relations and Advocacy (BERA) Webinars | As announced | As announced | | DRR (P), Communications Analyst |
| **Strengthened engagement with existing and potential donors for support to specific initiatives** | Conduct donor mapping for Malawi and update accordingly | Q4 | Q2, Q3 | | RR/DRR (P)/Communication Analyst |
| Follow-up and develop innovative proposals for potential donors focusing on pipeline projects;   1. KfW, IFAD, EU, USAID and DFID on Private Sector Development (PSD) 2. Irish Aid and Government of Norway on support for Human Rights, Electoral Reforms and IRD and Decentralization Programme 3. DFID, EU, USAID, Japan, Norway, Government of Malawi and Irish Aid on the National Registration and Identification System. 4. Government of Japan on National Peace Architecture 5. World Bank and African Development Bank on support to Government Project 6. GEF-6, Least Developed Country Fund on biodiversity initiatives. 7. One Fund 8. Private sector and foundations on areas to facilitate SDGs programming and implementation aspects. 9. Government of Norway on protecting rights of people living with Albinism 10. Government of China in selected areas | Q3, Q4 | Q1-Q4 | | RR/DRR (P) |
| Build partnerships with Government to engage UNDP to assist in implementing grants or loans from International Financial Institutions. E.g. handling procurement process on behalf of Government on AfDB or WB loan/grant projects. | - | Q2 | | RR/DRR (P) |
| Explore and enhance the role of UNDP ambassadors/champions/models/volunteers/ former UNDP Malawi RR/Staff in resource mobilization at international and local levels-2017 | Q4 | Q1 | | RR/DRR (P)/Communication Analyst |
| Set-up online fundraising platform (crowd sourcing), guided by UNDP HQ to mobilize funds for special initiatives including emergencies-2017 | - | | Q1 | DRR (P)/BERA/Communication Analyst |

**Table 4:** Donor Action Plan with RM Targets, 2016-2017

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Partner** | **Projects** | **Resource Mobilization Target** | **Action** | **Responsible section** | **Deadline** |
| EU, Irish Aid, Norway, UNDP, DFID Japan, US | National registration and Id. System | $30.5 million | * Commitments and contribution sharing agreements by end Aug 2016. Establish basket fund by Aug 2016. * Project Document endorsed by end July, 2016 | DRR (P), Elections CTA and RICE Portfolio | Jan, 2017 |
| Government of Malawi | National Registration and Id. System | $21 million  (In two tranches $ 7.5 July, 2016 and $13.5 million July, 2017 | * Advocacy with Ministry of Finance and Parliament. * Prodoc and establishment of basket fund * Govt cost-sharing agreement | DRR (P) and Responsive Institutions and Citizen Engagement (RICE) Portfolio | 1st tranche, July, 2017  2nd tranche, July, 2017 |
| EU | Malawi Electoral Support Project Phase II | €2.5 million | * Project formulation document * Preparation on contribution agreement documents | DRR (P) and RICE Portfolio | April, 2017 |
| Chilungamo – Access to Justice by the Poor | €3.5 million | * Continued engagement * Preparation on contribution agreement documents | DRR (P) and RICE Portfolio | November, 2017 |
| Irish Aid | Decentralization and Integrated Rural Development | €5 million | * Facilitate development of Programme Framework for Decentralization and IRD * Facilitate Devolution of HR and Development Budget | DRR (P) and RICE Portfolio | December, 2017 |
| KfW | Private Development – Malawi Innovation Challenge Fund: Manufacturing and logistics window. | €3 million | Establish New Window on Manufacturing (2017-2019) Agreement. | DRR(P) and Resilience and Sustainable Growth (RSG) Portfolio | December, 2016 |
| KfW | New contribution for Malawi Innovation Challenge Fund | €5 million | Monitoring signing of agreement between Government of Malawi and German KfW | RSG, Cinzia | December, 2017 |
| IFAD | Private Development – Malawi Innovation Challenge Fund:  Irrigation window | S2.5 million | Project document and agreement (2017-2019) | RSG, Cinzia | October, 2016 |
| Norway | Human Rights | NOK 1,869,159 | Develop a bridging project document | Clemence, Agnes | December, 2017 |