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Malawi

ACRONYMS AND ABBREVIATIONS

MED	Monitoring and Evaluation Division
MEMP	monitoring and evaluation master plan
NSO	National Statistical Office

History and Context

Serious efforts to address poverty in Malawi began in the mid-1990s and culminated in the Poverty Reduction Strategy Paper (PRSP) that was produced in 2002. The PRSP articulated policies likely to reduce poverty and emphasized the need to monitor and evaluate the implementation and achievement of the goals of the poverty reduction strategy (PRS). The existing plan for a coordinated PRS monitoring and evaluation (M&E) system has not been implemented, and many stakeholders are not aware of their roles.

This chapter is based on a background country report by Ephraim Chirwa (2004) and inputs by Antonio Nucifora. The study was undertaken in the second half of 2004 and has been partially updated to reflect conditions in the summer of 2005. Substantial changes may have occurred that are not reflected in this chapter, and readers are encouraged to seek additional information if they wish to focus on the system of this particular country.

Description of the PRS Monitoring System

Origins of the system

Although poverty strategies go back to 1994, there is no tradition of M&E in Malawi. Since that time, the government has produced three policy documents. It is apparent from these that M&E is still not accorded a high priority. Monitoring systems in the Policy Framework for Poverty Alleviation Program and Vision 2020 are poorly defined; this has resulted in disjointed systems that focus primarily on donor-funded projects.

While the third of these policy documents, the PRSP, considers M&E a key to the achievement of poverty reduction, the related M&E system has not been fully implemented. The PRSP contains a broad framework for M&E, including a set of indicators (focusing mainly on inputs). Although it highlights the need for an integrated system at the national, district, and local levels, the roles of the various institutions are not clearly laid out. An M&E master plan (MEMP) that elaborates on the M&E strategies of the PRS was completed in January 2004. However, the master plan has also not yet been implemented.

Main institutional actors

The institutional structure proposed in the MEMP contains layers of institutions through which monitoring data will flow. It envisages that data will flow down to local governments and civil society organizations. Although the MEMP defines the responsibilities of the various institutions, many are not yet aware of their roles.

The *Monitoring and Evaluation Division* (MED) of the Ministry of Economic Planning and Development is responsible for the implementation and overall coordination of the PRS M&E system. In 2003, it surveyed line ministries and regional governments on the existence of planning units and M&E facilities and developed the MEMP.

The *technical working committee* is supposed to consider technical reports by the MED and advise the committee of principal secretaries (chaired by the secretary to the president) and the cabinet. However, due to the lack of data, neither the technical working committee nor the committee of principal secretaries has been constituted. Consequently, the link to the policy process has not yet been established. Moreover, the activities of the PRS monitoring committee have also been negatively affected in that

the committee is supposed to take recommendations from the technical working committee.

The *National Statistical Office* (NSO) is expected, through periodic surveys, to be the main provider of data on outcomes and impacts. The surveys include an annual Core Welfare Indicator Questionnaire Survey, as well as the Integrated Household Survey and the Demographic and Health Survey, which are to be conducted every five years. However, due to funding problems, it has not been possible for the NSO to conduct these surveys within the planned time intervals. For example, the second Integrated Household Survey was carried out seven years after the first one.

In terms of outcome and impact monitoring, the *district assemblies* are expected to manage a database on poverty.

Existing poverty monitoring systems

Existing M&E activities are disjointed, and there are limited information flows between the various actors. The following M&E activities that are under way are ad hoc and are mainly linked to donor projects:

Monitoring activities in selected line ministries. The institutional framework of M&E activities in most line ministries is weak, and only a few ministries have officially created operational M&E units. Furthermore, some of the ministries with M&E units lack a legal and administrative foundation for an M&E system and have failed to define the role of the units. The Ministry of Finance is the only example of a ministry that links its monitoring specifically to the PRS.

There is no systematic production of monitoring reports. Although some ministries indicate that they do produce reports, these are ad hoc and are mainly produced when specifically required by donors.

There is little or no exchange of information between ministries, and most M&E units do not send their reports to other ministries. MED fails to coordinate monitoring and lacks the political power and effective leadership to influence the ministries. Ministries are unaware of MED's formal leadership role, and there has been no flow of information from the line ministries to the MED. Consequently, some of the line ministries (the Department of Local Government, the Ministry of Agriculture, and the Ministry of Health) are developing M&E systems independently of the national framework.

In addition, there are substantial capacity constraints in the line ministries, and no staff have been assigned to monitoring activities. In some instances, these tasks are undertaken by planning officers as secondary functions. There are also no work plans for M&E units, and no separate budget has been allocated for monitoring activities. Finally, most units are poorly equipped with computers and vehicles.

Local authorities. Because of the financial constraints being experienced by district assemblies, similar and perhaps even greater problems exist among local authorities. Most district assemblies define monitoring as field visits funded by donors to donor-funded projects. Most district assemblies do not collect data to monitor key indicators of the PRS, and there is no information on pro-poor expenditures. In a few cases where data on PRS indicators have been collected, the process has been ad hoc, and the roles of the various stakeholders have been vaguely defined.

Many of the line ministries have not decentralized their activities and still operate through the central government system. Consequently, they may not feel obliged to comply with data requests from district assemblies. Moreover, data in the sectoral ministries may not be available; monitoring activities are seldom undertaken, and, even where monitoring does take place, it focuses on donor-funded programs. Few district assemblies have operational databanks.

However, the MED, in collaboration with the Ministry of Local Government, is now in the process of establishing M&E units in district assemblies. With funding from the United Nations Development Program, 40 M&E officers are being recruited to start work on the first of January 2006.

The National Statistical Office. The NSO is charged with collecting national data under the Statistics Act. Since the launch of the PRS, one Core Welfare Indicator Questionnaire Survey and two Integrated Household Surveys have been carried out. The NSO is, however, unable to provide district-level disaggregation. Moreover, due to resource problems, the survey program is behind schedule, and plans to develop a statistical master plan are in the pipeline.

Progress in M&E made by the NSO is restricted to a needs assessment funded by the U.K. Department for International Development. This has underlined that the process tends to be donor driven and largely dependent on the willingness of donors to fund the statistical master plan.

In addition, the NSO is responsible for the Malawi Socio-Economic Database, which is established at the level of the district assemblies; the NSO is therefore supposed to capture output indicators at the district level. The district assemblies are expected to send updated information to the NSO, which, in turn, should integrate the information from the districts and the line ministries into one database to be provided to the MED. Although members of district assemblies have been trained, they do not all have computers, and the system has not been institutionalized.

Research institutions and universities do not play any significant role in poverty monitoring.

The role of *civil society organizations* in the PRS M&E system is vague. Some of these organizations are carrying out monitoring activities (for instance, service delivery satisfaction surveys), but the coordination of activities is limited. Moreover, the results are typically not being communicated to local governments.

The role of *communities* in existing monitoring systems is not defined, and there is no indication that M&E activities are being undertaken. There is a meager flow of information between the village development committees and the area development committees, and no evidence that these committees meet. The committees do not have the capacity to produce monitoring reports, and most lack the financial resources even to purchase stationary. Finally, most of the committees are not aware of their roles in monitoring activities.

Overall Status

There is currently no systematic information collection on PRS implementation. Moreover, there are a number of problems with establishing the MEMP, including the following:

The MED is central to the system, but has been unable to offer help in establishing functional M&E units in line ministries because of a lack of resources.

There are serious questions regarding the ownership of the system or the PRS by the government. The entire PRS is largely donor dependent and donor driven.

There is also heavy donor dependency in the funding of M&E activities because such activities are seldom provided for in ministry budgets.

There are major capacity constraints within the central government and local governments, as well as within the institutions responsible for data collection.

Key Topics

Leadership of the system

Although policy documents assign the leadership role to the MED, more specifically the committee of principal secretaries, supported by a technical working committee (neither of which have been established), these committees are not operational. However, the MED has recently agreed with the United Nations Development Program, the European Union, the government of Norway, and the U.K. Department for International Development on the terms for a three-year program of support for the implementation of the PRS M&E master plan (for an initial \$3.6 million), based on a basket funding arrangement. These funds will be used to strengthen sectoral and district M&E capacities and to enhance the ability of the Ministry of Economic Planning and Development to manage evaluations, reviews, and impact assessments and coordinate M&E activities nationwide. The M&E division of the Ministry of Economic Planning and Development will organize quarterly meetings of government officials, donors, and nonstate stakeholders to review progress and identify emerging issues and additional activities for funding.

The PRS and the PRS M&E system are subject to strong external influences. This results largely from the link between the access to Highly Indebted Poor Countries funds and the endorsement of the PRSP by international financial institutions and Parliament.

Coordination

In the improved political climate, the MED has become more proactive in its coordination role. In collaboration with the Ministry of Finance and the NSO, the MED M&E unit led in the development of a PRS M&E master plan through a process of consultation involving other government institutions, civil society, the donor community, the parliamentary budget and finance committee, and the principal secretaries. Whereas the development of an M&E master plan was initially suggested by donors, the

government took full ownership of the process, wrote the final report, and has shown strong commitment to the achievement of the objectives. However, the MED is currently understaffed: there are several vacant positions that need to be filled urgently to ensure that the unit can effectively carry out its coordination and advisory role. Like other government agencies, the Ministry of Economic Planning and Development faces a challenge in attracting and retaining qualified, experienced staff because of the poor and deteriorating conditions of government service.

Capacity

Most institutions involved in poverty monitoring are short in capacity. This relates to a lack of quantity and quality in human resources, as well as leadership, management, and organizational skills. Most ministries and district assemblies do not have active, operational M&E units.

Participation

Participation has not been institutionalized. The few scattered activities are uncoordinated and have not been used by the government. Parliament has, however, made greater use of its budgetary powers since 2001 in connection with the PRS process in order to debate on and influence the content and have integrated the know-how of civil society actors in the process.

Decentralization

Substantial progress has been made in devolving funding and activity programming and planning to the districts. This is a major step toward decentralization.

Indicators

Data from district assemblies and sectoral ministries show that there is a lack of understanding of poverty monitoring indicators. Most institutions are unaware of the indicators falling within their jurisdiction and of the pro-poor expenditures and activities that should be monitored.

Links to the budget and the policy process

The most elaborate mechanism of the PRS M&E system relates to the monitoring of expenditure inputs and outputs, but particularly inputs. Monthly subventions to ministries are dependent on the provision of information on actual expenditures from the previous month. Although the compliance of most line ministries is good in terms of providing financial reports, these are not complete, and sanctions are usually waived because of political pressure. Moreover, there is no evidence that this information is used for budget formulation. There has also been no annual public expenditure review since the PRS was launched. The challenge lies in generating demand for information in a country where information and analysis are rarely used in decision making.

Finance and donor support and alignment

Donors indicate a willingness to support monitoring activities as part of the PRS implementation process. The United Nations Development Program and the United Nations Children's Fund actively fund the Malawi Socio-Economic Database with a view to developing a system to monitor the progress toward achievement of the Millennium Development Goals. Likewise, the Norwegian Agency for Development Cooperation is funding the Integrated Household Surveys for monitoring poverty outcomes. However, donors select the activities or districts for funding, and their varying agendas and financial packages result in a fragmented PRS M&E system and no pooling of resources. Some donors have agreed in principle to support the implementation of the PRS M&E system jointly.

Lessons

Two years after the launch of the PRS, the PRS M&E system in Malawi remains ad hoc and fragmented. While the institutional framework for poverty monitoring involves the identification of various actors, many institutions are unaware of the system. While the MED has been trying to coordinate the M&E agenda, it has not received the needed attention at higher levels so as to be able to make progress.

The PRS is not accorded a high priority and is viewed by many as donor driven. The options and updates being discussed include the following:

- Greater appreciation of the importance of M&E is needed in the cabinet. A new unit on policy design and monitoring was created in the Office of the President in early 2005 with somewhat overlapping responsibilities with the MED, but it has not been able to change the status quo.
- It is important to introduce a culture of results-based decision making. So long as decisions in the highest offices of government continue to be made in the traditional way, monitoring activities will remain a low political priority. In order for the PRS M&E system to be effective, data must be seen to be used by decision makers.
- A basket approach to the funding of poverty monitoring is critical to ensuring the development of a more integrated system. This has been undertaken recently, under United Nations Development Program leadership, in an attempt to coordinate donor support more effectively.