

De

Page
2
3
4
5
6
7
14
15
16
17

Contents
Acronyms
Executive Summary
Situational Background
Programme Budget and Investment
Implementing Institutions
Assessment of Project Results
Financial Status and Utilization
Lessons Learnt
Conclusion
Future Work Plan



Ministry of Finance

**Strengthening Development Accountability and Effectiveness
Programme - DEAP**

Annual Progress Report

February, 2013

20

Contents	Page
Acronyms	2
Executive Summary	3
Situational Background	4
Programme Budget and timeframe	5
Implementing Institutions	6
Assessment of Projects Results	7
Financial Status and Utilisation	14
Lessons Learnt	15
Conclusion	15
Future Work Plan	17

Ministry of Finance

Strengthening Development Accountability and Effectiveness
Programme - DEAP

Annual Progress Report

February 2013

Acronyms

ADC	Area Development Committee
AMP	Aid Management Platform
CABS	Common Approach to Budget Support
CSOs	Civil Society Organisations
DAD	Debt and Aid Management Division
DCS	Development Cooperation Strategy
DDC	District Development Committee
DPs	Development Partners
GoM	Government of Malawi
JP	Joint Programme
MASEDA	Malawi Socio Economic Database
MDAs	Ministries, Departments and Agencies
MDGs	Millennium Development Goals
MEFMI	Macroeconomic and Financial Management Institute of Eastern and Southern Africa
MEPD	Ministry of Economic Planning and Development
M&E	Monitoring and Evaluation
MGDS	Malawi Growth and Development Strategy
MoF	Ministry of Finance
MPs	Members of Parliament
MTDS	Medium-Term Debt Management Strategy
OPC	Office of the President and Cabinet
PAF	Performance Assessment Framework
PFEM RP	Public Finance and Economic Management Reform Programme
RBM	Results Based management
SWAPs	Sector Wide Approaches
SWG	Sector Working Group
UN	United Nations
UNDAF	United Nations Development Action Framework
UNDP	United Nations Development Programme
VDC	Village Development Committee

Executive Summary

Progress towards achieving the programme outcome: The Outcome of the programme is “*By 2016, Public Institutions are better equipped to manage, allocate, and utilize resources for effective development and service delivery*”. The key areas of intervention are: development of capacity for application of results based management (RBM); efforts to enhance tools and arrangements for aligning policies, plans and budgets with achievement of national priorities and capacity to effectively negotiate, manage and account for development assistance.

During its first year of implementation, the programme has made notable contributions towards achieving its outcome by increase the knowledge and skills in results based management (RBM), GIS, HRBA in the public service. This result has a direct link with effective programming for achievement of development results and hence ultimately will impact on development effectiveness. Similarly, progress in updating databases including MASEDA and the AMP and increased access to these information systems are providing contribute to effective management of resources. Ministry of Finance is better able to understand the flow of funds from development partners and to assess the sectoral and geographical distribution of aid. Among other results, the programme has empowered the government to have meaningful dialogue on allocation of resources with its development partners.

The progress made towards a medium debt management strategy and preparation of new Development Cooperation Strategy for Malawi will empower the Government of Malawi by establishing a shared basis for managing relationships with its development partners and exercising its role of creating an enabling environment for effective development.

Funding and Utilization: Out of \$1,071,790 provided by UNDP as at 31st December, 2013 \$1,061,604 had been spent representing a 99% utilization rate.

Challenges: The key challenges during the reporting period are: the delay in effecting the Programme as the it was signed at the end of March, 2013 and was ready to disburse funds only in May, 2013; reduced funding levels; difficulties in scheduling the first Programme Steering Committee meeting to guide implementation of the programme and inadequate participation with relevant with PFEM Reform Programme institutional structures and poor implementation planning .

Lessons learned: During this reporting period, JP Outputs were allocated a lot of funds but disbursements have been less than 70 percent.. Going forward, realistic and transparent budget estimates are fundamental components in building trust and relationship among stakeholders. There is also need to ensure timely disbursement of funds to implementing agencies to avoid delays in implementation of planned activities. It is also necessary to ensure regular consultations and verification of results around key reports produced by the programme with involvement of key stakeholders. This is a practical way to increase the engagement with the programme and its strategic impact. In addition, DEAP has complex institutional arrangements and regular consultations and meetings would ensure effective implementation of the programme.

A. Situational Background of DEAP

Over the recent past, the United Nations (UN) Agencies and other development partners, in partnership with the Government of Malawi (GoM), have made tremendous efforts in strengthening national capacities in planning, aid effectiveness, managing for results and accountability in order to achieve development goals of the Malawi Growth and Development Strategy (MGDS). However, challenges still exist with respect to ensuring better alignment of policies, programmes and budgets and prioritization of development interventions vis-a-vis available resources. Results-based management (RBM) is not utilized as a management tool. There are weaknesses in planning and monitoring and evaluation (M&E) systems at all levels. There is inadequate collaboration for development cooperation as only some Sector Working Groups (SWGs) are operational and key players inside and outside government are not engaged.

The DEAP is a joint response by several UN agencies and the GoM to these challenges. It aims to support implementation of the GoM Public Financial and Economic Management Reform Program (PFEM RP), whose overall goals are to achieve 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 service delivery. The Joint Programme aims to assist Government in implementing several PFEM RP components. . It supports national institutions to become more results-oriented, and it improves the synergies between planning, M&E and aid management functions. The Programme is built on the premises that achievement of development results will, to a large extent, depend on availability and proper management of resources both domestic and external, thus necessitating the strengthening of national capacities in central ministries and at the level of districts and among non-state actors.

The Joint Programme Support is developed in order to attain UNDAF outcome 4.2 and states that *“By 2016, Public Institutions are better equipped to manage, allocate, and utilize resources for effective development and service delivery”*. This outcome will be realised through the following UNDAF outputs, which are also the Joint Programme outputs:

- Output 4.2.1* National Institutions utilize RBM systems for planning, monitoring and evaluation to enhance ownership and leadership for achievement of development results.
- Output 4.2.2* National Institutions have the capacity to align policies, programmes and budgets with national development strategies and MDGs for efficient 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* Effective programme management services delivered

Key JP beneficiaries are institutional stakeholders, policy makers, civil servants, non-state actors and service providers.

Programme Funding

The programme planned to spend \$1,496,300 in 2013. Commitments towards the budget from the participating UN agencies were as follows:

UN Agency	Original budget
UNDP	\$1,277,000
UNFPA	\$40,300
UNICEF	\$179,000
Total	\$1,479,300

Government made contributions in-kind through assignment staff, office facilities and some utilities.

Implementing Institutions

The main implementing partners for the project are Ministry of Finance (MoF), Ministry of Economic Planning and Development (MoEPD), Ministry of Local Government and Rural Development (MoLGRD), the Department of Projects and Programmes Implementation, Monitoring and Evaluation (PPIMED -OPC) and the National Statistics Office (NSO).

MoF is the Implementing Institution (IP) for the overall DEAP programme and is specifically responsible for Output 3, while MoEPD is responsible for Outputs 1 and 2. Selected activities under Output 1 are under the responsibility of PPIMED in OPC.

Other partners: NSO, MLGRD, Line Ministries, OPC, Auditor General, ODPP, NAC, District Councils, Malawi Institute of Management (MIM), Chancellor College, Bunda College of Agriculture, Staff Development Institute (SDI), Malawi Polytechnic, Malawi Confederation of Chambers of Commerce and Industry (MCCCCI) and selected non-state actors.

Strategic Approach of the Programme

JP Output 1 is intended to promote and institutionalize Result-Based Management (RBM) systems in ministries and at district level as a means for enhancing ownership and leadership for achievement of development results. It provides support to establish sustainable training capacity in RBM, MGDS/MDG planning and costing and HRBA in University of Malawi, Bunda College, MIM and Staff Development Institute. Support is also provided for training managers and planning, debt and aid, budget and M&E officers in OPC, ministries and districts in RBM, HRBA, MGDS/MDG-based planning and costing and links to budgeting. Other activities funded under this output improve the institutional capacity of the MoEPD to undertake the MGDS annual reviews and the capacities in OPC-PPIMED to assess performance and accountability for results.

The support under JP output 2 is geared towards improving alignment of policies, programmes and budgets with national development strategy and the MDGs on the basis of RBM. On this basis project planning, appraisal, M&E, budget and aid policy guidelines and procedures will be updated in order to ensure an integrated and results oriented national planning and M&E system that uses the MTEF as a tool to help Government shape its budget in line with its development objectives.

Support to Output 3 focuses on capacity building to strengthening debt and aid management functions of Debt and Aid Management Division (DAD) under MoF. These include the formulation of debt and aid management Policies and Strategy; improving preparation of Common Approach to Budget Support (CABS) group meetings and High Level Forum (HLF) dialogue; sensitizing stakeholder and engaging them in implementation of development

effectiveness agenda at country level. Support is also provided for strengthening the programme coordination role of DAD.

Changes in the project

In the reporting period considerable changes have been made with respect to budget allocations to JP Output 1, 2 and 3. The approved AWP had allocated USD503,696 for JP Output 1; USD379,197 for JP Output 2 and USD284,000 for Output 3. The budgets have been reduced to around USD415,858 for the year for Outputs 1 and 2 and about USD282,000 for Output 3. These changes have significantly affected implementation of the 2013 AWP.

Notable achievements of the project to date

Despite the financial challenges during the reporting period a number of notable successes have been registered. Under JP Output 1 the following were achieved: RBM training for learning institutions and government officers undertaken successfully, harmonisation of Data Collection Tool for the districts, Development of Districts M&E Frameworks initiated, 2013 MDG report produced, Post 2015 MDG report consultation conducted and a report on “the Malawi we want” produced, capacity-building for PPIMED in OPC. Under JP Output 2, several reports were produced and these include Training Needs Assessment Report on MDG-Based Planning, Internal Assessment of Performance of SWGs Report, MGDS II Communication Strategy. Under JP Output 3, the main achievements include the upgrading of Aid Management Platform (AMP), its roll out to development partners, selected line ministries and the public; the formulation of Development Cooperation Strategy which is at an advanced stage after consultations with stakeholders; the development of Debt Management Strategies through the Medium-Term Debt Strategy workshop; successful CABS review meetings; capacity building for DAD in terms of staff training and provision of IT equipment.

B. Assessment of Project Results During the Reporting Period

This report covers the period April to June and July to September 2013 (with some October 2013 activities) and has focused on activities that were scheduled to take place during these two quarters based on the 2013 Second and Third Quarter Work Plans that were reviewed and agreed by UNDP/MoEPD (Planning and M&E Divisions), and MoF covering Outputs 1, 2, 3 and 4 of DEAP Programme.

Output 4.2.1: National Institutions utilize RBM systems for planning, monitoring and evaluation to enhance ownership and leadership for achievement of development results.

Planned: Nine activities were planned in both second and third quarter work plans and these as indicated in Annex 1.

Progress: All planned activities except activities under b) were implemented especially in the third quarter. In particular:

a) A total of 40 participants from Learning and training institutions were trained with in RBM principles and practice.

b) The RBM manual has been updated and awaiting further review to make sure that it satisfies HRBA, programme based budgeting and gender mainstreaming. c) Over 60 line ministry of district staff from all three regions of the country have been trained in RBM concepts and practice.

e) MASEDA web-based data base was updated in the second quarter through support to NSO in data collection exercise;

f) Support to production of MGDS II annual review was provided in the third quarter though the activity is not yet concluded. Currently a draft report is available with data gaps which are expected to be resolved in the next quarter;

g) The 2013 MDG report was produced and printed on time;

h) The Post 2015 MDGs report was produced on time as well, with able leadership provided by the former vice president of the Republic of Malawi. Dissemination of these reports has not yet been fully effected.

i) M&E frameworks have been updated in 7 districts. This has enabled the Local Government Finance Committee is able to assess performance of the assisted district council objectives better than before. Furthermore, the Output Based Budget is reported based on commonly shared indicators in these districts. Regarding the RBM intervention, feedback from beneficiaries is not yet received.

Assessment based on Performance Indicators: Output 4.2.1

No.	INDICATOR	BASE-LINE	ANNUAL TARGET (Numbers)	ACHIEVED AS OF OCT 2013	End of Project TARGET (%)	REMARKS
1	Indicator 1: % of Ministries with functional M&E systems.	60% (2010)	65%	0	90%	Not achieved. No specific activity targeting sector M&E systems in the W/Plan. This will be addressed in next W/Plans
2	Indicator 2: No. of district councils with functional M&E systems	7 (2010)	12	8	28	Partially achieved (67%). With funding under UNICEF 8 councils have established District M&E Frameworks plus IT equipment
3	Indicator 3: Number of staff in ministries and districts trained in RBM	District: 56 Ministries: 25 (no b year)	60 25	29 12	800 260	Partially Achieved (48%). Due to limited funding within the two quarters targets could not be fully met.
4	Indicator 4: MGDS annual review reports available by October each year Baseline: No; Target: Yes	After October each Year	October each year	NO	On Time	Partially achieved (50%). Production of the 2013 MGDS II AR coincided with 2013 MDG Report writing. The activity was shifted to the next quarter. A draft report is now being finalized.
5	Indicator 5: No. of public institutions practicing RBM	0 (2010)	4	N/A	16	N/A. Progress on the Indicator can be traced with special study

Output 4.2.2: National Institutions have the capacity to align policies, programmes and budgets with national development strategies and MDGs for efficient achievement of development results

Planned: Refer to Annex 1 for 2013 planned activities.

Progress: Out of the seven planned activities six were implemented either in full or partially within the two reporting periods. For instance:

a) a training needs assessment exercise was conducted using a semi-structured questionnaire with heads of planning and other officers in the Ministries of Health, Education, Energy, Local Government and Rural Development, Gender, Justice and Agriculture. These sectors were chosen because of their strong linkage to the MDG Targets and Indicators. The report will be used to design an appropriate training to be delivered next financial year.

b) the activity was not implemented as it is dependent on the finalisation of the training plan under a).

c) in consultation with MoLGRD, a team of officers from MoEPD reviewed District Socio Economic District Planning manual/guidelines with a view to including RBM, population and other planning tools at district council level.

d) On management of the SWGs, ToRs were developed. It was subsequently recommended that an internal assessment of SWGs be undertaken in order to help MoEPD understand specific challenges or successes in each SWG. A “snap shot” report on the “performance of SWGs” was produced. The report highlights are: eight SWGs are functioning and that three SWGs have not yet taken steps to establish structures/building blocks of SWG. MoEPD plans to take urgent administrative measures on these these SWGs. Remaining activities under SWG such as study tour and a consultancy on the functionality of SWGs will be conducted under 2014 AWP. ToRs for the consultancy have been developed. On Study tour, the MEPD has contacted Uganda, Rwanda and Tanzania and there are positive indications from Uganda and Tanzania. During the reporting period a visit was facilitated from Swaziland on sector wide approaches (SWAp). During the discussions it was noted that most Ministries do not understand the difference between SWGs and SWAp. The concepts need to be clarified in joint learning events as part of next work plans.

e) A consultant has been selected to produce the National Human Development Report (NHDR) on inclusive growth. The consultant is expected to commence work in early 2014.

f) The Communication Strategy has been produced and approved by management who have recommended that the team develops its implementation plan and a budget. This will be finalised in the Oct-Dec 2013 period.

g) On Budget Review, Terms of Reference were developed by a team of officers and specific analytical tools were designed at a meeting in Salima. Due to limited funding during this period the activity could not be fully implemented.

Assessment based on Performance Indicators: Output 4.2.2

No.	INDICATOR	BASE-LINE (2010)	ANNUAL TARGET (Numbers)	ACHIEVED AS OF OCT 2013	End of Project TARGET (%)	REMARKS
1	Indicator 1: No. of public institutions utilizing the	2 (2010)	3	0	16	Not achieved. Only Training Assessment was made. Training scheduled next year.

No.	INDICATOR	BASE-LINE (2010)	ANNUAL TARGET (Numbers)	ACHIEVED AS OF OCT 2013	End of Project TARGET (%)	REMARKS
	MDG based planning and costing tools					
2	Indicator 2 Sector and district plans aligned with MGDS priorities and linked to MTEF process	Sectors: 0 Districts: 0 (2011)	Sects: 1 Dists: 3	N/A	Sectors: 5 Districts: 10	Partially achieved. Socio Economic District Palnning manual/guidelines reviewed
3	Indicator 3: Number of functional SWGs Baseline: 6 (2012); Target (2016); Target 2013: 10	6 (2012)	10	8	16	Partially Achieved. A study on performance of SWGs conducted which shows that 8 of the 16 SWGs are functional while 3 are "inactive" despite being key sectors in ERP.

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

Planned Activities: Refer to Annex 1.

Progress: Out of the ten activities that were planned for the reporting period, seven were either implemented in full or partially. Only three activities were not done, the other one was not allocated funding. Here is a summary of the progress made on the work plan:

(a) On strengthening capacity in DAD, three officers were trained in different fields such as Accounting, Efficiency and Effectiveness in Aid Management and Negotiation; and Financial Management and Disbursement Programme for Donor Funded Projects. On this activity however, review and update of description of functions for DAD and staff job descriptions was not done.

(b) As planned, the AMP was upgraded to the latest version which includes a geo-coding module to allow automatic mapping of donor projects once information is entered in the System. Roll-out of the System to the DPs was strengthened with improved internet connectivity due to the procurement of a new server and training of the donor focal agents on data input and use. The roll-out of AMP to development partners is improving the accuracy of aid data in AMP as individual DPs are editing and managing their own portfolio.

Officers in DAD and other divisions in MoF also received refresher training on AMP. Training of selected line ministries and Government departments and agencies is on-going. One notable development regarding the AMP was the launch of a public page on AMP which will allow public access to aid data in AMP.

Discussions with MoEPD and Accountant General's Department have been on-going regarding the interfacing of AMP with PSIP and IFMIS systems. The major changes that were experienced

on this activity were to do with budgeting. The resources that were allocated in the approved budget were below what was required for the period, as such extra resources were required to meet cost of activities.

(c) The formulation of Development Cooperation Strategy (DCS) advanced during the period due to the formation of a Task Force to guide the formulation process. Consultations with stakeholders such as local authorities, civil Society, private sector and academia were conducted out of which significant input has been sourced for further improvement of the DCS. The consultations also provided opportunity to sensitize stakeholders on aid and development effectiveness agenda for those that had little knowledge of this. Task Force meetings are still ongoing with full representation of the members. It should be noted, however, that the formulation process of DCS has delayed due to issues like capacity of DAD to lead the drafting of the Strategy since the core team in DAD is involved in so many other processes and activities. The involvement of the Task Force in the formulation process has also affected progress to some extent even though it has added value in terms of the participation of all stakeholders in the process. Inclusive ownership of the DCS through the Task Force and stakeholder consultations will improve collaboration among stakeholders in pursuit of addressing development challenges.

(d) DAD conducted Medium-Term Debt Management Strategy workshop out of which debt management strategies were developed. The workshop involved debt management experts from the World Bank and Macroeconomic and Financial Management Institute of Eastern and Southern Africa (MEFMI). However, the workshop report is still in draft form but the Debt Management Strategy influence government decisions with regards to contraction of public debt. Under the same activity, publication and dissemination of Debt and Aid Management Policies was not done since the Policies are awaiting Cabinet approval.

(e) Preparations for February and November 2013 CABS review meetings were supported. The review which was done in November is the October review only that, due to other development it was shifted to November. The February review focused on public financial management, macroeconomic situation, budget performance, and implementation of the Malawi Growth and Development Strategy II and the October review underlying principles of Budget Support; progress on the Performance Assessment Framework (PAF); Macroeconomic Performance and Public Finance and Economic Management (PFEM). Under this activity, a HLF was planned to take place during the period but was not convened.

(f) Monitoring of donor funded projects was conducted in quarter one with funding from Government. However, the publication of the report which was to be financed from the JP was not done as the report remained in draft form. Of importance to note is the changing approach to monitoring of donor funded projects, currently the MoF, through the Deputy Minister and DAD, is engaging controlling officers of sector ministries implementing donor funded projects to assess progress made, both physical and financial through a series of meetings. These meetings are proving to be useful since follow ups are being made to the issues identified and steps taken to address implementation challenges.

(g) Activities 3.2 (Production and dissemination of debt and aid reports) 3.8 (Assessing capacity of CSOs and private sector to participate in aid and development effectiveness agenda), and 3.9 (Undertaking learning and information exchange on development effectiveness agenda with stakeholders) were not done. This was due to a number of issues, such as no allocation for activity 3.8; and for activity 3.2, the reports were produced but have not been published, they are still in draft form. Activity 3.9 was partially done during stakeholder consultations on DCS.

Concluding Remarks on Output 3 progress It was noted that there is high demand from stakeholders for their active engagement in the implementation of the development effectiveness agenda to achieve meaningful development. The need to improve openness and accountability has been emphasized, to which the Government is responding by opening the AMP to the public to improve aid transparency among other things.

Assessment based on Performance Indicators: Output 4.2.3

No.	INDICATOR	BASELINE (2010)	ANNUAL TARGET (Numbers)	ACHIEVED AS OF OCT 2013	End of Project TARGET (%)	REMARKS
1	Indicator 1: No. of officers trained	N/A	2	3	N/A	Achieved - Three officers were training in different fields relevant to their duties within DAD.
2	Indicator 2 (a) No. of CABS Review meetings held (b) First draft development cooperation strategy in place (c) Medium Term Debt Management Strategy in place	(a) 2 CABS per year (b) N/A (c) N/A	a) 1 by June 2013 (b) yes by June 2013 (c) Yes by June 2013	(a) 1 CABS (Feb) (b) Zero draft DCS (June) (c) Draft MTDS (June)	(a) 2 CABS per year (b) DCS in place (c) MTDS report in place	Partially achieved. CABS meetings were successfully held but not a HLF meeting. DCS is at advanced stage. Medium-Term Debt Management Strategy is still not final but progress was made through a recent workshop..
3	Indicator 3: No. of development partners (DPs), line ministries and Districts with access to online AMP	5 DPs, 0 ministry; 0 districts.	15 DPs (by 2013)	24 resident DPs (includes 9 UN agencies)	All resident DPs, selected line ministries and districts, International NGOs and foundations	Partially achieved. Not all DPs are using the online AMP but the connectivity was improved and refresher training is ongoing. Training is being delivered to line ministries on AMP. INGOs and foreign foundations will be targeted in the next annual work plan.
4	Indicator 4: No. of development effectiveness sensitisation workshops conducted	0	At least 1	0	N/A	Not achieved. Even though the sensitisation exercise was not undertaken, consultations on DCS provided platform for sensitisation since most stakeholders were not aware of the international agreements on aid and development effectiveness.

Output 4.2.4: Effective programme management services delivered

Planned: Reference is made to Annex 1.

Progress: The programme team managed to deliver on all planned activities except one: the Steering Committee Meeting (also called Project Board Meeting). For instance, Monthly Financial reports were prepared and submitted to UNDP on time. Quarterly Work Plans and

progress reports were submitted to UNDP and MoF and during the Programme Coordination meetings. Requisition from both Planning and M&E Divisions were processed accordingly. Meetings, coordination, reports, briefings were done as per requests and requirements. The Steering Committee meetings did not take place mainly because 2013 is an initial year for the programme. Implementation started only in late May 2013 following late disbursement of funds as Programme bank accounts were being set up at the same time. The Programme coordinator in MoEPD also supported the compilation of Quarterly Reports for ERP, and conducting monitoring visits to Ministries and Councils.

The coordinator also represented the MoEPD at the Third National Evaluation Capacity Building meeting in Brazil, Sao Paulo.

Results: Compliance to standards and effective delivery of planned activities under DEAP.

Assessment based on Performance Indicators: Output 4.2.4

No.	INDICATOR	BASELINE	ANNUAL TARGET (Numbers)	ACHIEVED AS OF OCT 2013	End of Project TARGET (%)	REMARKS
1	Indicator 1: % of TPR and Project Board decisions and recommendations implemented annually.	70% (2012)	85%	0	100%	Not achieved. No Steering Committee or TPR meetings held. However two programme coordination meetings were held to discuss implementation challenges.
2	Indicator 2: % of project results achieved as per the AWP.	70 (2012)	80%	%	90%	Partially achieved. Planned activities were scaled down since funding was significantly cut back. \$.

Progress towards Achieving Programme Outcomes and Expected Impact

The Outcome for the project is *Public Institutions are better equipped to manage, allocate, and utilize resources for effective development and service delivery by 2016*” During the year, the programme has laid solid ground for achieving this outcome. The knowledge and skills in results based management (RBM), GIS, HRBA acquired by over 70 public service officials has a direct link with effective programming for results and hence ultimately impact on development effectiveness. Similarly, progress in updating databases including MASEDA and the AMP and increased access to these information systems are providing contribute to effective management of resources. The Ministry of Finance is better able to track the flow of funds from development partners and to assess the sectoral and geographical distribution of aid. The Programme has empowered the government to have meaningful dialogue on allocation of resources with its development partners.

The full impact of the programme will be enhanced when processes and systems for reviews of achievement of results are perfected and linked directly with the performance of ministries,

department and agencies. For instance, one of the major focus of the programme in 2014 will be to ensure that the MGDS review process is completed in time while paying due attention to qualitative aspects of the work. In the same vein, the role of the Department of Projects and Programme Implementation Monitoring and Evaluation in OPC is important in the efforts to improve the utilization and accountability for development assistance in Malawi.

The developments made towards a medium debt management strategy and preparation of new Development Cooperation Strategy for Malawi will serve to empower the Government of Malawi by establishing a shared basis for managing relationships with its development partners and exercising its role of creating an enabling environment for effective development.

Gender Mainstreaming

The programme spans across all 16 sectors with gender, HIV and AIDS and environment being treated as cross-cutting themes and part of the 16 Sector Working Groups. Some of the products of DEAP are Annual Review Report for MGDS II and MDGs Annual Reviews which include a performance assessment section of HIV and AIDS and Environment. At district level, HIV and AIDS issues are coordinated by the District Aids Coordinator (DAC) and managed by the District Aids Coordinating Committee (DACC). These structures belong to District M&E Coordination Committees which are supported by DEAP. All the data that is produced by the DAC is entered into the district databank called LAHARS.

In addition, Social Welfare Officers and District Environmental Officers coordinate all the activities relating to gender and environment respectively. Data from these is also entered in the district databank. Through UNICEF, the human rights based programming is being propagated particularly using the Child Friendly Tools in selected districts.

Status of Key Partnerships and Inter-agency/department Collaboration in the Area of the Outcome

DEAP programme is implemented through a number of cooperating agencies and these are MLGRD and NSO in particular. DEAP implementation is affected by the extent to which development cooperation dialogue mechanisms and in particular Sector Working Groups are functional. Currently, the programme faces inadequate collaboration framework within the SWG as noted by the few functioning SWGs. Specific activities to support the SWG process will be included in the 2014 AWP.

For effective implementation of the Joint Programme, there is need for MoF to work closely with MoEPD in addition to inter-divisional collaboration within MoF itself. Recently, collaboration between MoF and MoEPD has been strengthened for the implementation of the Programme; however, collaboration with the other JP implementing institutions needs to be considered as it is still weak. Moreover, no review has been done for the implementing partners to establish the capacity gaps and capacity requirements, including their challenges for coordination.

The alignment with PFEM RP needs to be strengthened. The PSD recommends that J-AWPs be reviewed by PFEM TWGs before signing. This exercise is not conducted. Moreover not all TWGs in the scope of the programme are regularly meeting. There needs to be discussion with the PFEM secretariat in MoF on the application of this recommendation.

Fragmentation and overlapping of activities with those implemented in other projects is still an issue of concern. A good example is the proliferation of M&E of projects in the central ministries

and Government as a whole. Going forward, M&E systems in Government should be harmonized and linked to each other in a supplementary manner.

Financial Status and Utilization

The programme planned to spend \$1,496,300 in 2013. Commitments towards the budget from the participating UN agencies were as follows:

UN Agency	Original budget
UNDP	\$1,277,000
UNFPA	\$40,300
UNICEF	\$179,000
Total	\$1,479,300

In the course of the year, the contribution of UNDP was revised to \$1,071,990.

As set out in the implementation arrangements for the programme, funds from the UNICEF UNFPA were provided to the Ministry of Economic Planning and Development.

As of 3 December, 2013, \$1,071,790 of UNDP's contribution had been utilized by the project representing a 93% delivery rate against the available funds of \$1,061,604. The project is obtaining expenditure information from UN agency to provide a complete picture. The table below shows how UNDP resources were utilized under each of the four project outputs:

	OUTPUT	BUDGET \$	EXPENDITURE \$	DELIVERY %
1	National institutions utilize RBM systems for planning, monitoring and evaluation to enhance ownership and leadership for achievement of development results.	503,696	457,960	91%
2	National Institutions have the capacity to align policies, programmes and budgets with national development strategies and MDGs for efficient achievement of development results.	379,197	41,152	11%
3	Government has sufficient capacity to effectively negotiate, manage and account for development assistance.	284,000	282,133	99%
4	Effective Project management services delivered.	329,407	280,359	85%
TOTAL		1,496,300	1,061,604	71%

Lessons learnt

During the period under review, implementation of planned activities was affected by a number of issues which are highlighted above. The following are some of the lessons noteworthy:

- (i) Effective implementation of the JP activities requires realistic planning and timely disbursement of resources.
- (ii) Effective coordination between MoF and MoEDP as well as with all other implementing institutions is required. This can be done through regular SC/programme management meetings and timely follow-up on actions agreed during the meetings

- (iii) Implementation of some key activities has been delayed due to capacity issues as the core team from the implementing ministries is involved in many other processes and activities. Staff must prioritize engagement in programme activities if progress on implementation is to be made. Given the unique skills required for some activities, engagement of external consultants is likely necessary, and should be agreed well in advance with senior management to allow for timely preparation of TOR and implementation.
- (iv) Some activities have been conducted but the reports or the documents which are financed from the JP are still drafts and some even require substantial revision. If this is not addressed, it limits the importance and strategic impact of this program. Technical validation meetings with the main interested parties should be organized around each key product. The meetings will serve as an opportunity to share results, receive feedback, and raise awareness about the activities of the programme.
- (v) There is high demand for information on RBM and development cooperation from key stakeholders as well as general public which the JP should help to meet.
- (vi) The alignment with PFEM RP needs to be strengthened. The TWGs from the PFEM RP that are relevant to the Programme should meet regularly and review annual work plans before signing them. Follow up action on TWGs should be agreed with the PFEM RP secretariat in the MoF.

Conclusion

Despite a slow take off, the programme has made notable achievements in building a strong base for institutionalizing Results Based Management and effective management, utilization and accounting for development assistance. The increase in awareness and skills in RBM, access to AMP are part and parcel of empowering the government to better able to exercise leadership and cultivating effective partnerships for achieving development results.

A number of key elements such as credible and timely reviews of the MGDS remain to be addressed.

The programme faced a number challenges including difficulties to access pledged levels of resources, poor planning, weak coordination with relevant agencies and institutions, inadequate arrangements for quality assurance and raising the visibility of key products produced with support from the programme. High staff turnover especially at the M&E Division in MoEPD and at district level also affected levels of implementation.

Ministry of Finance,
Lilongwe 3