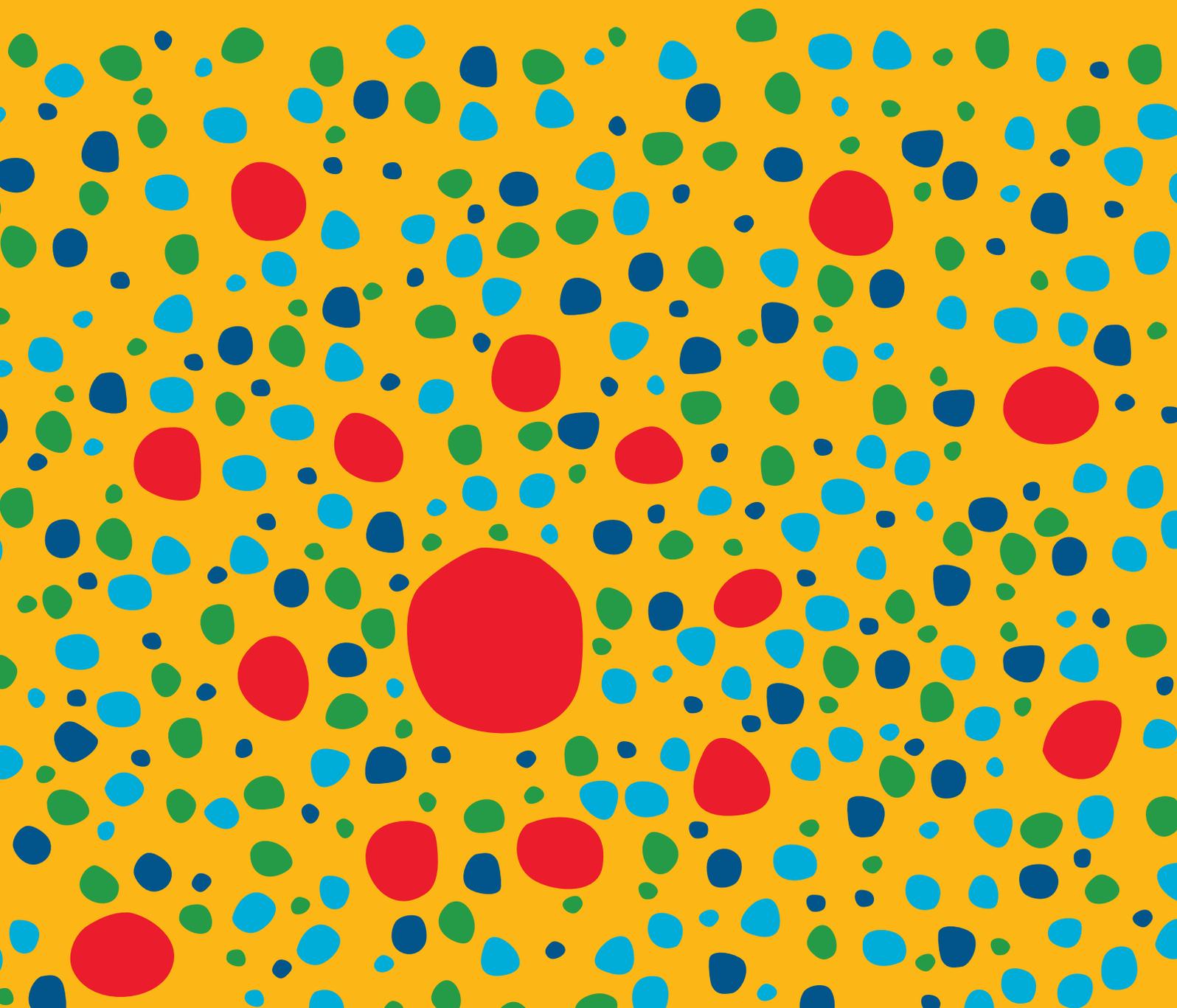




OVERVIEW

MALAWI NATIONAL HUMAN DEVELOPMENT REPORT 2021

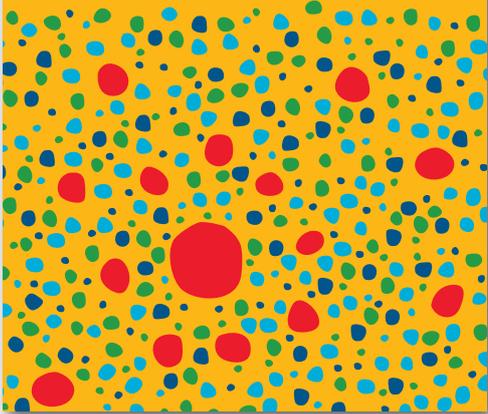
DELIVERING SUSTAINABLE HUMAN DEVELOPMENT AND ACCOUNTABILITY AT THE LOCAL LEVEL: THE EXPERIENCE OF DECENTRALISATION IN MALAWI





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The cover illustration is depicting the devolution of power from central government to local assemblies and onto the grassroots.

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FOREWORD

I am pleased to introduce the latest Malawi National Human Development Report (MNHDR), which is the 7th Edition. Since the attainment of independence in 1964, Malawi has formulated and implemented various development policies, strategies, and plans that sought to give direction to the development process of the country and improve the living standards of the citizens including building an inclusively wealthy and self-reliant nation. It has also periodically resorted to structural and economic reforms to rejuvenate the economy. However, an overreliance on agriculture, an undiversified export basket and exogenous shocks have resulted in episodic growth and stagnation in the measures of human development. Even when growth has been positive, structural inequities have ensured that the benefits from economic growth are not equitably shared across the population.

For the past two decades, the Malawian Government has embraced and employed the human development approach as a more comprehensive pathway to human-being and sustainable development instead of the commonly used money metric approach. The human development approach is inherently more appealing and realistic due to its comprehensiveness since it includes key dimensions of human development like health, education, and Gross National Income per capita that are also criti-

cal for delivering sustainable human development and accountability at the local level, which is the focus of this National Human Development Report.

The 7th Edition of the Malawi National Human Development Report (MNHDR) is unique and innovative in two respects. First, the human development approach adopted in this report has been spatially disaggregated to calculate the district-level human development indices to capture spatial differences in the level of human development across districts, cities and regions. Second, it emphasizes the contribution of good local governance to promoting social welfare and human development at the local level. These innovations make the Malawi NHDR of immense relevance and use for the country's development process and ownership of development initiatives by the citizens.

In view of the above, the Government of the Republic of Malawi remains committed to making investments that will improve the nation's general well-being and reduce spatial disparities in human development, as highlighted in this Report. We believe that doing so will enable all citizens to meaningfully participate in the development process of their country and make them to benefit from the dividend of development, as espoused in the Malawi 2063.



.....
Rt Honourable Dr. Saulos Klaus Chilima
VICE PRESIDENT OF THE REPUBLIC OF MALAWI,
AND
MINISTER FOR ECONOMIC PLANNING AND
DEVELOPMENT AND PUBLIC SECTOR REFORMS

PREFACE

The United Nations Development Programme (UNDP) is once again pleased to be a key strategic partner with the Government of the Republic of Malawi in its sustainable human development endeavours. The partnership could not have been better demonstrated than the strong collaboration that has led to the production of the 7th Edition of the Malawi National Human Development Report (MNHDR), with the theme “**Delivering Sustainable Human Development and Accountability at the Local Level: The Experience of Decentralization in Malawi**”.

The first human development report was produced by UNDP at the global level in 1990 to influence policies on global development challenges and issues. This first global report significantly influenced the human development discourse and led to the production of continental, regional, and national human development reports on various thematic development issues to influence policies at these levels. Since then, Malawi has produced six other NHDRs, with this report being the 7th Edition. This report, which focuses on a district-level approach to human development in Malawi, gives significant recognition to the need to have strong foundations of sustainable human development at the grass-

roots levels if citizens are to enjoy long and healthy lives and have the capability to actively participate and contribute to the development process of their country. Thus, the report responds to Malawi’s fundamental development question of “why has development stagnated in Malawi while neighbouring countries have progressed? More so, it highlights key challenges and strategic policy, and programmatic interventions would be required to deliver sustainable human development and accountability at the local level. It further advances the urgent need to strengthen fiscal and gender sensitive decentralization, enhance local governance system, and the need for a robust monitoring and evaluation system to institutionalize sustainable human development at the local level.

Given the rich advocacy and policy strategic issues emerging in the report, UNDP prevails on all policymakers and stakeholders leading and playing active role in the implementation of Malawi’s development agenda to take the time and read through the report and its accompanying abridged version to effectively design and policy and programmatic interventions that should be effectively to promote sustainable human development and accountability at the local level and reduce disparities in human development at national and local levels.



.....

Shigeki Komatsubara

UNDP RESIDENT REPRESENTATIVE

ACKNOWLEDGEMENTS

The 7th Edition of the Malawi National Human Development Report (MNHDR) has been prepared with support from the United Nations Development Programme (UNDP) through the National Planning Commission (NPC) and the Ministry of Economic Planning and Development and Public Sector Reforms. Preparing for the NHDR for Malawi commenced in July 2018 through stakeholder consultations with the representatives from key sector government ministries, departments, and agencies, the private sector, academic and research institutions, civil society, and development partners, which agreed on the theme for the Report.

This report is an outcome of invaluable contributions and support by numerous stakeholders in Malawi, to which we are highly indebted. The UNDP Senior Management Team led by the UNDP Resident Representative, Shigeki Komatsubara and Claire Medina (former Deputy Resident Representative). Other UNDP team members who have played significant role in the production of the report include Moses Sichei (Former Economic Advisor), Wilmot A. Reeves (present Economic Advisor), Patrick Kamwendo (Economics Specialist), Ms. Luta Shaba (Gender Advisor), Agnes Chimbiri (Governance Portfolio Manager) and Thokozire Gausi (Research Associate and Young Professional) who tirelessly provided technical guidance and quality assurance support

to the drafting team of report, the copy editor and graphic designer. The support of the UNDP Operations Team is also highly appreciated for effectively and ably facilitating the production of the report.

We are also thankful to the Research Team from the Centre for Independent Evaluations (CIE) that comprised Professor Charles B. L. Jumbe, Professor Maureen L. Chirwa, Frederick Bwayi Mng'ondi Msiska, and Joseph S. Kanyamuka, who were responsible for data collection, analysis and drafting the report. The role of the copy editor, Tanni Mukhopadhyay, and the graphic designer, Austin Madinga, is equally very much appreciated and we want to extend our thanks and appreciation to them.

Finally, we are grateful for the technical support and information given to the Research Team from the National Statistical Office, the Ministry of Education, Ministry of Health (MoH), Ministry of Local Government, the National Local Government Finance Committee, Electricity Supply Corporation of Malawi, Malawi Revenue Authority, the District Commissioners and Chief Executive Officers in all the various Local Councils, and the various Heads of Departments in the Local Councils and the various Civil Society Organizations, as well as our own institutions, the Ministry of Economic Planning, Development and Public Sector Reform and the National Planning Commission.



Thomas C. Munthali, PhD
DIRECTOR GENERAL,
NATIONAL PLANNING COMMISSION



Winford Masanjala, PhD
PRINCIPAL SECRETARY
MINISTRY OF ECONOMIC PLANNING AND
DEVELOPMENT AND PUBLIC SECTOR REFORMS

ACRONYMS

ACPC	: Area Civil Protection Committees
ADC	: Area Development Committee
ADMARC	: Agricultural Development and Marketing and Development Corporation
AEC	: Area Executive Committees
CDF	: Constituency Development Fund
CDP	: Capacity Development Plan
CDP	: Constituency Development Plan
CEO	: Chief Executive Officer
CSO	: Civil Society Organization
DADO	: District Agricultural Development Officer
DC	: District Commissioner/District Council
DCCM	: Department of Climate Change Management
DDF	: District Development Fund
DDP	: District Development Plan
DDPS	: District Development Planning System
DEC	: District Executive Committee
DEVPOLS	: Statement of Development Policies
DHO	: District Health Officer
DHRM&D	: Department of Human Resource Management and Development
DoDMA	: Department of Disaster Management Affairs
DPD	: Director of Planning and Development
DPs	: Development Partners
DRM	: Disaster Risk Management
DRTSS	: Directorate of Road Traffic and Safety Services
EYS	: Expected Years of Schooling
FBO	: Faith-Based Organization
FGD	: Focus Group Discussion
GDI	: Gender Development Index
GDP	: Gross Domestic Product
GER	: Gross Enrolment Ratio
GHDR	: Global Human Development Report
GII	: Gender Inequality Index
GIR	: Gross Intake Ratio
GNI	: Gross National Income
GNP	: Gross National Product
GoM	: Government of Malawi
HDI	: Human Development Index
HDR	: Human Development Report
HDRO	: Human Development Report Office
HMIS	: Health Management Information System
IFMIS	: Integrated Financial Information System
IGFTS	: Inter-Governmental Fiscal Transfer System

IHDI	: Inequality Human Development Index
IMF	: International Monetary Fund
LDF	: Local Development Fund
LDP	: Local Development Plan
LGA	: Local Government Act
LGAP	: Local Government Accountability Project
LGS	: Local Government System
LGSC	: Local Government Service Commission
M&E	: Monitoring and Evaluation
MALGA	: Malawi Local Government Association
MDAs	: Ministries, Departments and Agencies
MEC	: Malawi Electoral Commission
MGDS	: Malawi Growth and Development Strategy
MNHDR	: Malawi National Human Development Report
MoA	: Ministry of Agriculture
MoE	: Ministry of Education
MoEPD&PSR	: Minister of Economic Planning and Development and Public Sector Reforms
MoGCD&SW	: Ministry of Gender, Community Development and Social Welfare
MoH	: Ministry of Health
MoLG	: Ministry of Local Government
MoU	: Memorandum of Understanding
MP	: Member of Parliament
MPI	: Multidimensional Poverty Index
MPRSP	: Malawi Poverty Reduction Strategy Paper
MSCE	: Malawi School Certificate of Education
MW2063	: Malawi 2063
MYS	: Means Years of Schooling
NDP	: National Decentralization Programme
NEEF	: National Economic Empowerment Fund
NGO	: Non-governmental Organization
NHDR	: National Human Development Report
NLGFC	: National Local Government Finance Committee
NPC	: National Planning Commission
NRB	: National Registration Bureau
NRDP	: National Rural Development Programme
NSO	: National Statistical Office
OECD	: Organization for Economic Co-operation and Development
OPC	: Office of President and Cabinet
ORT	: Other Recurrent Transactions
PAPs	: Poverty Alleviation Programmes
PPP	: Purchasing Power Parity
SADC	: Southern Africa Development Community
SAPs	: Structural Adjustment Programme
SDG	: Sustainable Development Goals
SEC	: Security Executive Committee

SEP	: Socio-Economic Profile
SHD	: Sustainable Human Development
SSA	: Sub-Saharan Africa
STA	: Sub Traditional Authority
TA	: Traditional Authority
UEC	: Urban Executive Committee
UN	: United Nations
UNDP	: United Nations Development Programme
VAP	: Village Action Plan
VCPCs	: Village Civil Protection Committees
VDC	: Village Development Committee

INTRODUCTION

1.0 Background

With support from the UNDP, Malawi has so far produced six National Human Development Reports (NHDRs) with various themes. The NDHR themes are *Sustainable Social and Human Development* in 1997; *General Human Development Report Malawi* in 1998; *Poverty and Human Development in Malawi* in 2001; *Reversing HIV/AIDS in Malawi* in 2005; *Gender and Human Development* in 2010; and *Inclusive Growth* in 2015. The 7th Edition of the Malawi National Human Development Report 2021 was developed under the theme: “**Delivering Sustainable Human Development and Accountability at the Local Level: The Experience of Decentralisation in Malawi**”. This theme is in line with the realization of the Malawi 2063 pillars and enablers.

Introduced in 1990 in the first human development report, the concept of the Human Development Index (HDI) is a composite measure of achievement in the basic dimensions of human development across countries using three key development indicators: health (measured using life expectancy at birth), education (measured using mean years of schooling and expected years of schooling) and living standard (measured using gross national income per capita in PPP USD).

Malawi is ranked among the low human development countries globally based on the HDI comparative analysis across countries. Malawi’s HDI value for 2019 was 0.483, which puts the country in the low human development category, thus positioning it at 174 out of 189 countries and territories (UNDP, 2020). Malawi has made little progress in improving the basic living standards of its people.

1.1 Purpose of the 7th Edition of Malawi National Human Development Report

The summary version is based on the full report of the 7th Edition of Malawi National Human Development Report. In general, the report outlines how decentralization and district-level approaches to development and the role of good governance at a district-level contribute to long-

term sustainable development. The premise for focusing on decentralization and a district-level focused approach to development is a recognition of the role of good local governance in contributing to sustainable development in three ways: **(1) by delivering services and promoting sustainable development more effectively and efficiently; (2) by giving people a voice to actively participate in the development process of their country in a more inclusive way; and (3) by empowering the local people to demand transparency and accountability from the duty bearers and service providers.**

The Report aims at promoting the district focused approach to human development by proposing strategies for strengthening local governance structures in the development process, thereby accelerating development at the local level. The report summarizes the strengths and weaknesses of efforts made in the human development process in Malawi, particularly the role of decentralization and the district focused approach to human development in line with the National Decentralization Policy. It analyses how local governance structures influence both decision making and development processes and has drawn lessons and made recommendations for enhancing the local governance systems to accelerate this local level development. While previous National Human Development Reports have included aggregate measures of the Human Development Index at the national level, this report presents the computation of district-level Human Development Indices across all the 35 councils (including 28 district councils, 4 city councils, 2 municipal councils, and one town council) in the country. The computation of regional and district specific HDIs will help target interventions in various districts. Besides the HDI, the report has computed other development indices that will be useful to compare levels of development across regions and districts for policy interventions and programming of development activities.

Furthermore, the report presents strategic measures to reinforce actions and commitments of local institutions’ accountability as duty bearers in line with the Malawi 2063 and its successive

10-Year Implementation Plans. It advocates for improvements in the socio-economic well-being of the people by implementing development interventions in local government areas where most of its people live while achieving equal opportunities for and active participation by all.

1.2 Alignment with the Malawi 2063 and the 10-Year Implementation Plan

Following the 2015 MNHDR, there has been a growing recognition of the importance of ownership and involvement of citizens in the development process. The most recent policy document, the Malawi 2063 (MW2063) and its first 10-Year Implementation Plan (MIP 1) have embraced inclusive stakeholders' participation, at the national and local levels, in delivering sustainable growth and development. The Malawi 2063, which is the long-term development framework for the country, aims at building an inclusively wealthy and self-reliant industrialized upper middle-income country by 2063 and is anchored on three transformational **pillars**: Agricultural productivity and commercialization; Industrialization; and Urbanization. These transformational pillars are to be implemented through the following **enablers**: mind-set change, effective governance systems and institutions, enhanced public sector performance, private sector dynamism, human capital development, economic infrastructure, and environmental sustainability (Government of Malawi, 2020), all of which aim to enhance the capabilities and incomes of all Malawians including those in rural areas where the most people live (Government of Malawi, 2017). In addition, the Malawi 2063 and its first 10-Year Implementation Plan can spur human development, as it includes investments in sectors that matter for developing the human development of the country and for all its citizens.

FROM CENTRALISED TO DISTRICT FOCUSED APPROACH

2.0 Malawi's Development Trajectory

The country's development pathway and the resultant human development has been shaped by the nature of the structural policy changes that Malawi has pursued since independence. Since independence in 1964, Malawi has developed and implemented various development policies, strategies and plans to improve the well-being of all Malawians and country's socio-economic development landscape. As a result, Malawi has gone through various phases of development driven by the changes in the political environment and the need to address new development challenges. This chapter presents a summary of the country's development pathways pursued over the years.

Prior to independence, there was a great emphasis on agriculture with tea, sugar, tobacco, macadamia, and to a certain extent, cotton as the country's primary exports. At that time, the colonial government pursued top-down policies without the participation of the citizenry. Soon after independence, the Government of Malawi executed a 10-year Statement of Development Policies (DEVPOLS) up to the early 1990s. During this period, the economy was mainly dominated by subsistence agriculture and the exportation of labor to Zambia, Zimbabwe, and the Republic of South Africa, where they mainly worked in copper and gold mines. During the colonial period, the citizenry had little voice to contribute to policy decisions, and the political environment would not allow them the freedom to actively participate in decision making on development issues affecting them.

However, over the years, the government has gone through bouts of economic transformation that embraced citizen participation. Changes in the global village necessitated a rethink of development policy agenda towards a holistic approach that includes an open economy, macro-economic management through a combination of market-friendly and public investments, disaster risk management, gender equity and equality, decentralization, and citizens' participation in development, amongst others. In par-

particular, in the late 1990s, the government developed a Decentralization Policy that recognized the role of the local governance structures in pursuing development. However, it must be pointed out that the local governance structures were not effective except the traditional leadership (chiefs) that were the custodian of law and order at the local level.

In early 2021, the Government of Malawi announced its long-term development objective in the Malawi 2063, which aims to build an Inclusively Wealthy and Self-reliant Nation by 2063. By 2063, the country aspires to become an industrialized upper middle-income country which primarily finances its own development needs. Successful decentralization will be vital in delivering this vision to reality and enabling inclusive participation and accountability for sustainable human development at the local, regional, and national level.

2.1 Long-term Developmental Objectives: Malawi 2063

Malawi launched its long-term vision for development, Malawi 2063 (MW2063) in January 2021, which adopts an inclusive democratic developmental state philosophy. It envisions an inclusively wealthy and self-reliant nation to become an industrialized upper middle-income country, which primarily finances its own development needs by 2063. The Malawi 2063 notes that the state shall play an active role while forging a strong alliance with the private sector in implementing and realizing the development aspiration. Malawi 2063 recognizes the need to strengthen governance systems and institutions for the effective and efficient delivery of the aspiration of an inclusively wealthy and self-reliant nation. This is to be guided by the key principles of good governance including: citizen engagement and participation and the fair conduct of elections; responsiveness; efficiency and effectiveness; openness and transparency; the rule of law; ethical conduct; competency and capacity; innovation and openness to change; sustainability and long-term orienta-

tion; sound financial and economic management; human rights, cultural diversity and social cohesion; accountability; and sustainable peace and security. Successful decentralization, undertaken coherently through political, administrative, and fiscal interventions will be crucial in delivering inclusive participation, transparency, and accountability to local populations and citizens.

2.2 Challenges in strategy/policy implementation

Malawi is heralded for formulating good and sound policies and strategies for the socio-economic development of the country. However, the ability to implement them, both nationally and locally, is limited by several factors including inadequate financial resources to support implementation due to limited fiscal space; weak coordination of the programs and projects; natural disasters; and an unstable macroeconomic environment characterized by high inflation and interest rates. Lessons from the recent review of the Vision 2020 indicates that this has largely not been implemented. Further, monitoring is often limited and ineffective, compliance is low, and the structures necessary for providing guidance and procedures are not in place.

The fragility of Malawi's economy due to its dependence on rain-fed agriculture has contributed to the limited achievement of sustainable economic growth and development. These have negatively affected the country's ability to sustain high levels of economic growth, let alone, improving the living standards of its citizens. Despite these challenges, the local councils are more empowered than before the Government of Malawi adopted the Decentralization Policy. This policy has encouraged the local councils to move toward greater autonomy and self-financed sustainability, although their potential is yet to be fully exploited. Unlike the past, where most interventions were top-down, most local councils now develop their development plans that assure greater ownership of development interventions by the local councils.

MALAWI'S HUMAN DEVELOPMENT CONDITIONS: NATIONAL AND DISTRICT FOCUSED ANALYSES

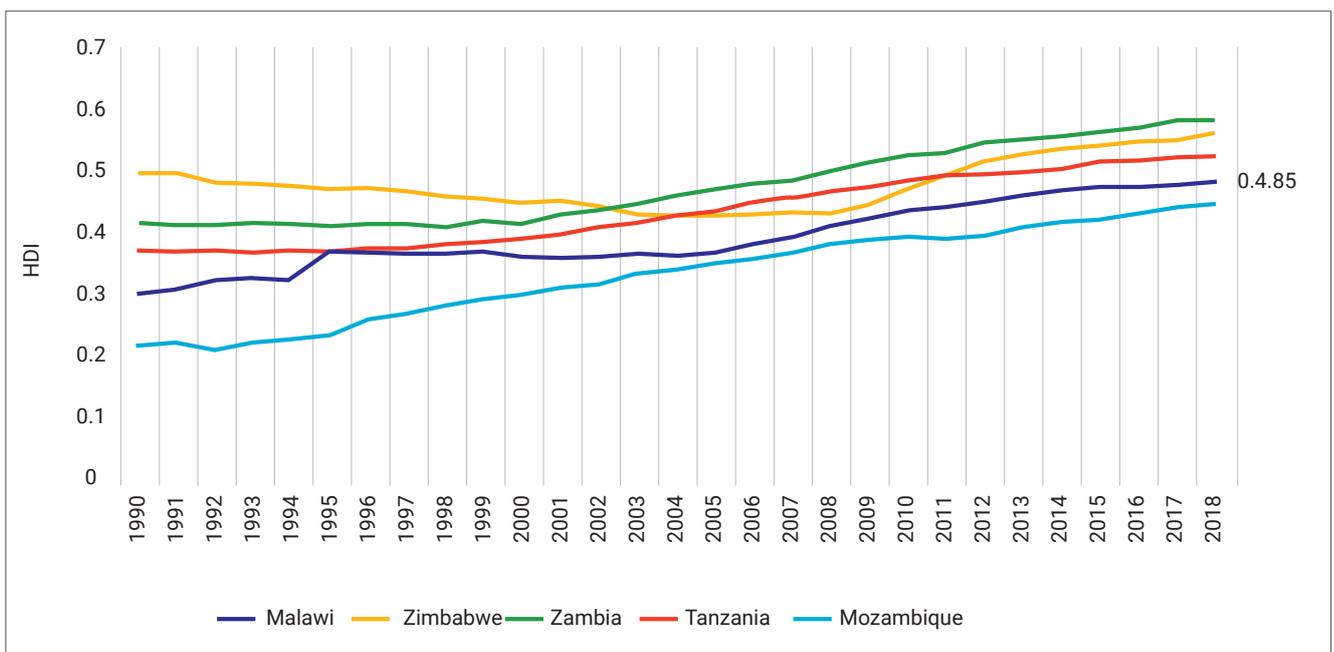
This chapter presents the status of human development conditions in Malawi, with particular emphasis on the Human Development Index (HDI) at the national and sub-national levels. A detailed methodology on the computation of regional and district level HDI are presented in the full report.

3.0 Trends in Human Development Indices for Malawi and other neighbouring Countries

Over the years, Malawi has registered improvements in Human Development Index (HDI), thus giving hope for the country to make further strides in this respect. In 1990, Malawi had an HDI value of 0.333, which has improved to a current HDI value of 0.483 in 2019, as estimated in the 2020 global Human Development Report.

From the analysis, the human development conditions in Malawi are weak, as revealed by the low national, regional and district HDI values. Malawi's current HDI value (0.483) is below the average of 0.513 for countries in the low human development category and below the average of 0.547 for Sub-Saharan Africa (SSA). Malawi's trend in HDI and other human development-related indicators are presented in Table 3.1.

Figure 3.1: HDI trends for selected countries based on consistent time series data and new goalposts, 1990-2019.



Source: Human Development Report 2020. The Next Frontier: Human Development and the Anthropocene. *Briefing note for countries on the 2020 Human Development Report: Malawi, Zimbabwe, Zambia, Tanzania, and Mozambique.*

Table 3.1: Trend in HDI and other Human Development-related Indicators for Malawi, 1990-2019

Year	Life expectancy at birth	Expected years of schooling	Mean years of schooling	GNI per capita (2017 PPP\$)	HDI
1990	46.1	5.4	2.5	1405	0.303
1995	45.8	10.6	2.7	1287	0.363
2000	45.1	9.9	3.0	1422	0.362
2005	47.8	9.4	3.4	777	0.373
2010	55.6	10.3	4.3	959	0.437
2015	62.0	11.1	4.4	996	0.475
2016	62.7	10.9	4.5	1,025	0.478
2017	63.3	11.0	4.5	1,012	0.482
2018	63.8	11.0	4.6	1,018	0.485
2019	64.3	11.2	4.7	1,035	0.483

Source: Human Development Report 2020. The Next Frontier: Human Development and the Anthropocene. *Briefing note for countries on the 2020 Human Development Report: Malawi.*

3.1 Human Development Index: regional, city and district comparison

Regional HDI analysis () shows that none of the country's three regions falls in the very high or medium HDI category. We also observe slight disparities in HDI across all three regions of the country. The Northern Region leads with an HDI value of 0.496, followed by the Central Region with an HDI value of 0.495 and the Southern Region at the bottom with an HDI value of 0.490. While the Northern Region has the highest mean years of schooling (4.89 years) and the highest expected years of schooling (about 12 years), it has the least GNI per capita of \$1077.9. On the other hand, the Southern Region has the highest GNI per capita of US\$1200, but it has the least life expectancy at birth and least mean years of schooling, on average.

Across the major cities of Malawi, only Zomba City falls within the medium HDI category with HDI of 0.545 (~0.55), while the rest of the cities fall within the low HDI category. In terms of ranking, Zomba city is followed by Mzuzu City, Lilongwe City and Blantyre City having the least HDI the among cities (see **Annex 8.1**).

On the other hand, district level HDI computations (see **Annex 8.2**) show that all the districts in Malawi fall within the low HDI category, with estimated HDI values below 0.55. Five districts

have HDI values above 0.5, albeit below the medium HDI threshold category. These are Blantyre (0.514), Neno (0.514), Mwanza (0.513), Chitipa (0.506) and Rumphi (0.503). The five bottom districts with the least HDI values are Dowa (0.482), Mulanje (0.480), Nsanje (0.475), Mangochi (0.459), and Machinga (0.455). A critical examinations of the regional and district level HDI shows that the education component contributes significantly to the observed human development conditions prevailing at the sub-national levels.

3.2 Inequality Adjusted Human Development Index

In terms of inequality, the Inequality Adjusted Human Development Index (IHDI) for Malawi stands at 0.345, a decline from the 2018 HDI of 0.483. This represents a decline of 28.6 percent in human development due to inequality in the distribution of the HDI dimension indices. However, this loss is less than that for Mali, Zambia, and the average for low HDI Sub-Saharan African countries, with registered losses due to inequality of 33.4, 31.4 and 30.5 percent, respectively in the same year.

3.3 Gender Development and Gender Inequality Indices

With respect to the Gender Development Index (GDI) calculated as a ratio of female HDI to male

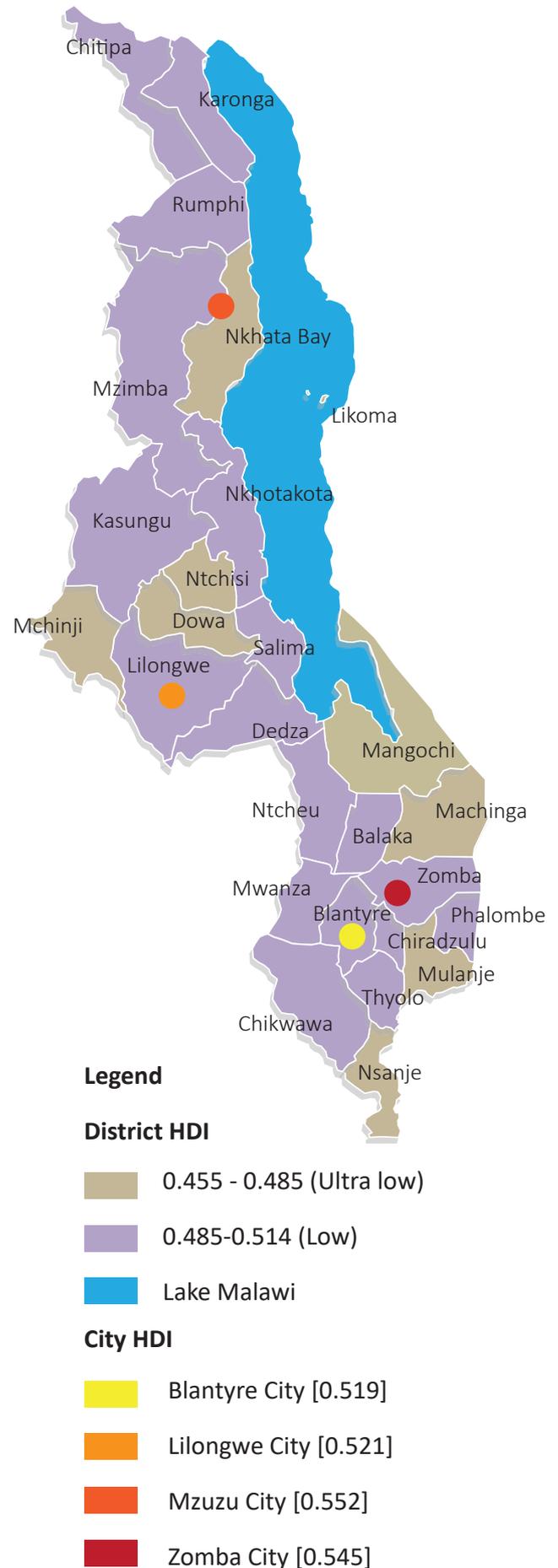
HDI, Malawi falls within GDI Group 1 with high equality in HDI achievements between men and women, having a GDI value of 0.986 and ranked 174 out of 189 countries by HDI in 2019. On the other hand, the Gender Inequality Index (GII) for Malawi was estimated at 0.565, thus ranking the country 142 out of 162 countries in 2019. Despite this inequality, there are improvements in women representation in parliament, which has increased from 5.4 percent in 1994 to 22.9 percent in 2019. Most recently, the number of female parliamentarians went up almost 6.0 percent from 17 percent in 2018 to 22.9 percent in 2019.

3.4 Poverty and deprivation indices

Poverty estimates from the just released poverty report (NSO 2021) shows that poverty levels are still high at 50.7 percent in 2019/2020 from 51.5 percent in 2016/17, representing a decline of only 0.8 percent between the reference period. Poverty analyses confirm that Malawi's poverty conditions have gender disparities with spatial variations. Between 2016/17 and 2019/20, income poverty incidence amongst the female-headed households decreased from 58.7 in 2016/17 to 56.8 percent in 2019/20, albeit higher than among male-headed households (48.5 percent). Comparative spatial poverty analyses show both regional and urban-rural disparities. The Central Region had the highest poverty incidence (55.8 percent) followed by Southern region (51.0 percent) and Northern region (32.9 percent) in 2019/2020.

Analysis by place of residence shows that urban poverty has increased from 17.7 percent in 2016/17 to 19.2 percent in 2019/20 while rural poverty has declined from 59.5 percent to 56.6 percent during the same period. Mchinji District in the Central Region has the largest population of people living in poverty at 68.5 percent. Beyond the income poverty, **Malawi's Multidimensional Poverty Index (MPI)** stood at 0.243 in 2019, with 52.6 percent of the population being multidimensionally poor. On the other hand, the breadth of deprivation (intensity) experienced by those in multidimensional poverty stood at 46.2 percent, while 28.5 percent of the population are considered vulnerable to multidimensional poverty.

Figure 3.2: District HDI graphical presentation, 2019



Source: NHDR team calculations

3.5 Impact of COVID-19 on the economy and human development

The COVID-19 pandemic presents a human development crisis that is likely to reverse the gains made so far in key human development dimensions of health, education, and per capita income. The COVID-19 pandemic has further worsened the poverty situation, particularly in urban areas in the country through declines in household per capita income via closed businesses, lost jobs, and depressed markets. For example, at the national level, the pandemic has increased fiscal pressures by negatively affecting government revenue through a reduction in domestic revenue collection emanating from reduction in economic activities and thus widening fiscal deficit. Furthermore, the pandemic has disrupted international trade by reducing the demand for Malawian exports, thereby creating trade deficits. At the district level, the pandemic has worsened revenue collection due to reduced economic activity following the restrictions that have been imposed to contain the spread of the virus. In addition, the pandemic has disrupted the implementation of planned activities due to the shift of resources from implementing planned development activities towards the emergent crisis caused by the pandemic. For example, school closures and restricted/regulated school attendance and disruptions in accessing health services will have multifaceted effects in the short- and long-term.

MALAWI'S DECENTRALISATION AS AN INSTRUMENT FOR DELIVERING LOCAL DEVELOPMENT AND ACCOUNTABILITY

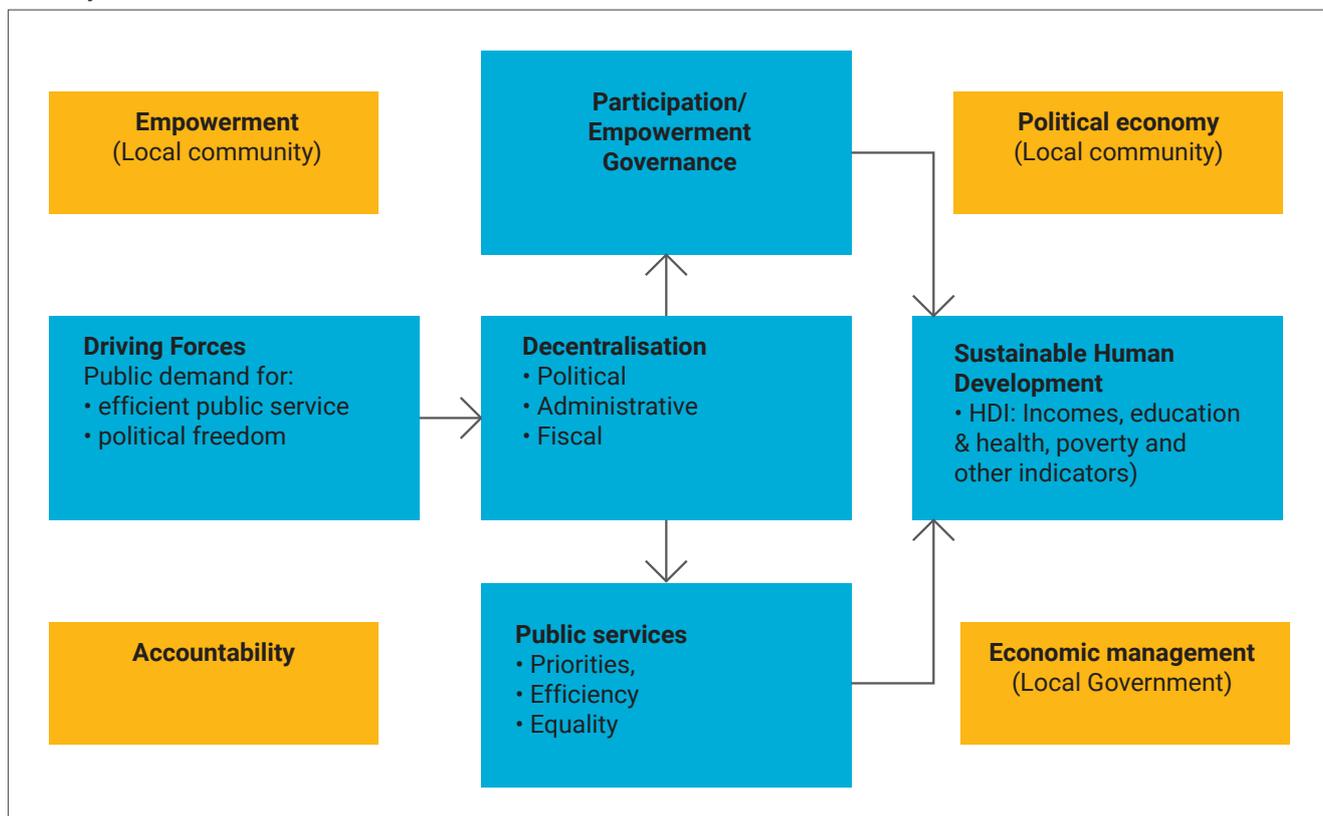
This chapter explores factors that limit the participation and engagement of people in charting a progressive course to poverty eradication, wealth creation and sustainable development, equitable access to public services, and the social accountability of duty bearers. It also explores the social trust issues that stop citizens from actively raising their voices and participating in the development process.

4.0 Decentralization and sustainable human development

The conceptual framework presented in **Figure 4.1** depicts the district focused approach to pro-

moting sustainable human development and institutional accountability. It indicates three dimensions of decentralization and these are: a) political decentralization, which gives local citizens and their representatives more power in any type of decision making through elected representatives that set standards, institutions and legal frameworks; b) administrative decentralization that re-distributes authority, responsibility and resources among different levels of government; and c) fiscal decentralization entails sharing the authority over raising revenues or access to transfers and making decisions on current and investment expenditures (von Braun and Grote (2003; Schneider(2003)

Figure 4.1: Decentralization and sustainable human development through empowerment and improved service delivery



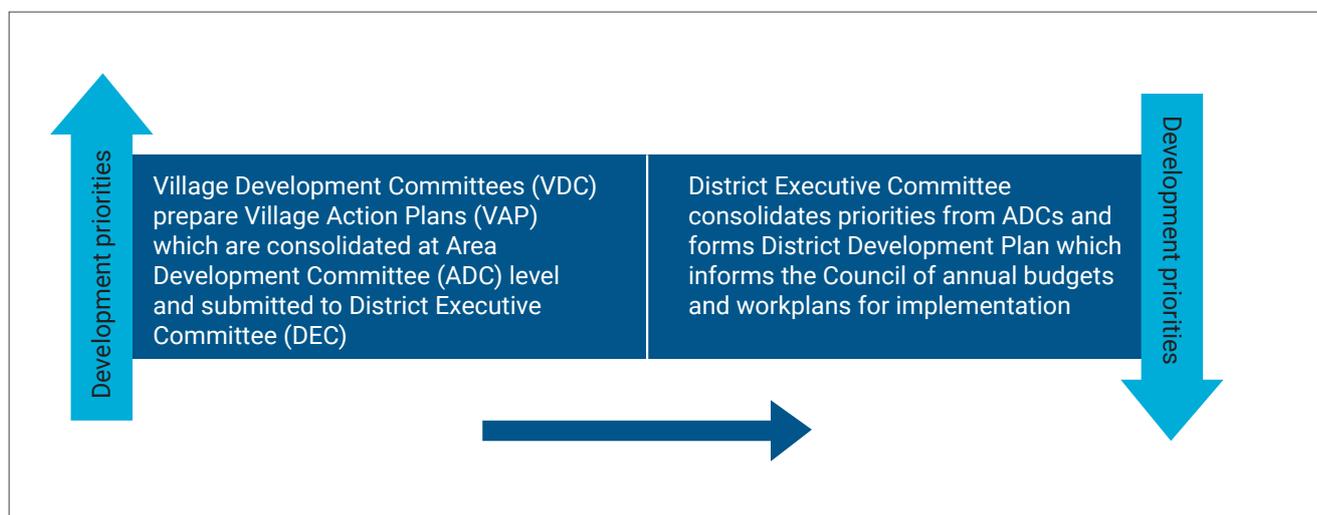
Source: adapted from von Braun and Grote, 2000.

Therefore, the driving forces of the decentralization process integrate equity and equality concepts with rights and responsibilities that enable the weakest regions and districts to be addressed first. This will lead to a comprehensive decentralization agenda that broadly comprises of political, administrative, and fiscal decentralization that will deliver services commensurate to needs and levels of deprivation across the country. As shown in **Figure 4.2**, the pathways through which the decentralization process translates into sustainable development is through citizen empowerment, on the one hand, and improvement in efficiency in the provision of public services and investments on the other.

needs and suggested solutions. These are then submitted to the council, aligning them with the Socio-Economic Profiles (SEPs) before inclusion in the local development plans known as either District Development Plans or Urban Development Plans. These plans are vowed as the overall/overarching Blueprint master plan for all development projects in a Local Government Area (MoLGRD, 2019).

While planning and budgeting is bottom-up, implementation of the projects is not always bottom-up and variations were observed across the councils. The current MNHDR identifies three (3) success factors for fiscal decentralization to positively impact on service delivery:

Figure 4.2: Illustrative summary of decision-making in decentralized structures



Source: NHDR team

4.1 Fiscal Decentralization and Local Government Planning and Budgeting

Fiscal decentralization is a measure of a local government’s autonomy and an instrument for enhancing accountability in public policy. In Malawi, a Guidebook on Local Government System is developed every five years by the Ministry of Local Government and Rural Development that guides planning and execution of local governments’ budgets. The Guidebook outlines clear guidelines that emphasize the need for participatory processes in the spirit of a bottom-up approach (from community-level going upwards to the ADCs, DEC, and council). The planning and budgeting processes are bottom-up and start with village action planning, whereby community members define their most urgent and prioritized development

- i) the need for local councils to become fiscally autonomous rather than just acting as spending agents of the central government,
- ii) ii) defining decentralized systems of planning, financing and management that reinforce accountability relations between leaders and their constituents, and
- iii) iii) creating incentives and sanctions that promote nationally valued objectives in respect of good governance and poverty reduction while not compromising the primary downwards accountability.

Point number (ii), however, calls for the central government to empower and/or capacitate the local councils to carryout effective fiscal management. In this regard, the Malawi 2063 represents an opportunity to provide such a unified

vision ensuring the coordination of functions, functionaries, and finances to deliver on local priorities. Undertaken with integrity, this opportunity will be critical for building local capacity and accountability through participatory processes.

4.2 Institutional Framework for Managing Malawi's Fiscal Decentralization

Institutional frameworks for managing Malawi's fiscal decentralisation are anchored in the Malawi Constitution particularly Chapter XIV, Section 149, 2 (c) which establishes the National Local Government Finance Committee (NLGFC) with powers to receive submissions from every local government authority regarding estimates of expenditure and requests for special disbursements. The NLGFC provides guidance relating to fiscal decentralization through prescribing and allowing the local governments to keep some proportion of the revenues collected. It also provides guidance regarding the distribution of funds allocated to the local governments from the central government. It also ensures that a local government authority has adequate resources to execute local government functions properly.

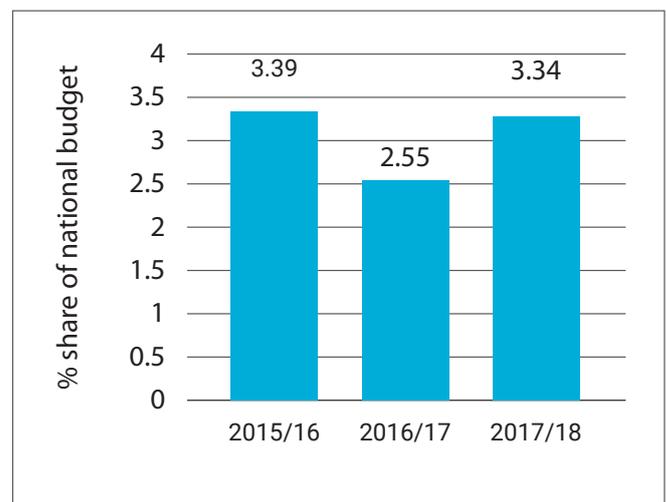
The NLGFC powers stem from the provisions of the Decentralization Policy (1998) and Decentralization Act (1998), which explain that one of the functions of the local governments is to mobilize resources within and outside the district. The four major sources of local government revenues are **a) locally generated revenues, b) ceded revenues, c) central government transfers, and d) NGO assistance**. Sources for the locally generated revenues are i) property rates, ii) ground rents, iii) fees and licenses, iv) commercial undertakings, and v) service charges. To enhance the accountability of the above, the District Commissioners (DC) and Chief Executives (CEOs) of Urban Councils appoint Controlling Officers under the Public Finance Management Act (2003). Each council is allocated a vote in the National Budget (Votes 601 to 928 and Vote 121) for the NLGFC.

4.3 Local Councils' Revenues Flows

While Central Government transfers to local councils are supposed to be five percent of National Net Revenues, this is not realized. Among others, the MGDS II review states that the fis-

cal decentralization process has only focused on the recurrent transaction budget and not the development budgets of the sectors. This means that local governments are operating at below capacity. **Figure 4.3** presents the share of local government resources of the national budget between 2016 and 2018.

Figure 4.3: Local Governments' Resources as a share of the Malawi National Budget



Source: National Local Government Finance Committee & Annual Economic Reports, 2017 and 2019

4.4 Local Councils' Revenues Management: Dissecting the Rural and Urban Trends

A separate analysis of resource mobilization between urban and rural councils was undertaken and reveals that the urban councils are fiscally independent of the center, and none of them have their locally generated revenues falling below the central transfers during the 2017/18 fiscal years, unlike their district counterparts. For instance, the relatively efficient district councils such as Balaka, Dowa and Lilongwe, which registered revenue collections above 100 percent, their total annual locally generated revenues still fall far below the transfers from the Centre.

4.5 Spatial and Sectoral Resource Allocation

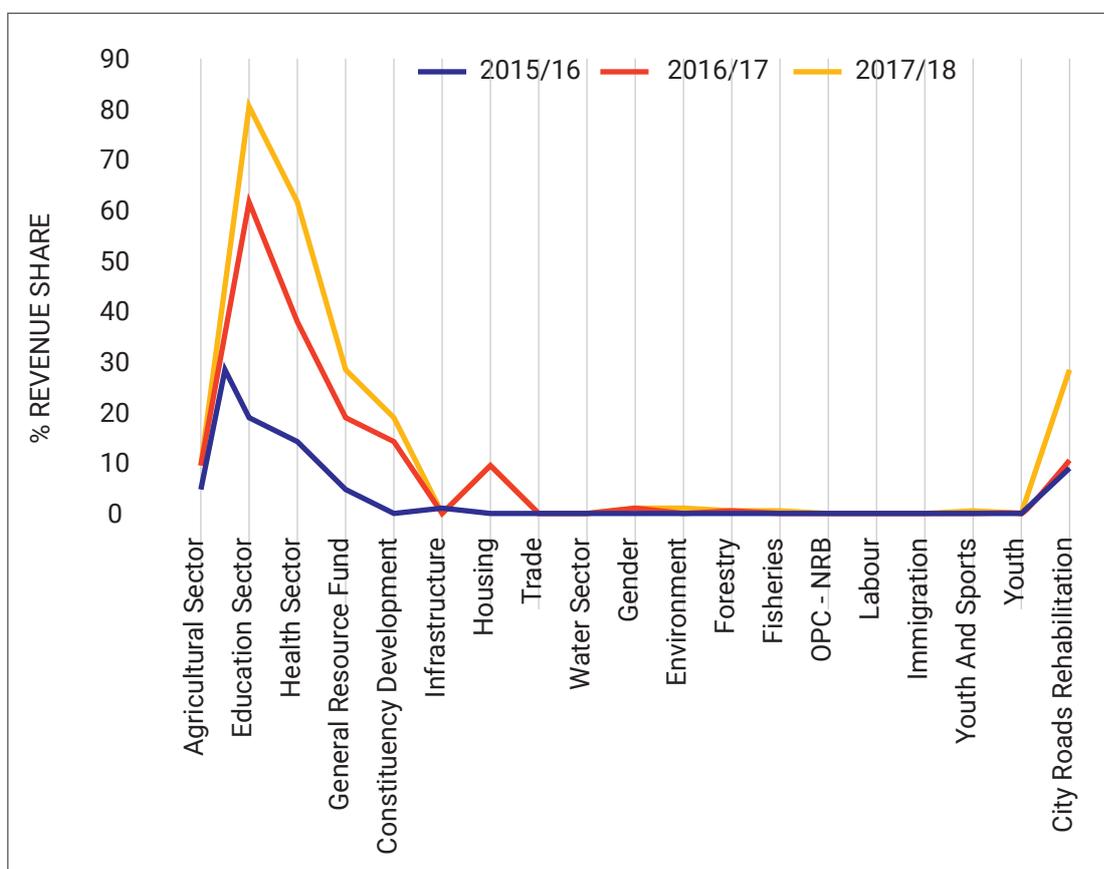
A sectoral budget analysis was undertaken to establish the share of different sectors in the local government budgets. **Figure 4.4** shows that the bulk of the local government resources consistently go to the education and health sectors and Constituency Development Fund.

It is also evident that City Roads Rehabilitation, Housing, Development and General Resource Fund have had significant variations in the funding levels over the past three (3) years. Notably, the agricultural sector has been getting between 3.4 percent and 5.1 percent of the local government budgets, which is below the Constituency Development Fund share of 9.5 percent. This means that despite the talk of the agriculture sector being the backbone of the national economy and one of the top three priority sectors at the national level, the same is not translated to the local government level.

4.6 Criteria for Intergovernmental Transfers to Local Governments in Malawi

The MGDS II review by the Ministry of Finance in 2016 indicates that allocation of funds to District Councils is done through a formula while allocation below the council level is discretionary. However, consultations with the National Local Government Finance Committee revealed that there was no formula. The budgeting process is simply following an increment to the base figures before fiscal devolution was implemented. When compiling this report, the NLGFC was

Figure 4.4: Percent shares of Actual Government Transfers & Local Generated Revenue in the Urban Councils, 2016/17 and 2017/18



Source: NHDR team using data from National Local Government Finance Committee

On Constituency Development Fund, it was found during this assessment that MPs exercise more control over the resources implementing projects that are not necessarily in the VAP. Several uncompleted projects that MPs initiated were seen standing unused in several districts. Such projects are initiated without the involvement of the communities, and VDCs are told not to get involved. Consequently, very little development is done to improve the lives of local communities.

working on coming up with a credible resource allocation formula on the same.

According to Chhetry (2018) there is no clear modality regarding the intergovernmental fiscal transfers (IGFTs) around the world as the process is defined by the political, social, and economic situation of the country. In any case, globally, the IGFTs are driven by six main objectives, namely: i) to fill the vertical fiscal gap

(i.e., the difference between expenditure and revenue from own sources in various layers of government); ii) to provide a solution for the fiscal disparities with the help of equalization transfer; iii) to set national minimum standards; iv) to provide compensation for the spillover benefits; v) to influence local priorities; and vi) to make negotiations towards the less infrastructure development and to create macroeconomic stability in a poor area (Chhetry, 2018; Shah, 2006). It is, therefore, essential to investigate the frameworks that guide Malawi's IGFTs, the policy parameters, criteria in place, and how it relates to the international practice on the same.

4.7 Challenges with Malawi's decentralisation process

The decentralization process faces challenges of limited financial resources, as local councils get only about 3.3 percent of the total net national budget. High vacancy rates coupled with the low capacity of both technical staff and duty bearers (elected officers) to effectively plan, budget, implement and monitor the use of the financial resources at the local levels exacerbate these challenges. Hence, most councils collect far below their planned annual targets. Much as local councils are mandated by law to collect and use their own revenues, the low economic conditions of the local governments coupled with low human resource capacity at the Council Secretariats result in the sub-optimal realization of this goal. Consequently, the actual local councils' own locally generated revenues are estimated to be about 28-29 percent of the total resources available.

There are noticeable urban-rural variations, with urban councils being largely autonomous compared to their rural counterparts. Local councils are also marred by inadequate skill capacity in financial management that result in failures by the Councils to account for the financial resources through non-accountability financial transactions. This has proven to be a recipe for theft, corruption, and misuse of resources worsening the funding concerns to carry out projects. The COVID-19 pandemic is likely to aggravate the challenges relating to revenue collection efforts of both the urban and rural councils.

4.8 Gender and Decentralization for sustainable development

A review of the National Decentralization Policy of 1998 reveals that the policy is gender blind, as it does not disaggregate the needs of males and females. It only recognizes the needs of vulnerable groups such as street children, orphans, and the youths. Consequently, the decentralization policy fails to specifically address male and female practical and strategic needs in the Local Government structures. Gender has become an issue of concern in decentralization because its performance is determined by the socially ascribed roles of males and females, which have implications for local level decisions and representations. Conventional power hierarchies between men and women get replicated in the governance processes and embedded in institutions, limiting prospects for social transformation and change.

The 7th edition of MNHDR also finds that while women may be well represented at various decentralization structures, their participation to influence issues that matter is limited. During the consultations, anecdotal notes and media reports showed inadequate gender capacity at all levels, which reduce the efficiency of governance systems, service delivery and cause alienation between males and females, mostly in favor of males.

4.9 Gender mainstreaming in the district focused development approach and systems

The Guidebook on Local Government System in Malawi is gender blind, embracing a gender-neutral approach. The need to transform the lives of marginalized gender groups in local government and rural development is not articulated in establishing the governance structures. Gender is also not articulated in the development of village action plans and district development plans. Consequently, the decentralization policy and guidebook fail to specifically address males and females practical and strategic gender needs in the Local Government structures.

The implication is on meaningful engagement, decision making and fiscal decentralization for positive outcomes. Fiscal decentralization cannot be successful where the institutional gen-

der capacity of local government structures is very low and not designed around male and female needs to address gender asymmetries. Consultations in preparation of this report, anecdotal notes and media reports show inadequate gender capacity, which has reduced the efficiency of government services, distorted the economy, and caused more severe imbalances between males and females in the districts. As a result, after 20 years of its implementation, decentralization has not been able to bring in a better economic condition in all priority sectors such as education, health, and agriculture.

Gender mainstreaming has become an issue in the decentralization agenda, and it is recognized that a successful gender mainstreaming undertaking has implications on socio-economic inequality conditions. The perception that women cannot do certain tasks and should rely on men has affected education investment between a boy and a girl child in early ages of life and has impacted their participation, engagement, promotion, and appointments in adult life. During the consultations, some districts did not have women representatives at the Council level. Reasons for under-representation of women in the local government structures bordered around high illiteracy among women to take positions, society's norms regarding women as leaders, women's stereotypical roles in the home were restricting participation effectively in developmental activities, men's undermining attitude and an inferiority complex when faced by strong women making them fight to discourage such women or girls from being assertive.

BUILDING LOCAL GOVERNANCE AND ACCOUNTABILITY MECHANISMS FOR SUSTAINABLE HUMAN DEVELOPMENT

This chapter discusses the functionality and accountability of district and local governance and lower-tier structures in support of sustainable human development. The Chapter discusses their successes, challenges, and their implications on sustainable human development. It draws on the experiences of various stakeholders on the functionality of accountability systems focusing on the effectiveness of the monitoring and evaluation systems; issues and challenges associated with the decentralization process.

5.0 Functionality and accountability of the local governance structures

While the Guidebook on Local Government Services in Malawi cites the benefits and effects of decentralization, such as improving service delivery to citizens and strengthening democracy at the grassroots level which translate to popular participation, increase in public ownership of development projects, and accountability, it doesn't provide indicators for monitoring and evaluating the above benefits or effects of the decentralization process. Besides, though both the Local Government System and the District Development Planning System (DDPS) guidelines provide the functions of the local government structures such as ADCs, VDCs and AECs, none of them give the indicators on the functionality of these important structures. Nevertheless, the DDPS simply provides indicators for the various socio-cultural and economic sectors, excluding the governance system.

These indicators are useful in the production of the district Socio-Economic Profiles (SEPs). The DDPS provides the relevance of a monitoring and evaluation (M&E) system that comprise process, tools, indicators, and data management information system to enable the district, communities, and other stake-

holders to access accurate, timely and complete data to inform programming and decision-making.

5.1 Status of M&E systems in the Local Governments

Consultations at both national and local levels revealed that the M&E system at national level is weak and poorly coordinated, such that sub-national M&E systems at local government level with national M&E systems have minimal or no linkages. This was evidenced in a few district and municipality councils. There are exceptions, however, for sectors with their district-level sectoral M&E systems such as Health Management Information System (HMIS), Education Management Information System (EMIS) and Agricultural Production Estimates (APES). It is worthwhile to note that the availability of such sectoral M&E systems at the district/council level improves the availability of timely and quality data for monitoring progress in these sectors, even if a central-level local government system is weak or non-functional.

It was also revealed that most local government databanks are non-functional, coupled with a lack of internet-based data management system and poor record keeping. As such, in cases where some form of M&E system seems to be in place, it is largely based on paper-based records which is prone to several risks such as fire and collapse of buildings. Several reasons were identified for low M&E capacities in most local governments. Firstly, data is lost or not available when the designated M&E officers are transferred to another district, as they use their personal computers with no institutional storage and backup system. Furthermore, most local governments do not have designated M&E officers, and where they are available, most of them are in an acting capacity while at the

same time holding other positions.

The absence of dedicated M&E Officers has serious implications on the implementation of the decentralization agenda. The major adverse effect is weak/limited coordination among departments and sectors in data harmonization and sharing. This results in weak reporting on key issues such as the state of revenue generation activities, which is also marred by transparency and accountability challenges with the potential to culminate into corruption.

5.2 Factors constraining finalization of Malawi's decentralization process

Effective accountability of public services requires the presence of offices at the local government levels. While this is possible for different sectors, the same does not apply to a few who are yet to have a local presence. After two decades of implementation of the Decentralisation Policy, the status of Malawi's decentralisation is still dubbed "unfinished decentralisation agenda and/or process". Several factors explain this unfinished decentralisation agenda and chief among them is the cost implication of the decentralisation process: multifaceted in the following:

- a) While the Office of the President and Cabinet (OPC) supports the responsible Ministry by urging the MDAs that have not done so to act accordingly, it however does not yet deal with the accompanying complexities that the concerned MDAs face.
- b) The MDAs that have not yet decentralized need to undergo some processes to have structures at the sub-national level. Therefore, these must undergo functional reviews to determine the requisite structures at the sub-national levels.
- c) The limited fiscal space that constrains the treasury to finance activities such as functional reviews; hence they are postponed. In addition, there are standing recruitment freezes in the Malawi civil service, except for replacements and special approvals for crucial positions in key sectors of education, health, and agriculture.

Citizen voice in the local governance and accountability systems

5.2.1 Citizens voice on the effectiveness of their local governance structures

Understandably, the decisions, actions and nonactions of all the local government structures affect the communities in one way or the other. The analysis in this sub-section therefore brings about the communities' voices regarding how they are being affected by each of them. Specifically, this involved an inquiry on how the decisions by the VDCs and how such decisions are directly affecting them.

The responses obtained are summarized into **Box 5.1**, below which shows that the community responses can be categorized into three groups, namely: a) not being sure/knowledge of what the VDCs do or the decisions they make; b) having knowledge of what the VDCs do but being quick to point out their weaknesses; and c) having clear knowledge of what the VDCs do with a deep sense of appreciation of their roles. The acknowledgment of the roles of the VDCs and their challenges testify to the communities' abilities to assess the effectiveness of these lower-tier structures.

Box 5.1: Community responses on effectiveness of VDCs in their localities

Not sure of importance and effectiveness of VDCs

'We are not sure of the importance of the VDC in the area. But we are more aware of extension workers and HSAs than the VDC when it comes to health and agricultural issues'- Female FGD in one district in the Northern Region. November 2019

Understand the effectiveness of the VDC and are concerned with its weaknesses

'We understand the roles of VDC. However, here the VDC is weak because it is mostly influenced by the chiefs and politicians in their operations'. - Female FGD in one district in the Southern Region. November 2019.

'The VDC is seen as weak in areas like decision making and communication. Instead of asking the community about their needs, they just

make their own decisions and present them to the ADC, they end up bringing development that is not relevant to the community’- male FGD in one district in the Southern Region. November 2019

Have clear understanding of the VDCs effectiveness

‘The VDC plays important roles in the village because some of the project that have been implemented in the area are due to the role of VDC’
- Male FGD in one district in the Southern Region, November 2019.

‘Yes! I am spearheading child protection, mother groups, community policing, prevention and termination of early child marriages in this area in conjunction with PTA, SMC and Pastors Fraternal’.
- Female FGD in one district in the Central Region. November 2019.

Source: NHDR team

5.3 Impacts and Sustainability of Local Governance Structures’ Services

Findings on impact and sustainability of local government structures can be classified into three main themes that relate to:

- i) the need for adequate operational support and motivation to the local government duty bearers;
- ii) educational qualifications of local government elected duty bearers; and
- iii) the need for a reconsideration of the educational qualification of elected duty bearers is motivated by the ability of educated officers to strengthen the accountability of the local government duty bearers; (b) minimizing conflicts between duty bearers; and (c) inducing the retired educated citizens to take leadership in localities, amongst others.

RECOMMENDATIONS AND WAY FORWARD

The various insights obtained from the above analysis naturally call for practical policy actions by different stakeholders to effectively deliver sustainable human development and accountability at the local level, as well as effectively support the realization of the aspirations of the Malawi 2063 and its successive 10-Year Implementation Plans. The recommendations given herein point to the possibilities and opportunities for addressing the country's sustainable human developmental challenges by strengthening institutional accountability at all levels and a well-managed district-focused approach. Notwithstanding the multiplicity of institutional stakeholders involved in implementing the proposed recommendations, the National Planning Commission (NPC) in collaboration with the Ministry of Economic Planning and Development and Public Sector Reforms and the Ministry of Local Government should take a central role in coordinating the implementation of the recommendations in this report.

6.1 National level recommendations

6.1.1 Invest in strategic policy and programmatic interventions that promote district focused human development approaches

1. The Ministry of Economic Planning and Development and Public Sector Reforms and the National Planning Commission should develop strategies to improve stakeholder coordination and accountability, while addressing any inconsistencies in policy and programmatic interventions that aim at promoting district focused human development approaches. These interventions should focus on building human and institutional capacities, as well as creating the enabling environment, to support the implementation of policies, strategies, and programmes at national, council and community levels.
2. The Ministry of Local Government (MoLG) should develop mechanisms for replicating

and strengthening national sector specific governance structures at council level such as Technical Working Groups with explicit roles and responsibilities, communication and reporting mechanisms and monitoring and evaluation. This will help to align local demands to national priorities as a platform for sharing innovations among councils.

3. The Ministry of Local Government (MoLG) should explore ways of supporting the ministries, departments, and agencies (MDAs) that are yet to devolve their functions, with a view to put in place appropriate measures that are aimed at delivering effective and efficient quality services across diverse regions. This should involve dealing with issues of resource mobilization and functional reviews to support devolution activities of the said MDAs in the context of limited financial resources and recruitment freeze in Government.

6.1.2 Strengthening fiscal decentralization and accountability

1. The Ministry of Finance should strengthen transparency and accountability in the management of financial resources in local councils and enhance prudent fiscal management through tailor-made refresher courses in financial record keeping, internal auditing and procurement by the office of the Accountant General.
2. The Ministry of Finance through the National Audit Office should enforce the financial management systems to ensure transparency and accountability of resource use in all district councils to ensure that the resources provided by the central government and own generated revenues are used efficiently to implement district development plans in line with the Local Government Act.
3. The Ministry of Finance and National Local Government Finance Committee should strengthen local council financial management skills in terms of monitoring (tracking) resource allocation in local councils, catchment areas (con-

stituents), on one hand, and utilization and accountability processes, on the other hand. This would involve for example, (a) tracking the extent to which the national budget considers their inputs; (b) amounts allocated to different functions in the national budget and (c) extent to which resource utilization follows the given policy and legal frameworks.

4. The Ministry of Finance working with the Public Sector Reforms Programme and National Local Government Finance Committee should work on legal reforms aimed at enhancing local council revenue collection capacity at the local government level. This could involve earmarking a portion of local VAT to social infrastructure in the local councils.

6.1.3 Strengthening Local governance system to support district focused approach to service delivery

1. The Directorate of Public Sector Reforms Programme in collaboration with the Ministry of Local Government should raise the educational qualifications of all local government elected duty bearers (in line with the Report of the Special Law Commission, which proposed minimum qualifications for public officers) to a minimum qualification of MSCE level for effective service delivery and performing oversight on local council functions. This will also attract educated and capable Malawians including retirees to take up local leadership positions as part of the local governance system reform process.
2. The Ministry of Local Government (MoLG) should review and implement changes in the conditions of service for the Councillors that link these conditions to those of other national elected duty bearers such as MPs and Head of State.
3. The Ministry of Local Government (MoLG) should take leadership in developing a reward and incentive system to recognize district councils for good performance through financial and non-financial incentives. Examples of financial incentives may include, (a) increasing more financial allocation to performing district councils and (b) establishing matching grants that would only be accessed by councils that meet agreed financial discipline thresholds. Non-financial incentives may include (i) annual awards to best performing council, (ii) staff training opportunities, (iii) linking performing councils to other investors or funders, and (iv) provision of advice and support materials (e.g., vehicles) to performing councils.
4. The Ministry of Local Government, working with the Directorate of Public Sector Reforms, should consider reviewing local government legal frameworks guiding the operations of the relevant governance institutions to ensure their effectiveness. This is in view of the long-standing concerns over weak governance and accountability systems. The review should not only be limited to the legal framework but also policy framework and relevant guidelines. For instance, the Decentralization Policy dates to 1998 and its relevance has been compromised and overtaken by sectoral policies, which have been updated over the years.
5. The Ministry of Local Government should also lobby with the Office of the President and Cabinet and the Public Sector Reforms Management Unit to support the MDAs that are yet to devolve in line with the National Decentralization Policy to do so and accelerate the full devolution of their human resources to Local Authorities.
6. The Ministry of Local Government in collaboration with the Development Partners and the Local Authorities should embark on a comprehensive programme of strengthening the capacities of Local Governance structures, in particular the Village Development Committees (VDCs), the Area Development Committees (ADCs), the Area Executive Committees (AECs) and the District Executive Committee (DEC).

6.1.4 Gender and decentralization

1. The Ministry of Local Government (MoLG) in collaboration with the Ministry of Gender, Community Development and Social Welfare (MGCD&SW) should design and implement the gender transformative capacity programme for its political and administrative structures supported with policies, strategies, programmes and their implementation plans that will enhance their understanding of the nature and importance of gender roles and transform gender relations in planning, design and management of programmes.
2. Ministry of Economic Planning and Develop-

ment and Public Sector Reforms should reinforce gender responsive planning and budgeting principles to be adhered to by government ministries, departments and agencies and the local councils within the context of programme-based budgeting through the Public Sector Investment Programme (PSIP).

3. The Ministry of Local Government should lobby for political support and resources for gender mainstreaming activities in the Councils beyond the priority areas such as education, health, and agriculture to other areas such as environment, labour, among others. The post-pandemic measures to build back better should include measures to strengthen social infrastructure, recognizing women's critical contribution in education and healthcare services.

6.1.5 Strategic Investment in Planning, Monitoring and Evaluation System

1. The Ministry of Local Government (MoLG) should strengthen national and local council M&E systems by recruiting qualified M&E staff, filling existing vacancies, building capacity of M&E officers, increasing resources for M&E activities and digitalizing data collection and management system (web-based) with technical support from Ministry of Economic Planning and Development and Public Sector Reforms. Digital inclusion will be critical in preparing a capable workforce suited to the future world of work.
2. The Government through the Minister of Economic Planning and Development and Public Sector Reforms and the National Planning Commission should include MPI and HDI as key indicators in the development assessments and devising policy actions in the Malawi 2063 and successive implementation plans. This will enable them to redress disparities within groups and regions and promote overall well-being of all, especially those furthest behind.
3. Ministry of Local Government (MoLG) through the District Councils should build capacities of M&E personnel to have functional local council M&E services that would, amongst others, be able to develop gender indicators, collect sex and gender disaggregated data and carry out analysis. There is also a need to institutionalize a monitoring and evaluation system that captures results and track changes on needs of

males and females to provide equal opportunities for access to social and economic services.

6.1.6 Achieving sustainable human development through efficiency improvements in the education sector

1. Government should recognize the role of the education sector in Malawi as an instrument for poverty eradication and wealth creation. In this respect, Government is urged to work towards **doubling transition rates from primary to secondary schools as well as improving the quality at these levels**, which in turn requires policy actions such as: tripling the infrastructural capacity of secondary school system; doubling the number of qualified teachers in secondary schools; and tripling higher educating system's supply of qualified teachers for secondary schools, to account for slack of qualified teachers that go into other vocations. Improving the educating sector is a sound investment in building social infrastructure that has manifold returns, as it builds the foundations for an educated and skilled workforce for the future.
2. As provided in the National Constitution, and having implemented the above education efficiency enhancing measures, Government through the Ministry of Educating should work towards eliminating illiteracy in Malawi, making primary education compulsory and free to all citizens of Malawi, improving its quality, and offering greater access to higher learning and continuing education for all citizens. Ensuring equal opportunities for both boys and girls, and men and women in primary, secondary, and tertiary education, will be critical in enabling the positive contributions of all towards the future prosperity of Malawi

6.2 District/local council-level recommendations

6.2.1 Enhancing the management and coordination capacity at the district council level

1. Local councils should strengthen the coordination of inclusive and poverty eradication and wealth creation programmes and investments that target vulnerable groups such as women, youth, orphans, and people with disabilities more particularly in the rural areas. Challenging social norms that discriminate against women's participation in public life will

be a critical starting point, and special efforts should be made to encourage women's voice and active participation in local decision-making processes.

2. Local councils should develop a new project management model around the existing decentralization guidelines and local governance structures to position the VDCs at the center of project management, coordination and ensure sustainability of implemented development projects. This entails supporting and building capacities for undertaking the management and coordination of project activities as a valuable objective within the broader goals.
 3. The Local Governments, particularly Council Chairs and DECs, should consider prioritizing capacity building of the lower tier structures, namely ADCs, Neighbourhood Committees, Ward Committees, VDCs and AECs to ensure efficiency in service delivery in the local councils even under the resource limitations. Training and learning opportunities can be structured into the broader interactions between the different levels of government.
 4. The Ministry of Local Government should facilitate the development of Constituency Development Plans (CDPs) to be incorporated in the District Development Plans (DDPs) through which the CDF could be utilized to finance micro projects in respective constituencies.
- the National Economic Empowerment Fund (NEEF) towards the private sector will help entrepreneurs and the private sector to recover from the effects of the pandemic. This should be complemented by tax holidays/window period for selected businesses to protect such businesses from collapsing.
 3. The National Planning Commission, Department of Disaster and Management Affairs (DoDMA) and relevant stakeholders should coordinate the development and effective implementation of a National COVID-19 Recovery Plan. Again, there is need to develop strategies to mitigate against a possible second wave in the local governments.
 4. The District Councils through the Directorates of Planning should facilitate the development of post-COVID-19 local government economic recovery plans to boost revenue collection for local economic development.

6.2.2 Alleviating the impacts of COVID-19 on economic and human development

1. The Ministry of Finance and the Ministry of Economic Planning and Development and Public Sector Reforms should design and champion the implementation of a comprehensive and expanded social protection programmes targeting various groups of people affected by the COVID-19 pandemic both in rural and urban areas. Local Governments should play a central role in providing the first line of service in responding to the immediate impacts of the pandemic.
2. Similarly, the government through the Ministry of Finance and the Ministry of Economic Planning and Development and Public Sector Reforms should develop tailor-made stimulus packages to support private sector businesses to cushion against the effects of COVID-19. Speeding up the disbursement of loans under

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ANNEXES

Annex 8.1: National, regional and City Human Development Index

Rank	District	Life expectancy	Mean years of schooling	Expected years of schooling	GNI Per capita (2011 PPP \$)	HDI
	National	65.15	4.62	11.21	1163.3	0.493
Regions						
1.	North	65.10	4.89	11.73	1077.9	0.496
2.	Center	66.75	4.64	10.93	1151.1	0.495
3.	South	63.90	4.51	11.25	1200.6	0.490
Cities						
1.	Zomba City	61.95	7.57	14.01	1339.7	0.545
2.	Mzuzu City	66.00	7.52	12.95	1088.8	0.538
3.	Lilongwe City	67.30	7.77	8.89	1274.0	0.521
4.	Blantyre City	63.00	7.67	10.47	1286.1	0.519

Annex 8.2: District Human Development Index for Malawi

Rank	District	Life expectancy	Mean years of schooling	Expected years of schooling	GNI Per capita (2011 PPP \$)	HDI
1	Blantyre	64.4	4.79	13.12	1226.8	0.514
1	Neno	64.3	4.49	13.27	1269.6	0.514
2	Mwanza	64.3	4.48	12.72	1354.7	0.513
3	Chitipa	65.4	4.62	12.67	1125.2	0.506
4	Rumphi	65.2	5	11.76	1159.2	0.503
5	Likoma	63.7	5.9	11.62	1038.7	0.498
6	Kasungu	67.5	4.25	12.02	1042.0	0.497
7	Ntcheu	67.0	4.39	10.42	1283.7	0.495
7	Chiradzulu	63.0	4.5	11.57	1304.3	0.495
8	Lilongwe	65.85	4.03	11.65	1107.4	0.490
8	Mzimba	64.45	4.49	11.69	1110.1	0.490
8	Nkhotakota	68.65	4.18	11.77	930.0	0.490
8	Balaka	63	4.27	11.8	1214.7	0.490
9	Thyolo	64.1	4.15	11.21	1265.1	0.489
10	Dedza	67.05	3.89	10.51	1218.0	0.487
11	Chikwawa	64.2	4.18	11.64	1137.1	0.487
12	Karonga	66.55	4.56	11.89	905.1	0.486
12	Zomba	64.25	4	10.88	1297.3	0.486
12	Phalombe	63.9	3.52	11.94	1219.7	0.486
12	Salima	66.9	3.98	11.11	1090.7	0.486
13	Mchinji	66.75	4.1	10.79	1080.9	0.483
14	Ntchisi	66.9	3.99	10.45	1141.0	0.482
14	Nkhata-Bay	64.45	4.38	11.17	1082.5	0.482
14	Dowa	64.45	4.18	10.51	1228.7	0.482
15	Mulanje	62.55	3.93	11.3	1232.6	0.480
16	Nsanje	63.2	3.78	11.92	1031.9	0.475
17	Mangochi	64.4	3.48	10.27	1038.8	0.459
18	Machinga	63	3.4	9.83	1140.1	0.455

United Nations Development Programme
Area 40, Plot 7
P.O Box 30135, Lilongwe, MALAWI
Phone Office: +265 1 773500
www.mw.undp.org

