

**Joint SDG Fund**  
 Template for the Joint Programme Annual Progress Report  
**SDG FINANCING PORTFOLIO – COMPONENT 1**

## Cover page

**Reporting period: June 30 – December 31, 2020**

**Country: Malawi**

**Joint Programme (JP) title: Strengthening Malawi’s Financing Architecture at National and Local Level (SMFA)**

**Short title: SMFA – A national and local INFF for Malawi**

**Start date (month/year): July 2020**

**End date (month/year): June 2022**

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**List of PUNOs: UNDP, UNICEF**

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**Budget (Joint SDG Fund contribution): USD995,100.00\***

**Overall budget (with co-funding): USD1,035,100.00\***

**Annual Financial Delivery Rate: 18.4%**

**Rate of Committed Funding : 48.9%**

	<b>Expenditures July 2020 - December 2020</b>	<b>Commitments July 2020 - December 2020</b>	<b>Transfers July 2020 - December 2020</b>
<b>UNDP</b>	\$ 35,615.00	\$ 67,286.00	\$ -
<b>UNICEF</b>	\$ 50,087.98	\$ 160,000.00	\$ -

\*not considering the additional resources provided by UNDP and UNICEF and discussed below.

### Short description of the Joint Programme (max 1 paragraph):

The Joint Programme (JP) aims at improving the capacity of Malawi to deliver on its own development strategy and on its commitments to Agenda 2030 and the SDGs. It targets two key areas; (i) Malawi's development financing architecture and (ii) Malawi's capacity to deliver services at local level. The Joint Programme posits that establishing an Integrated National Financing Framework (INFF), anchored into Malawi's existing governance structure, will contribute to improve the country's development financing architecture. In parallel, the Joint Programme postulates that service delivery (and thus the SDGs) at local level will be strengthened by a three-tiered intervention targeting (i) the financing needs stemming from service delivery obligations and the financing and delivery gaps, (ii) the inter-governmental fiscal transfers system, and (iii) the budget execution and reporting capacity at the local level. These activities will converge towards an overall strengthening of the country's Monitoring and Evaluation Framework, now part of the Integrated National Financing Framework, and bridge the financial information gap between the national level and the local, resting on the results of a sounder planning cycle and of improved information on the actual needs of the Districts in terms of service delivery. The reporting framework thus established will provide the last bit of information needed to assess the capacity of the local level to deliver fundamental services and thus the SDGs by reporting on the outturns and the absorption and implementation rates of the Districts. This will strengthen the national planning capacity and the overall Public Finance Management System, contributing to better quality of spending and use of the fiscal space that the activities related to the setting up of the Integrated National Financing Framework will have liberated and/or generated.

### Executive summary

In alignment with the JP's Theory of Change and underlying rationale, the PUNOs have started working on the two parallel sets of interventions at national and local level the final impact of which will be the roll out of the INFF for Malawi in a context of strengthen capacity for SDG delivery at local level. COVID-19 has shifted the national attention towards the need to respond to the emergency first and then to identify clear paths for a swift economic recovery. In this context, the PUNOs have included the drafting of a socio-economic recovery plan within the activities to be carried out by the JP, to ensure full alignment with the results of the DFA and the content of the Financing Strategy that will be at the base of the INFF. In turn, the INFF will serve not only to the financing of the Malawi Growth and Development Strategy III but also, more immediately, to the financing of the socio-economic recovery plan. The availability of multiannual funding under the JP has allowed the PUNOs to broaden their involvement in the area of fiscal decentralization, a key driver for the improvement of SDG delivery at local level, by drafting an ambitious workplan with the National Local Government Finance Committee between 2020 and 2022. Under this workplan the JP will support the production of an assessment of the functioning of the fiscal decentralization systems in the country and of a series of discussion papers on the key issues and bottlenecks the assessment will identify, to pave the way for the drafting of the Fiscal Decentralization Strategy for Malawi. Additional funding is provided to support the roll out of some of the interventions the Strategy will propose. In parallel, the JP will support the review of the National Decentralization Policy to ensure Malawi has an updated policy framework within which to carry out the reform of the fiscal decentralization systems. These additions to the original JP's workplan, together with the programmed activities to strengthen the sub-national PFM systems and budget accountability and transparency will contribute to better financing and service delivery at local level. The second wave of COVID-19 infections is poised to have an even harsher impact on the country and could significantly divert attention and resources from the JP. However, there is extensive support for and understanding of the necessity of a systemic approach to development financing in Government and we do not foresee major disruptions to the implementation of the JP in 2021.

## A. Annual Progress (MAXIMUM 7 PAGES)

### A.1 The overview of progress and challenges

#### A.1.1. Overall self-assessment

Provide a self-assessment on the overall JP progress in the last year.

- Above expectations (expected annual results fully achieved and additional progress made)  
 On track (expected annual results achieved)  
 Satisfactory (majority of expected annual results achieved)  
 Not-satisfactory (majority of expected annual results not yet achieved)

**The JP is on track as compared to the workplan. No major delays in the activities have been encountered and the PUNOs could also strengthen the workplan with additional activities and budget, as described under A.1.3.**

#### A.1.2. Overall progress and key developments to date

The JP's key deliverables for the first phase have been tendered out and are on track. Parallel activities to ensure the set up of the INFF coordination and review mechanism have started. The SDG investor mapping is scheduled for the first quarter of 2021. The activities in support of improving fiscal decentralization have been modified to reflect a wider engagement of the JP in the area, as described under A.1.3.

#### A.1.3. Changes

Was the JP document modified in the past year?

- Yes  
 No

The PUNOs have decided to strengthen the JP's by providing additional budget and increasing the number of activities under Outcome 1 and Outcome 2, after consultations with the Government partners, particularly the Ministry of Finance, the National Local Government Finance Committee, the National Planning Commission and the Ministry of Local Government.

**Outcome 1**, "An Integrated National Financing Framework is being implemented to finance the SDG-aligned Third Malawi Growth and Development Strategy (MGDSIII)", remains unchanged. It is strengthened by adding to output 1.1 a key activity: currently being supported by UNDP:

Activity	Budget
Aligning the Financing Strategy based on the DFA to the COVID-19 Socio-economic Recovery Plan	\$ 29,025

Based on a previous Socio-economic Impact Analysis produced by UNDP, the Socio-Economic Recovery Plan will stress key pathways to be pursued by the country to respond to the unprecedented crisis engendered by the COVID-19 outbreak. It is

**Outcome 2** continues to posit that thanks to the JP activities "The local government financing architecture and expenditure systems are strengthened to accelerate implementation of the SDGs". However, output 2.2 is broadened to encompass the reform of the whole fiscal decentralization system and now reads "the Fiscal Decentralization System is revised and contributing toward greater, more equitable and more efficient spending at local government level". In order to achieve output 2.2, the JP modified the existing list of activities to highlight the extended UNICEF support as follows:

Activity	Budget
Review of the National Decentralization Policy	\$ 67,219
Concept Note on the approach of the Fiscal Decentralization Strategy	\$ 18,275

Assessment of the functioning of the Fiscal Decentralization System	\$ 110,000
Discussion Paper on the Fiscal Decentralization Strategy: The Fiscal Transfers System	\$ 40,000
Discussion Paper on the Fiscal Decentralization Strategy: The Revenue Assignments	\$ 40,000
Discussion Paper on the Fiscal Decentralization Strategy: The FDS Governance	\$ 40,000
Guidance Note on revising Intergovernmental Fiscal Transfer Formulae (IGFT)	\$ 18,275
National dialogue on the review of the IGFT system and approach (whole-of-society approach) in the framework of the annual Fiscal Decentralization Conference	\$ 24,000
Series of sectoral dialogues on the review of the IGFT system and approach	\$ 20,000
Drafting of the IGFTS Reform Strategy based on the outcomes of the national and sectoral dialogues	\$ 40,000

The activities will provide the required body of evidence as well as updated policy framework to allow the drafting of a Fiscal Decentralization Strategy as envisaged by the World Bank Governance for Effective Service Delivery project. Upon finalization of said strategy by the World Bank in the course of 2022, the JP will move to finance activities connected to the implementation of the strategy in tandem with the World Bank and other Development Partners, according to the division of labour that will be agreed upon.

The additional budget provided by UNDP to account for the new activities is of USD29,025 and the one provided by UNICEF is of USD337,769. Additional USD46,375 are added by UNICEF to output 2.3 for the strengthening of PBB activities. UNICEF has also availed further USD160,000 to be used to finance some of the reform activities proposed under the Fiscal Decentralization Strategy that the World Bank will finalize in 2022, bringing the additional UNICEF contribution to USD544,144. The total value of the JP after additions from the PUNOs is of USD1,568,169.

#### A.1.4. Challenges

Did the JP face any major challenges in the past year?

- Yes  
 No

#### A.1.5. COVID-19 and other strategic alignment

The JP was drafted during the first onslaught of the pandemic in Malawi and was geared, particularly under output 1.1, toward the preparation to a post-pandemic scenario in which financing the national recovery would be the key priority for Government and all stakeholders alike. The elections and the peaceful change of Government improved the overall situation in the country but marked a discontinuity in the implementation of the Response and Recovery Plan prepared in March and approved in April. The past few days of January have also brought the response to COVID-19 (this time for a second wave), to the attention of a Government which was already working on the recovery. This will imply that the upcoming Mid-Year Budget Review might see the promulgation a COVID-19 updated response package, shifting the attention from financial planning for some months. This will however happen whilst the JP prepares that body of evidence (the DFA, the costing of service delivery) that will inform the review of the recovery strategy, once the second wave will have subsided and the vaccination campaign started in earnest.

## A.2 Update on priority issues

### A.2.1. Progress on Integrated National Financing Framework/SDG financing building blocks

Implementation stages	Planned (0%)	Emerging (1-49% progress)	Advancing (50-99% progress)	Complete (100% progress)	Previously completed	Not applicable	Comments/ Notes
1. Inception phase	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	DFA ongoing

<b>2. Assessment &amp; diagnostics</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>					
<b>3. Financing strategy</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>					
<b>4. Monitoring &amp; review</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>					
<b>5. Governance &amp; coordination</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>					

The JP has currently started the review and update of the DFA, with the addition of a local level DFA for some selected districts. The inception report has been produced and accepted and the consultants are working on the data collection. The PUNO’s plan to launch the work on the financing strategy and on the INFF other building blocks in the course of 2021, upon production of key results from the DFA.

A.2.2. Thematic focus

- Cross-cutting
- Gender
- Children & youth
- Social protection
- Health & nutrition
- Climate change & nature
- Agriculture
- Biodiversity
- Blue economy
- Financing**
- Other.....
- Other.....

A.2.3. Gender marker

Did your Joint Programme feature Gender Results in the past year at the outcome or output level?

- Yes
- No

Briefly explain: **The current JP interventions are systemic and not specifically oriented towards achieving gender results. However, the policies enabled by the interventions will benefit women and children, according to the JP desiderata and the upcoming activities will also be more geared towards achieving the gender outcomes.**

Gender Marker total average scoring from 0 to 3 (as defined in the JP document): **2**

**Gender considerations have been included in the ToRs for the two major assignments currently under way in Malawi, the DFA review and update as well as the costing of service delivery for the social sectors. The latter clearly focuses on those devolved functions that impact the lives of the most vulnerable which in Malawi are often women and girls (teenage mothers) or children in women-headed households.**

A.2.4. Vulnerable groups

Will the JP directly impact marginalized and/or vulnerable groups through a dedicated outcome or output?

- Yes
- No

List of marginalized and vulnerable groups	Dedicated Outcome	Dedicated Output	Status (planned/in progress/complete)
Women and girls	NA	NA	NA
Children	NA	NA	NA
Youth	NA	NA	NA
Persons with disabilities	NA	NA	NA
Older persons	NA	NA	NA
Minorities (incl. ethnic, religious, linguistic...)	NA	NA	NA
Indigenous peoples	NA	NA	NA
Persons of African Descent (when understood as separate from minorities)	NA	NA	NA
Migrants	NA	NA	NA

Refugees & asylum seekers	NA	NA	NA
Internally displaced persons	NA	NA	NA
Stateless persons	NA	NA	NA
Persons deprived of their liberty	NA	NA	NA
Peasants and rural workers	NA	NA	NA
Human rights defenders (incl. NGOs, journalists, union leaders, whistleblowers...)	NA	NA	NA
LGBTI persons (sexual orientation and gender identity)	NA	NA	NA
Persons affected by (HIV/AIDS, leprosy...)	NA	NA	NA
Persons with albinism	NA	NA	NA
Victims or relatives of victims of enforced disappearances	NA	NA	NA
Victims of (slavery, torture, trafficking, sexual exploitation and abuse...)	NA	NA	NA

[A.2.5. Learning and sharing](#)

N/A

**A.3 Update on events and partnerships**

[A.3.1. Events](#)

Type of event	Yes	No	Comments
JP launch event	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Delayed due to the change in the administration and the second wave of COVID-19</i>
Annual donors' event*	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>To be held when major outputs will be finalized</i>
Partners' event **	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>To be held when major outputs will be finalized</i>

[A.3.2. Partnerships](#)

Did your Joint Programme facilitate engagement with diverse stakeholders (e.g. parliamentarians, civil society, IFIs, bilateral/multilateral actor, private sector)?

- Yes
- No

**The DFA process allowed the PUNOs to start wideranging consultations with the major players in the areas, particularly the IMF and the World Bank, but also WFP and ILO, on the financing strategies for domestic resource mobilization, WASH and social protection (under the JP on social protection). The upcoming INFF will build on the different sectoral financing strategies and initiatives and contribute to their implementation.**

**On the fiscal decentralization side, the JP is discussing with the NLGFC and the MoF to set up a technical working group on Fiscal Decentralization to direct the development of the Fiscal Decentralization Strategy and its implementation, together with key stakeholders such as the World Bank, USAID and FDCO. The bulk of the new activities under Outcome 2 will pave the way to the drafting of the Fiscal Decentralization Strategy, financed by the World Bank under the GESD project. In this respect, the JP with its multiannual funding has provided UNICEF the chance to engage with the World Bank on a medium-term perspective of joint support to the fiscal decentralization sector.**

[A.3.3. Additional financing](#)

Did your Joint Programme secure additional co-funding or co-financing resources in 2020 (committed after the approval of the JP by the Joint SDG Fund) from government, IFIs, PUNOs and other partners?

- Yes
- No

Source of funding	Yes	No	Co-funding or Co-financing?	Name of organization	Amount (USD)	Comments
Government	<input type="checkbox"/>	<input type="checkbox"/>				
Donors/IFIs	<input type="checkbox"/>	<input type="checkbox"/>				
Private sector	<input type="checkbox"/>	<input type="checkbox"/>				
PUNOs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<i>CO-funding</i>	<i>UNDP</i> <i>UNICEF</i>	<i>29,025</i> <i>544,144</i>	<i>See section A.1.3</i>
Other partners	<input type="checkbox"/>	<input type="checkbox"/>				

#### A.4 Strategic communications

Did the JP develop a strategic communications plan?

- Yes  
 No

**Up to the reporting date the JP has not yet finalized a communications plan. Nevertheless, given that Malawi is currently implementing two programmes supported by the Joint SDG Fund (with the possibility of a third one pending evaluation result), RCO and PUNOs are currently discussing a joint strategy that could allow the UNCT to develop a coherent, coordinated and robust communications strategy for all the Joint SDG Fund supported initiatives in Malawi. Worth noting the difficulties to develop a broad communication strategy touching on elements such as the financing strategy or the reform of the fiscal decentralization system.**

## **B. Annual Results (MAXIMUM 3 PAGES)**

### **B.1. SDG acceleration**

*List up to 3 main SDG targets that your Joint Programme primarily focused in 2020.*

SDG:17

SDG:16

The DFA and the Costing of service delivery, once finalized will contribute to accelerating the achievement of SDG 17, particularly through targets 17.1 and 17.3, as well as the achievement of SDG 16, through target 16.6. Overall, the JP products will support Malawi in improving its capacity to fund its development agenda through domestic and international, private and public resources. Furthermore, it will strengthen its capacity to deliver effectively, efficiently and sustainably basic services to its population whilst being accountable and transparent on public finances, particularly at local level.

### **B.2. Contribution to Fund's global results**

As per the Project Document, the JP has not yet contributed to the Global Outcome 4, given that the integrated financing strategy is not yet finalized, as the JP is at DFA stage, and the partnerships framework is also still in the making. For all three indicators, the JP indicated 0 for 2020 and 1 for 2021.

### **B.3. JP Outputs and outcomes**

- Achievement of outputs

At six months from the start, the JP is on track to achieve its outputs, as per the initial planning. The work started on the DFA to provide the foundations for the full achievement of output 1.1 (the financing strategy). Output 1.2 is also on track thanks to the initial discussion on the activation of the Economic Governance SWG. Output 2.1 is well on track with the costing of service delivery exercise having started. Similarly, output 2.2 is also moving on, with a Concept Note on the Fiscal Decentralization Strategy and the production of the Guidance Note on the Reform of the Inter-Governmental Fiscal Transfers System (IGFTS). Output 2.3 is on track, with the work on the strengthening of Programme-based Budgeting (PBB) having started and the Citizens Budget having been produced.

- Achievement of outcomes

The activities described above set to contribute to the achievement of the two project outcomes, the establishment of the INFF and the strengthening of the financing and expenditure structures of the JP.

### **B.4. Strategic Documents**

Did the JP produce strategic documents in the last year (policy, strategies, analyses/assessments, methodological documents, and other relevant documents)?

Yes

No

**Nothing strategic has yet been produced as most assignments just started.**

## C. Plan for the Next Year of implementation (MAXIMUM 2 PAGES)

### C.1 Upcoming activities

The priority activities of the JP for 2021 will be:

- The finalization of the DFA;
- The finalization of the SDG investor mapping study;
- The commencement of the INFF setup;
- The activation of the Economic Governance Sector Working Group (or the new structure that will be established to respond to the Vision2063 stipulations);
- The finalization of the costing of service delivery at local level;
- The finalization of the assessment of the functioning of the Fiscal Decentralization System;
- The finalization of the discussion papers on the key Fiscal Decentralization Pillars;
- Finalization of the Review of the National Decentralization Policy;
- The continuation of the strengthening of the PBB performance framework;
- The Finalization of the Citizens Budget for 2021/22.

The finalization of the deliverables listed above will bring the JP closer to the achievement of the outputs 1.1 and 1.2, with the INFF and its monitoring and evaluation framework being close to completion or at least well underway. Output 2.1 and 2.3 will be fully achieved and output 2.2 well underway, pending additional modifications to the scope of work connected to the development of the decentralization agenda and its carrying capacity in terms of good service delivery and SDG localisation.

### C.2. Expected changes

Activities under output 2.2 will be modified depending on the results of the Assessment of the functioning of the Fiscal Decentralization System, of the ensuing discussion papers and of the series of interventions that will be proposed by the Fiscal Decentralization Strategy (to be produced by the World Bank). The additional budget of USD160,000 provided by UNICEF will cater for those changes/additions and help support the implementation of the strategy.

### C.3. Risks and mitigation measures

Are there any changes made/expected to be made to the Risk Matrix?

- Yes  
 No

**No.** The second wave of COVID-19, possibly much more dire than the previous one, implies that the risk matrix produced whilst drafting the project document is still valid and that the key implementation risks will be linked to COVID-19 and its disruptive impact. There is therefore no addition to be done to the Matrix. However, following the June elections and the peaceful transition of power, the risks related to electoral violence and disruption have been marked as unlikely.

## Annex 1: Consolidated Annual Results

### 1. JP contribution to global programmatic results (annual)

Joint SDG Fund Global Outcome 2: Additional financing leveraged to accelerate SDG achievement ( Update table below )

Indicators	Target 2020	Result 2020	Target 2021
2.1: Ratio of financing for integrated multi-sectoral solutions leveraged in terms of scope(for other/ additional sector/s or through new sources/means)	N/A	N/A	N/A
2.2: Ratio of financing for integrated multi-sectoral solutions leveraged in terms of scale(for the same multi-sectoral solution.)	N/A	N/A	N/A

Joint SDG Fund Global Output 4: Integrated financing strategies for accelerating SDG progress implemented (Update table below and provide details as requested)

Indicators	Target 2020	Result 2020	Target 2021	List of strategies/ frameworks developed
4.1: #of integrated financing strategies that were tested (disaggregated by % successful / unsuccessful)	0	0	1	N/A as per the JP's targets
4.2: #of integrated financing strategies that have been implemented with partners in lead disaggregated by (1) government/public partners (2) civil society partners and (3) private sector partners	0	0	1	N/A as per the JP's targets
4.3: # of functioning partnership frameworks for integrated financing strategies to accelerate progress on SDGs made operational	0	0	1	N/A as per the JP's targets

### 2. Selected global performance indicators (annual)

2.1. Did your Joint Programme contribute to the improvement of the overall UNCT coherence in 2020?

- Yes, considerably contributed
- Yes, contributed
- No

Explain briefly: The JP is contributing to bring coherence to the interventions in the areas of sector financing, fiscal decentralization, subnational PFM and budget transparency, at first for the participating PUNOs and in the future also for other UNCT members. Ideally, the JP would house all UNCT interventions in the broader PFM-Development Financing sector in the medium term.

2.2. Did your Joint Programme contribute to reduced transaction costs for the participating UN agencies in interaction with national/regional and local authorities and/or public entities compared to other Joint Programmes?

- Yes,
- No
- N/A (if there are no other joint programmes in the country)

Explain briefly: Discussions are ongoing to pool resources for communication and outreach, but for the moment the JPs exist in isolation.

2.3. Was your Joint Programme aligned with the UNCT Results Groups in 2020?

- Yes
- No

Explain briefly: This is reflected in the alignment to the UNDAF indicators.

### 3. Results as per JP Results Framework (annual)

Result / Indicators	Baseline	Expected 2020 Target	2020 Result	Reasons for variance from planned target (if any)	Expected 2021 target	Expected final target (if different from 2021)
<b>Outcome 1 An Integrated National Financing Framework is being implemented to finance the SDG-aligned Third Malawi Growth and Development Strategy (MGDSIII)</b>						
1.1 The four INFF blocks are in place	10%	30%	15%	The DFA review started in December	100%	
1.2 Percentage of total revenues over GDP	20.4%	21%	19.2%*	Revenues are forecasted to be negatively impacted by COVID-19, by the lifting of duties on imports related to the COVID-19 response and by the programmed widening of the tax free income bracket	23%	21%
1.3 Proportion of public resources allocated for gender equality and women empowerment (UNDAF 2.1)	0.4%	0.5%	0.5%*	The 2020/21 budget was only passed in October, limiting the	0.8%	

				impact period of the JP		
<b>Output 1.1 A comprehensive Financing Strategy for the MGDSIII and the SDGs is developed in a participatory manner (INFF Block I and II)</b>						
1.1.1 The Financing Strategy is finalized	0	70%	0	Activity not started yet	100%	
1.1.2 SDG Investment Intelligence is finalized	0	20%	0	Activity not started yet	100%	
<b>Output 1.2 A framework for monitoring and evaluating the implementation of the Financing Strategy is operationalized (INFF Block III and IV)</b>						
1.2.1 The INFF Monitoring Framework is in place	0	50%	0%	Activity not yet started	100%	
1.2.2 The national budget is aligned to the SDGs, with a focus on gender and child rights	0	50%	0%	Activity not yet started	100%	
<b>Outcome 2 The local government financing architecture and expenditure systems are strengthened to accelerate implementation of the SDGs</b>						
2.1 Percentage share of Central Government allocations to Local Government over GDP	4.4%**	4.6%	4.5%	The 2020/21 budget was only passed in October, limiting the impact period of the JP	5.5%	
2.2 Total government spending in social protection as a proportion of the national budget** (UNDAF 7.4)	44%***	45%	47.5%****	The 2020/21 budget was only passed in October, limiting the impact period of the JP	48%	
<b>Output 2.1 Evidence on the costs and funding gaps of delivering essential social services at local government level is generated</b>						
2.1.1 Number of major devolved sectors for which the cost of service delivery is available	0	0	0	The project started in January 2021 and the results will be available by mid-2021	4	
<b>Output 2.2 The Intergovernmental Fiscal Transfer System is revised and contributing toward greater, more equitable and more efficient spending at local government level</b>						
2.2.1 Number of sectoral dialogues on the IGFTS that produced recommendations	1	2	0		4	
2.2.2 IGFTS Reform Strategy finalized	0	50%	25%	The Concept Note for the Fiscal Decentralization Strategy is at final draft stage	100%	
<b>Output 2.3 The quality of budget execution at national and local level is improved to deliver better value for money</b>						

2.3.1 Proportion of annual PBB performance reports received by NLGFC	0	20%	0	Reports are annual and due to be received after the close of the fiscal year (June 30 <sup>th</sup> ), so this can be verified annually	80%	
2.3.2 Proportion of Districts publishing Budget Execution Reports	0	25%	0	Reports are annual and due to be received after the close of the fiscal year (June 30 <sup>th</sup> ), so this can be verified annually	85%	

\*estimated, the actuals are not yet available

\*\*average (2016-2019)

\*\*\*from the UNDAF

\*\*\*\* The bulk of the increase is due to the reform of the agricultural subsidies which were also included in the UNDAF indicator count.

## Annex 2: List of strategic documents

1. Strategic documents that were produced by the JP

Title of the document	Date (month; year) when finalized	Brief description of the document and the role of the JP in finalizing it
N/A	N/A	N/A

2. Strategic documents for which JP provided contribution

Title of the document	Date (month; year) when finalized	Brief description of the document and the role of the JP in finalizing it
N/A	N/A	N/A

### Annex 3: List of strategic communication documents

1. Have you created a strategic communication plan for the Joint Programme?

- Yes  
 No

Explain briefly:

2. What percentage of the annual budget towards communications was utilized from the total budget? (Note that the entire JP comms budget must be min 5% of the total JP budget)

Explain briefly:

3. Have visibility outcomes increased due to the provided funding for JP strategic communications?

- Yes  
 No

Explain briefly:

4. Does the Country Profile Page on the Joint SDG Fund website contribute to your JP outreach?

- Yes  
 No

Explain briefly:

5. How many articles (interviews, human interest stories, press releases, expert insights, etc) about your JP were published by an external media outlet (Non-UN published)?

Total number: 0

Explain briefly:

6. How many articles (interviews, human interest stories, press releases, expert insights, etc) about the Joint Programme were published by the UNCT and JP PUNOs?

Total number: 0

Explain briefly:

7. Have you received an increase of social media followers?

- Yes  
 No

Total number: (Not mandatory)

Explain briefly:

#### Multi-Media Faucets

Title of the document	Date when finalized (MM/YY)	Brief description and hyperlink (if it exists)
N/A	N/A	N/A

*Social Media Campaigns*

<b>Title of the document</b>	<b>Type (FB/Twitter/LinkedIn/Etc.)</b>	<b>Brief description and hyperlink (if it exists)</b>
N/A	N/A	N/A

## Annex 4: Updated JP Risk Management Matrix

<b>Risks</b>	<b>Risk Level:</b> (Likelihood x Impact)	<b>Likelihood:</b> Certain - 5 Likely - 4 Possible - 3 Unlikely - 2 Rare - 1	<b>Impact:</b> Essential - 5 Major - 4 Moderate - 3 Minor - 2 Insignificant - 1	<b>Mitigating measures</b>	<b>Responsible Org./Person</b>
<b>Contextual risks</b>					
COVID-19 outbreak in the country (endogenous shock) causes a lockdown	20	4	5	Focus on the technical aspects of the JP, delaying the tasks requiring presence on the field and running meetings and capacity building on distance. Reprogramming validation meetings and task requiring large gatherings 6 months after. Discuss with the counterparts both at technical and managerial level to find alternatives.	RCO and PUNOs
COVID-19 global outbreak causes a recession in the country (exogenous shock) deteriorating the security levels	20	5	4	Focus on the technical aspects of the JP, delaying the tasks requiring presence on the field and running meetings and capacity building on distance. Reprogramming validation meetings and task requiring large gatherings 6 months after. Discuss with the counterparts both at technical and managerial level to find alternatives.	RCO and PUNOs
COVID-19 global outbreak causes a recession in the country (exogenous shock) causing MoFEPD to focus on more immediate needs	10	5	2	Focus on the technical aspects of the JP, delay engagement of government staff and capacity building activities directed to MoFEPD Identifying one focal point per each institution whose time can be spared to bring forward the activities under the programme.	RCO and PUNOs

Civil unrest connected to the electoral process and/or outcome	3	1	3	Focus on the technical aspects of the JP, delay engagement of government staff and capacity building activities that cannot take place from a distance. Reprogramming validation meetings and task requiring large gatherings 2 months after.	RCO and PUNOs
Delays in implementation connected to the electoral process (which often requires staff in the ministries and local authorities to support the organization, running and aftermath of the elections)	2	1	2	Focus on the technical aspects of the JP, delay engagement of government staff and capacity building activities directed to government staff at central and local level. Identifying one focal point per each institution whose time can be spared to bring forward the activities under the programme.	RCO and PUNOs
<b>Programmatic risks</b>					
Government does not lead the process and truly own its results and products	10	2	5	Continuous engagement with political actors in Government and Parliament - Leverage in ongoing capacity building efforts for coordination and leadership for government officials involved in financing and fiscal decentralization	RCO and PUNOs
Lack of Government commitment during implementation	8	2	4	Identification of key focal points in the leading institutions to champion the JP and the related tasks. Wider group of Government stakeholder engaged to distribute the workload over more Departments and Sections, to reduce the burden and increase the buy-in.	RCO and PUNOs
Spoil system connected to the elections removes key focal points among Government officials	6	3	2	Ensure the JP	RCO and PUNOs
Development Partners reject the programme and do not support its development	3	1	3	Include Development Partners in the process and activities of the programme	RCO and PUNOs

There is insufficient or no cooperation from the many different actors in the sector to provide information and inputs to the different stages of the process	8	2	4	Engage closely with stakeholders to ensure understanding, ownership and support of the process, and plan for delays and challenges in accessing information	RCO and PUNOs
<b>Institutional risks</b>					
The JP's implementation brings reputational damage to the UN and/or PUNOs	3	1	3	The JP is grounded in UN principles including the principles of non-discrimination (including the principle of gender equality), transparency, accountability and participation, and are closely aligned to international instruments, and with national priorities as expressed in MGDSIII	RCO and PUNOs
<b>Fiduciary risks</b>					
Misuse and abuse of funds of cash transfers, by service providers, local stakeholders, or opportunistic individuals	8	2	4	Programme implementation to follow best practices in transparency, accountability and participation; use of robust monitoring mechanisms for delivery of payments; Close cooperation with local authorities and stakeholders to ensure on-the-ground awareness and transparency; Leverage on the ongoing works on payment solutions modelling towards better inclusion of the private sector service providers	PUNOs

<sup>i</sup> Following the finalization of Malawi's Vision 2063, the EGSWG could be adapted to serve the purpose of the new vision and thus change name and potentially areas of coverage and membership. It is not expected that the core participants, the Ministry of Finance and the Office of the President will not continue to be included.