



## DEVELOPMENT EMERGENCY MODALITY

### Joint Programme 2022 Annual Progress Report

-

#### Cover Page

**UNCT/MCO:** Malawi

**Reporting Period:** 1 January - 31 December 2022

**JP title:** Enable the Government of Malawi to design an effective policy and programmatic response to protect the most vulnerable from the impact of the recent global and national crises

**Thematic SDG Areas:** Food systems transformation; Decent jobs & universal social protection;

**PUNOS:** UNICEF, WFP

**Stakeholder partner:** National Government; Civil Society Organizations; Humanitarian actors; Bilateral aid organizations;

**Gender Marker:** Gender-responsive (for example, the JP aimed to respond to specific gendered needs, such as linking social assistance with GBV response services or maternal health support)

**Resident Coordinator Name:** Adda-Dontoh, Rebecca

**Resident Coordinator Email:** rebecca.adda-dontoh@un.org

#### Annual Progress

##### Overall JP self-assessment of 2022 progress:

On-track (expected annual results-achieved)

##### Overall Progress

Over the period considered, the JP achieved the following results:

- To better monitor food and non-food prices and availability, WFP has scaled up its remote monitoring and collecting information using the Minimum Expenditure Basket (MEB) module. The MEB consists of those products that a typical household requires in order to meet its basic needs. The MEB also takes into account the needs of refugee households. The main objective of the MEB is to collect price and availability information for a series of food and non-food commodities to better understand the minimum expenditure of a household during this time. The JP supported the improvement of WFP's already-existing price monitoring system, through which a market verification exercise was conducted in both urban and rural areas, providing near real-time updates to the Government of Malawi, UN partners, and other key stakeholders to inform decision-making and programmatic planning.
- In addition, WFP contracted the Centre for Agricultural Research and Development (CARD), of Lilongwe University of Agriculture and Natural Resources to carry out the Rice Value Chain Analysis. Key findings from the analysis showed that the economic potential of rice is not fully exploited. The crop has potential for expansion as a cash crop because of its high demand in both local and international markets. Additionally, both lowland and upland rice can be grown profitably. WFP has also engaged with our office in Tokyo and the Embassy of Japan on sesame value chain. As a result, the Government of Malawi identified rice as a crop with potential for commercialization, particularly through exports, and plans to utilize the rice value chain analysis as evidence for resource mobilization for implementation in the next year.
- Lastly, in collaboration with the Ministry of Finance and Economic Affairs, WFP has held preliminary discussions on the debt-swap

process and is currently exploring options for a creditor to engage in a debt-swap modality with the Government of Malawi on development interventions. We have monitored Malawi's creditor structure to identify creditors who might be prepared to exchange a part of their claims on Malawi for investments into WFP's work in the country. Unfortunately, at the time of our discussions last year, the options with traditional donors and creditors did not yield concrete results.

- UNICEF contracted the American Institute of Research as a contractor to support the National Statistics Office (NSO) in carrying out the extensive surveying (3,600 households all through the country) to produce the data for the Joint UN Country Assessment. Furthermore, UNICEF provided direct funding to the NSO to support the training of the officer in the multidimensional poverty analysis and organize the required reference groups with Government and stakeholders to validate the survey's methodology and results.

### **SDG Acceleration progress towards the SDGs, focusing on the main SDG targets**

- The interventions under the JP have been designed as effective tools to support the testing of new financing solutions that will be proposed under Malawi's Integrated National Financing Framework (INFF). The food security analysis is aimed to align with Government efforts to contribute to SDGs: 1 – No Poverty, 2 – Zero Hunger, and 17 – Partnerships. The JP is designed to produce a comprehensive, versatile, and updated body of evidence and actionable prioritized policy recommendations in support to the ongoing efforts to counter the effects of these combined crises on Malawi's most vulnerable households, in a context of already widespread poverty, inequality, and unemployment.

### **Constraints that were encountered and any adjustments that were made to strengthen the relevance and effectiveness of the JP and the coherence and coordination of UN system support.**

As described in the 2022 Country Climate and Development Report (World Bank/Government of Malawi), Malawi is facing an economic and social crisis, with unsustainable debt, serious macro-fiscal imbalances, acute lack of foreign exchange, and high inflation. The crisis has been aggravated by exogenous shocks from the COVID-19 pandemic, the war in Ukraine, and climate disasters. Natural capital, the main asset underpinning economic activity, is being eroded by widespread land degradation and deforestation. Malawi's human capital, though improving, remains low, held back by low educational attainment and gender disparities, among other factors. Furthermore, 3.8 million people are acutely food insecure during the 2022/2023 lean season (November 2022-March 2023), a 131 percent increase from the same time last year according to the Integrated Phase Classification Analysis (IPC) the adverse effects of the high food prices and economic downturn continue to manifest in Malawi. Government, through the Department of Disaster Management Affairs in collaboration with its humanitarian partners, has facilitated the development of the 2022/2023 National Lean Season Food Insecurity Response Plan. Malawi has also been battling a resurgence of a cholera outbreak since March 2022. The rainy season, which began in November, worsened the situation.

This seriously deteriorating background heightens the JP's relevance, both the real time production of data on market prices and the assessment of the impact of the different shocks on the most vulnerable, to help the country adapt its safety nets. However, it also absorbs significant energies within government and stakeholders which are in constant crisis-response mode and often delays the necessary engagements and discussions. A further issue, connected to the UNCT engagement, was the clearing of the ToRs for the Joint UN Country Assessment which delayed the whole procurement process to identify the contractor that is supporting the NSO.

### **Next steps, scaling and sustainability [up to half a page]**

- The JP will complete the Joint UN Country Assessment and produce an updated MODA report (based on IHS5 2019), complete with a module based on the Country Assessment results. This module will identify the impact of the crises on the different deprivations faced by Malawian children. The work will be carried out through additional funding provided by UNICEF and technical capacity provided by the NSO.
  - The results of the Joint UN Country Assessment will be used to support programming and targeting for Government and DPs interventions to support the most vulnerable. Furthermore, it will provide NSO with a survey instrument that can be replicated, also via phone, regularly and provide real-time information on the status of the sampled communities.
  - Beyond the project, the results from the analysis on rice value chain will be used in its turnaround strategy which has rice earmarked as one of its key commodities. The analysis will also inform food system transformation dialogue and inform policy solutions. It will further provide insight on how the development of food system pathways are being affected by the current crisis and provide guidance on future policy options.
  - Identifying policy and financing solutions such as the debt swap in partnership with the Government and/or IFIs will define Malawi's future financing solutions. It will thus provide additional and timely information on the specific priority financing needs to cushion vulnerable groups from the impact of future crises.
  - WFP will be leveraging its robust network by conducting weekly price monitoring from some 200 traders across 25 strategic

markets around the country, providing near real-time updates and open-source data that is used by the Government, international finance corporations, and other key stakeholders to inform policy recommendations and program design amid the effects of the conflict in Ukraine and the global food crisis.

## Strategic Partnerships and Communications

### Explain how diverse stakeholders were engaged with the JP

(Vittoria) UNCT will provide in email

#### Key meetings and events organized

JP steering committee/ programme board meeting	Strategic partners/ donors	Kick-off meeting event
---	-------------------------------	---------------------------

## Priority Cross-cutting Issues

### Cross-cutting results/issues

The Joint UN Country Assessment will be based on a survey instrument which was developed to robustly represent the situation of the most vulnerable and the impacts suffered due to the several shocks that hit Malawi since 2019. As such, the instrument will be gender sensitive and ensure women’s and girls’ condition is properly captured and its specificities are explained. Furthermore, the focus on the most vulnerable will ensure that it caters for the leave no one behind principle and provide data for relevant SDGs, such as SDG 1. The additional information produced by the survey will also be used to prepare an update to the MODA report, which has specific modules on the deprivations suffered by the youth.

### How did the JP apply the Gender Marker

The JP is Gender-responsive (for example, the JP aimed to respond to specific gendered needs, such as linking social assistance with GBV response services or maternal health support). Evidence, data collection and analysis (e.g. gender assessments of programmes; policy briefs, costing for scale-up of social services);

### JP address the below cross-cutting issues and principles of leaving no one behind

Human Rights	Persons with disabilities	Youth	Environmental and social standards
Yes	Yes	Yes	Yes

## Contribution to enhancing SDG Financing

Drafted a bill, strategy, and/or approved a law increasing the fiscal space for the policy in focus	Produced financing, costing, diagnostic feasibility analyses as a basis to invest or increase spending on the SDGs	Improved efficiency (cost savings) in the management of programmes/schemes	Improved effectiveness (value for money; i.e. social impact of \$1 spent) of spending	Drafted policies/regulatory frameworks or developed tools to incentivize private sector investment on the SDGs	Structured new financial instruments (public, private or blended) to leverage additional funding
---	--	--	---	--	--

---

No

No

Yes

Yes

No

Yes

---

**How and in which area your JP contributed to enhancing SDG financing**

they are work in progress