



ROLE OF THE UN MALAWI IN A CHANGING AID ENVIRONMENT

A position paper by the UN Country Team

Lilongwe, July 2006



“United Nations reform is not useful as an abstract concept. It makes sense only when it makes peoples lives better. “

James T. Morris, Report to the Secretary General
February 2006 Mission of the Special Envoy for Humanitarian Needs in Southern Africa

Position paper

ROLE OF THE UN MALAWI IN A CHANGING AID ENVIRONMENT

1.	The context	3
1.1	<i>The international context</i>	3
1.2	<i>The national context</i>	3
2.	The role of the UN	5
2.1	<i>The point of departure for the UN</i>	5
2.2	<i>What value can the UN add?</i>	5
2.3	<i>UN reform in Malawi – guiding principles</i>	6
3.	Position of the UN in Malawi	7
3.1	<i>Our vision</i>	7
3.2	<i>UN Support to Government</i>	8
3.3	<i>Engagement with donor</i>	9
3.4	<i>Civil society</i>	9
4.	Challenges faced by the UN	9
5.	The vision for the UN in Malawi	10
5.1	<i>One programme, one team, one leader</i>	10
5.2	<i>The UN Development Assistance Framework</i>	11
5.3	<i>Next steps</i>	12
5.3.1	UN Programme	12
5.3.2	UN Operations and Support	12
5.3.3	UN Country level funding	12
5.3.4	UN Leadership	13
5.3.5	Implications for the RR/RC role and UNDP	13
6.	Conclusion	14
	ANNEX 1: recent UN aid flows including share of budgetary support	15
	ANNEX 2: Grants given to Malawi, total and specified on key aid modalities.	15
	ANNEX 3: UN staffing numbers in Malawi	16

1. The context

This paper sets out the Malawi UN Country Team's¹ position on UN reform. It presents the challenges we face and the steps we must take to fulfil our potential as the partner of choice to the Government of Malawi (GoM), as well as to donors and civil society, in realising Malawi's national development plans and thereby achieving the Millennium Development Goals (MDGs).

1.1 *The international context*

The year 2005 set the stage for rebooting the international development system through the release of the Secretary-General's report 'In Larger Freedom', which focuses on the centrality of multilateralism in development, security and human rights. 2006 also saw the G8 pledges at Gleneagles; the EU commitment to increase aid levels to 0.56% of GNP by 2010; the World Summit in New York, which reaffirmed global commitment to the Millennium Development Goals; and the subscription by most donor and developing countries to the Rome and Paris Declaration on Aid Effectiveness.

In 2006, the United Nations has an opportunity to strengthen its place at the heart of development. At the World Summit, the UN was tasked to assist developing countries design MDG based national development strategies, and was entrusted with the role of 'scorekeeper' for the MDGs.

The High Level Panel on *UN system wide Coherence on Development, Humanitarian Assistance and the Environment* has refocused attention on the role, shortcomings and potential of the UN. Irrespective of the differences between member states on UN reform, there is consensus that the credibility of UN reform in large part depends upon what happens at the country level.

1.2 *The national context*

Malawi is one of the poorest countries in the world and is ranked 165th on the UN Human Development Index with very low life expectancy rankings (39.7 years). Over half the population of 12 million live below the national poverty line² and more than one in five people live in ultra poverty – unable to afford basic minimum food requirements.³

¹ Resident agencies and programmes in the UN Country Team (UNCT) consist of FAO, UNAIDS, UNDP, UNFPA, UNHCR, UNICEF, WFP and WHO. The UNCT is chaired by the Resident Coordinator. The UNCT also includes the IMF and World Bank as members of the extended UN family. This paper represents the views of core UNCT members only. NB: In this paper, UN agencies, funds and programmes are collectively referred to as 'UN agencies'.

² Human Development Report 2005

³ See Malawi Poverty and Vulnerability Assessment, June 2006

Population growth, fertility, maternal and child mortality rates are among the highest in Africa⁴ and forty four per cent of children under the age of five are chronically malnourished⁵. Families and communities are grappling with HIV and AIDS, malaria and other diseases, dependant upon increasingly unpredictable rains to support subsistence farming on severely depleted soils in a deteriorating natural environment. Eighty five per cent of the population lives in rural areas on landholdings of diminishing size.

The Government of Malawi is determined to accelerate progress towards the MDGs by reversing years of loose macro-economic management and weak fiscal discipline. It is fighting corruption, promoting economic growth including through creation of a more enabling environment for the private sector, reversing the country's negative savings ratio and ensuring that development resources including aid are used to achieve greater impact in the social sectors.

The successor document to the Poverty Reduction Strategy Paper (PRSP), the Malawi Growth and Development Strategy (MGDS), represents a nationally owned, results oriented plan, with targets and progress indicators, as a basis for expenditure frameworks, budgeting and the alignment and coordination of development assistance. It recognises that the Paris Declaration⁶ represents an opportunity to exercise greater national leadership and management of the development process and to create systems of mutual accountability between the Government and its partners.

The Government is addressing a number of challenges, including a legacy of weak national capacity to fashion policies. Inconsistent policy and direction, both in Government and among donors, in areas critical to the country's future⁷, have been affecting development. Systems for coordinating and managing development resources are not efficient in all sectors. Coordination at national level needs reinforcement. Public financial management, human resource management, monitoring and evaluation, accountability, and economic and political governance systems need to be strengthened.

Development partners, who in 2005 provided eighty per cent of the country's development budget and forty per cent of GDP, welcome the Government's subscription to the Paris Declaration and are committed to alignment behind the MGDS. Aid flows including the level and share of budgetary support have increased over the last two years in response to the Government's success in strengthening macro-economic and fiscal management (*see Annexes*).

⁴ Human Development Report 2005

⁵ Malawi Poverty and Vulnerability Assessment, June 2006

⁶ "...The Paris Declaration offers a framework in which to improve aid delivery. The genius of the Declaration is that when implemented it will harness the sometimes idiosyncratic preferences of donors to align with the policies of the governments, even as the governments are being held accountable to align their development policies with the Millennium Development Goals. It is therefore important that the link between the Millennium Development Goals and the Malawi Growth and Development strategy should be clear and strong.", Goodall Gondwe, Minister of Finance, Government of Malawi, March 6th, 2006, at the first Joint Country Programme Review, Lilongwe.

⁷ See, for example, 'U-turns and full circles: two decades of agricultural reform in Malawi 1981-2000, (2003), Jane Harrigan

With the introduction of multiparty system in 1994, Malawi is one of the world's youngest democracies and has made great progress over the last decade. This includes adoption of a rights-based constitution enshrining the separation of powers, the establishment and strengthening of constitutional bodies including the National Assembly, the Malawi Electoral Commission, Law Commission, Human Rights Commission and Anti-Corruption Bureau, strengthening of the media and freedom of expression, administrative decentralisation, and conduct of the country's first local government elections in 2000.

Nevertheless, systems of democratic accountability at national and district level remain fragile. Constitutional bodies and the legal system need strengthening. The constitution itself has been subject to several politically motivated amendments. It will be important to ensure that such changes do not weaken the legal framework for a functioning democracy. Political parties also need institutional development. Local government elections, were constitutionally due in 2005, but have not taken place. The systems that would allow millions of Malawians to participate in the political process, access objective information, secure access to justice and basic social services remain inadequate.

2. The role of the UN

2.1 The point of departure for the UN

The MDGs provide the basis for the UN's strategic positioning, the focus for our programmes, and the basis for holding the UN system accountable for delivering results. The commitment of the Government to achieve the MDGs, and the role assigned to the UN to support developing countries to implement MDG-based national development strategies, provide the rationale for UN activities in Malawi.

In early 2006, the Government of Malawi and its principal development partners committed to realising the Paris Declaration. This helps define the contribution that the UN system must continue to make if Malawi is to achieve its development objectives, as set out in the MGDS. Imperatives include deepening national ownership of the development strategy, including with parliamentarians and the civil society, strengthening the Government capacity to manage and coordinate development resources, as well as of public financial management systems.

2.2 What value can the UN add?

The UN system has the mandate, neutral political positioning, convening power and role, policy expertise and technical capacity to support the Government of Malawi manage its development strategies. The UN's principle value to Malawi is not as a 'donor' but as primary partner supporting Malawi to fulfil its international obligations and design and implement an MDG-oriented national development strategy. The UN's mandate as accorded by member states does not face a conflict of interest between its role as 'investor' and technical advisor.

The UN is committed to national ownership and leadership of development process and can support implementation of the Paris Declaration in Malawi; it is committed to national ownership and leadership of development processes. The UN is fully aware of the need and scope for harnessing and strengthening of capacities, in public financial, human resource, results based management, and monitoring and evaluation.

Malawi's development challenges include population growth, child survival and protection, education, gender, public health including reproductive health, HIV/AIDS prevention/treatment and care and nutrition. These are areas within the UN's core competencies. Other sectors that can benefit from the UN's policy and technical expertise are agriculture, water supply and environment, emergency preparedness and response, logistics, vulnerability assessment, monitoring and evaluation activities, data generation and analysis, and gender-based and pro-poor economic policy formulation.

It has long experience in contributing to the development of sector wide approaches and joint programming as a means to accelerate interventions and to reduce transaction costs.

The UN is uniquely placed to strengthen capacities in governance and political accountability. The promotion and protection of human rights is a requirement for the realisation of the vision of the Charter of the United Nations and therefore a principle objective of the United Nations system and at the heart of the UN reform. The UN's normative responsibilities and role as a trusted partner have led to, among other things, support in establishing constitutional and human rights bodies, designing and implementing the country's decentralisation programme, and support on sensitive issues, including elections, governance and political accountability, media freedom and access to information.

The challenge facing the UN in Malawi is to ensure that its inherent attributes, skills, resources and positioning advantages are used to their full potential by the Government and its development partners.

2.3 UN reform in Malawi – guiding principles

1. Reform must enable the UN contribute more effectively and efficiently to improve peoples' lives – specifically to help Malawi achieve the MDGs⁸.
2. The needs and expectations of the UN by the Government and people of Malawi must inform reform at country level.

⁸ “United Nations Reform is not useful as an abstract concept. It makes sense only when it makes peoples lives better. If we cannot make this connection for every action we undertake, we are wasting precious time and resources. Similarly, if because of institutional concerns we are holding back from doing we know needs to be done, we are missing an opportunity---and people will suffer as a result”. James T. Morris, 2006, Report to the Secretary General: Mission of the Special Envoy for Humanitarian Needs in Southern Africa

3. It must also respond to the expectations of in-country development partners, including civil society. Of great value to Government is the UN's relationship with donors, while the UN's greatest asset to donors is its privileged relationship with Government. Reform needs to reinforce this virtuous circle, not least to facilitate implementation of the Paris Declaration.
4. There is no contradiction between strengthening 'one UN' and 'one voice' at the country level and maintaining the distinct mandate, profile and voice of individual UN bodies on the other⁹.
5. Reform must be carefully planned and structured with clear targets and timelines for each phase. Judgements are needed as to the 'cost benefit' of moving forward in one area of reform relative to another; in this respect, UN reform is as much an art as a science. The clarity and consistency of signals from agency HQs could be a determining factor.

The UNCT recognizes that many of the issues that complicate the UN's efforts to act as 'one' at the country level require high-level intervention, including by member states. Recommendations to the Secretary-General of the High Level Panel on system wide coherence and the directives and actions that result are therefore critical.

In the meantime, the UNCT recognises that much *can* and must be done at the country level, drawing upon the goodwill of local agency heads, the support of Government and partners, as well as of the UN's regional and HQ leadership.

3. Position of the UN in Malawi

3.1 *Our vision*

The vision of the UNCT is to be the Government's principal partner in supporting the alignment of Malawi's development resources behind a results-oriented, MDG-based national development plan, the MGDS. The UN's coordination skills, policy expertise and technical capacity will be deployed to that end. Its programmes are designed to influence and support policies, institutional arrangements, national systems and implementation plans will be clearly defined in the UN Development Assistance Framework (UNDAF).

3.2 *UN support to Government*

The UN's position is based on our mandates and competencies and the expectations of Government, development partners and civil society.

⁹ A useful analogy here might be the 'Star Alliance' of airlines. Each airline maintains its distinct brand yet customers, shareholders and management of participating airlines benefit from economies of scale and common services. A second analogy would be a soccer team in the World Cup: a one team approach with a common goal, team work while promoting individual excellence

The UN will support Government's efforts to advance the Paris Declaration in Malawi and to develop and implement a joint assistance strategy. Specific areas of support that the UN can provide include:

- **Coordination**, whether at the national level or specific sectors in which the UN has expertise;
- **Policy support and technical advice**, both for national plans such as the MGDS as well as in sector planning in areas such as health, including reproductive health, education, HIV and AIDS, gender, child survival, maternal health, population, agriculture, water supply and environment, disaster preparedness mitigation and response, political and economic governance, including public sector reform, electoral systems and decentralisation;
- **Capacity development**, including institutional strengthening, leadership, policy and management skills, data gathering, analysis and dissemination, monitoring and evaluation systems, district administration, as well as in wide range of sector specific activities;
- **Implementation support**, as part of overall capacity development efforts, including in sensitive areas such as procurement, elections and political governance; where surge capacity is required; and management of pooled funding mechanisms in situations where the beneficiary has yet to develop the capacity to manage and account for resources;
- **Resource mobilisation**, advice and advocacy, both to support Government development objectives and specific initiatives and to support emergency response;
- **Emergency relief and disaster preparedness**, in strengthening national capacity for emergency prevention, preparedness, monitoring and response;

Government can benefit from the UN's counsel in macro economic management and financing, whether directly with central planning ministries or in Government/donor fora. The accession in 2005 of the UN, through UNDP, as an observer in the 'CABS' group¹⁰ is a significant development.

3.3 *Engagement with donors*

Donors recognise the UN's normative role and responsibilities for ensuring that human rights and gender issues are placed at the centre of the Government's development agenda. Donors also recognise the UN's role as advocates and scorekeepers of the MDGs. Most donors want the UN to take a role in coordinating development partners' support to Government in areas where the UN has a comparative advantage.

However, donors' views vary as to whether the UN should, or has the competence to provide a platform or even gateway for their engagement with government on key policy issues.

¹⁰ The Common Approach to Budgetary Support group. As of June 2006, this consisted of the Britain's Department for International Development (DFID), the European Union, Norway and Sweden, with Germany as a prospective member, and the IMF, UN and World Bank as observers.

Many donor organisations have locally resident international policy advisors and technical experts who, among other things, hope to influence the thinking and activities of Government counterparts and other partners. Some find themselves vying with the UN and with each other. Some donors would prefer to be able to rely upon multilateral organisations such as the UN and the World Bank to engage with Government on priority policy issues, thereby allowing them to reduce their own overheads, as well as to reduce the heavy transaction costs to Government of dealing with a multiplicity of development partners and advisors

The UNCT will strengthen its capacity to develop and provide policy advice and to mobilise first class, timely technical support with a view to facilitating donors' own work.

The World Bank is both a major donor and a member of the extended UN family. Given the scale of the challenges facing Malawi, the need for partnership between the two bodies is obvious, and the scope is wide, particularly in the social sectors, capacity development and implementation support¹¹. Greater clarity is needed regarding expectations of the UN in collaborating with the Bank and donors, notably the CABS group, in supporting the coordination of national strategies and in influencing expenditure frameworks and budgeting processes.

3.4 Civil society

Civil society expects moral, political and financial support from the UN. Most notably in helping to ensure that its diverse voices are heard in the formulation of policies and implementation of plans, particularly in designing and strengthening governance and accountability systems, and to help amplify the voices of those who would otherwise be voiceless – the poorest, the most vulnerable and marginalised.

The private sector seeks UN partnership including to support its engagement with Government on policy issues, explore partnerships for growing sustainable business and advancing corporate social responsibility, as well as to achieve specific development objectives.

The UNCT will form a Civil Society Advisory Committee to the Resident Coordinator to provide a forum for discussing policy issues, partnerships and specific opportunities.

¹¹ A number of partnerships have been developed between the World Bank and UN agencies, including UNICEF and WFP. At a high level meeting between the World Bank and UNDP on collaboration in the field held in Johannesburg in February 2006, key areas were identified for follow up action including partnering on civil service reform; strengthening economic and political governance; capacity development and the role of engaged societies; advocacy to secure promised resources for Africa; better understanding of the linkages between poverty and growth, the MDGs and fiscal space.

4. Challenges faced by the UN

The Government of Malawi has expressed the value of UN as a trusted development partner. However, it also points to the shortcomings of UN, notably high transaction costs for Government in dealing with the UN system; the weakness of the UN in providing data regarding its programme activities; and the slowness, variety and complexity of UN administrative procedures.

Some of the challenges faced by the UNCT derive from the architecture of the UN system. UN Agencies, Funds and Programmes have their own governance structures, reporting requirements, administrative systems and budgets. UN agencies' programme portfolios have traditionally been developed in accordance with agency corporate priorities, as endorsed by their respective Executive Boards, with national counterparts. These realities undoubtedly complicate the task of simplifying and harmonising UN programmatic and administrative activities in Malawi, and increase the risk of overlapping activities and duplication of roles.

The number of UN staff in Malawi has impressed both Government and donor partners (*see Annex 3: UN Staffing in Malawi*). A reasonable question is whether the country is deriving maximum impact from this significant resource, and for example if UN staff are sufficiently engaged in 'upstream', strategic rather than administrative and project management activities.

The UNCT is committed to exploring and addressing these issues. We are aware of ideas and proposals to simplify and streamline planning, financing and management of resources at the country level. High-level interventions will be required - for example, reform and realignment of administrative, budgeting and accountability systems and the introduction of clear incentives by each UN agency to encourage a stronger 'one UN' approach by programme and operational staff.

The UNCT has every reason to encourage these reforms. Lack of simplification and harmonisation at the corporate level results in enormous time spent at the country level on internal coordination, whether regarding programme, operations, funding arrangements or common services.

The UNCT is already planning a move to common premises and a harmonised approach to cash transfers (HACT), and is fully aware of the scope and need for further reform – with the ultimate objective of improving the effectiveness and efficiency of the UN in helping Malawi achieve the MDGs. The UNCT will seek the guidance and support of the UN Regional Directors Team in moving forward.

5. Moving forward

5.1 *One programme, one team, one leader*

The UNCT is committed to designing one results based UN country programme, supported by one UN team, and by one leader, the Resident Coordinator. It is also committed to exploiting emerging opportunities, to develop a common funding and financing framework to support the UNDAF.

The UNCT is already taking a number of measures to simplify, harmonise and align UN activities. These include joint programming such as the road map for maternal mortality reduction; the acceleration of child survival for development; the joint support plan on HIV and AIDS through the one UN team on HIV and AIDS; and the joint support for the national road map for monitoring and evaluation of the MGDS.

The preparation of the UN Development Assistance Framework now provides a significant opportunity to consolidate this experience and to accelerate the move to 'one UN' in Malawi.

5.2 *The UN Development Assistance Framework*

The UNCT's decision to postpone the development of a new five-year UNDAF cycle by one year was to ensure that the UNDAF is aligned with and rooted in the MGDS.

A joint Government of Malawi/UN Steering Committee has been established to ensure that the UNDAF is fully aligned with national priorities. The Committee will ensure that the results matrix includes measurable outcomes geared to supporting the MGDS outcomes, particularly those linked to the MDGs, using a human rights and gender based approach to programming. To this end, a number of "building blocks" are being put in place:

- this **position paper** on the role of the UN in Malawi;
- a **capacity needs assessment of the MGDS**, undertaken by Government with technical support from the UN, which sets out the human and financial resources required to implement the MGDS;
- a **'gap analysis' of the MGDS** from a gender, human rights and MDG perspective;
- a **rights based situation analysis** of the UN's role and impact in Malawi over the period of the current UNDAF (2002-06);
- an **assessment of UN skills and capacities** in Malawi. This will set out what steps need to be taken to ensure that the UN is equipped to achieve the outcomes in the UNDAF results matrix.

These ‘building blocks’ will serve as key inputs informing the UNDAF 2008. The intended outcome of this process will be:

1. The UNDAF results matrix
2. Joint UN/Government arrangements for monitoring and evaluation of the UNDAF results matrix, consistent with the national monitoring and evaluation systems
3. A ‘one UN’ programme portfolio, including joint programmes, geared to supporting Government’s achievement of priority MDG targets.

5.3 *Next steps*

In the context of the vision expressed above, the UNCT has taken initiatives in several areas:

5.3.1 UN Programme

Central to the UNDAF process is an understanding between the UN, Government and other stakeholders on expectations of the UN for supporting implementation of the MGDS, including the UN’s role in the Development Assistance Strategy, and in strengthening Government-donor coordination in priority sectors, including support for sector wide approaches.

At the same time, based on the assessment of UN skills and capacities in Malawi, the UNCT will prepare a plan of action and timeframe for matching skills to the roles and responsibilities required of the UN emerging from the UNDAF. This will include recommendations regarding:

- a. The formation of teams to achieve joint MDG related programme outcomes as identified and prioritized in the UNDAF results matrix;
- b. Strengthening of joint UN support for realisation of the Paris Declaration – i.e. in strengthening national systems, capacity development and implementation support.

5.3.2 UN Operations and Support

The UNCT will prepare a detailed proposal for co-location of the Resident UN agencies (UN Common Premises), as well as for strengthening common services and widening their scope. Current common services include UN Security, UN ICT (UN ‘Virtual House’), the UN Resource Centre, and UN Dispensary. Potential future common services include centralized procurement, vehicle maintenance and a travel agency.

In addition, the need for strengthening the Resident Coordinator's Office will be reviewed in the light of plans developed by the UNCT to further reform on the country level. An important aspect is the stabilising of the RC Office financing by focussing on longer term sourcing contracts instead of the current short term funding arrangements.

5.3.3 UN Country level funding

The UNCT will also develop proposals regarding coordinated or consolidated country level fund raising and joint financing. These will be presented on the basis of a) a think piece on experiences to date and assessment of the opportunities and constraints facing the UNCT in terms of establishing joint financing and budgeting arrangements at the country level, and b) discussion with the UN Regional Directors' Team for southern Africa.

Regarding pooled funding, some partners see the UN's position as a litmus test of its commitment to reform. The UNCT recognises that a 'one UN' policy is needed. However, decisions as to whether the UN should pool funds in a particular sector should be based on the most strategic use of UN resources – both technical and financial, and of maintaining its role as neutral broker. In Malawi, the donors have different views about this.

The UNCT is aware that discussions are taking place in the context of the work of the High Level Panel regarding country level funding. The prospect of more predictable multi-year funding from donors for a 'one UN' programme to cover the UNDAF period is welcome. However, how this would be translated into practical arrangements in Malawi depends upon agreement being reached at the HQ/capitals level, both among agencies themselves, and between the UN family and the donors.

5.3.4 UN Leadership

There is wide consensus across the UN system that the role of the Resident Coordinator should be strengthened as part of the broader effort to achieve system-wide coherence at the country level.

A number of measures are being put in place at the HQ level to strengthen the RC's authority and to ensure the RC remains accountable to the UNCT. These include an RC accountability framework, reforms in the RC selection and competency assessment process, and recommendations regarding the role of UN Regional Directors in supporting and assessing both RCs and UNCTs.

The extent of RC's enhanced authority is under discussion, but there is agreement in the UNCT that it should include responsibility for:

- Forging consensus in the UNCT on overall strategic direction of the UN at the country level in a changing aid environment and in the context of UN reform;

- Achievement of the outcomes in the UNDAF results matrices. The RC will be expected to hold UN agency heads accountable for the realisation of their respective UNDAF outcomes;
- Ensuring the UN speaks with one voice in high level meetings with government and donors;
- Advocacy, partnership building and resource mobilisation on behalf of the UN family particularly to support Government, on Joint Programmes and for strengthening the RC system;
- Ensuring that non-resident agencies engage in and align with the UNCT's work to provide coherent and cohesive support to Government and development partners.

5.3.5 Implications for the RR/RC role and UNDP

As the RC's role and responsibilities increase, so have demands upon the RC, the RC system and RC Office. Strengthening the 'one UN' approach has implications for UNDP's role as host and financier of the RC system. In recognition of this, the UNCT in Malawi took the exceptional step in 2005 of collectively writing to UNDP HQ to request the appointment of a Country Director for UNDP in order to allow the RC to delegate more UNDP management responsibilities.

As host of the RC system, UNDP's own activities are geared to support 'One UN'. This is the intention in Malawi, with a view to strengthening overall UN strategic policy support to Government and partners, including in areas such as national financial management and human resource management systems, institution building, political governance and accountability. These priorities will be reflected in UNDP Malawi's country programme document as part of the UNDAF.

6. Conclusion

This position paper represents a 'building block' for the UNDAF, which we see as providing an opportunity for driving the reform process forward.

The UN Country Team in Malawi is committed to reform. We want to ensure that the UN optimises its role, responsibilities and collective human and financial resources to make a positive impact on people's lives, to help Malawi achieve the Millennium Goals. To succeed, we need the support and encouragement of ministers and senior officials in the Government, of the local heads of donor organisations, and of civil society leaders. We also need the support of our own organisations, both at the regional and headquarters levels.

Combined with our determination to define and implement more detailed plans for realising one programme, one team, one leader and, in due course, more coherent funding arrangements to support one programme, this support will ensure success.

ANNEX 1: UN aid flows to Malawi

The following table sets out the estimated resources flowing through the UN during the 2002-6 UNDAF period.

For a very rough estimate of the proportion of aid to Malawi flowing through the UN, the following calculation may be of some value.

According to the World Bank, total aid flows to Malawi in 2004 were US\$ 479,114,298. If the *average* annual spend of the UN system is US\$ 68,774,674 (i.e. the UNDAF period divided by five), and assuming that this was approximately the figure in 2004, then approximately 14% of total aid flows went through the UN in 2004. This figure should be treated with great caution, for obvious reasons.

Agency	Indicative level in UNDAF	Current revised level
UNICEF	64 300 000	90 621 000
WHO	6 000 000	22 000 000
UNDP	58 900 000	54 000 000
UNFPA	9 000 000	18 500 000
UNAIDS	1 500 000	2 600 000
WFP	31 800 000	151 902 371
FAO	3 200 000	4 250 000
UNHCR	3 500 000	
TOTAL	178 200 000	343 873 371

ANNEX 2: Grants to Malawi.

Aid to Malawi has increased considerably the last few years, both in terms of programme/budget support and project grants but also in terms of reduced debt. Malawi is underway for reaching the HIPC completion (debt reduction facility). Budget support donors (EU, UK, Sweden and Norway) foresee continuing budget support in the coming financial years. The estimated grants to Malawi are:

	2002-03	2003-04	2004-05	2005-06	2006 -07	2007-08	2008-09
Grants	10 675	23 063	27 893	51 030	48 093	49 992	53 287
Programme/budget support	1 220	6 576	5 085	15 159	9 852	8 903	8 300
Project	4 604	6 518	11 138	15 185	17 365	19 493	28 683
Dedicated grants	188	4 219	6 591	13 645	12 691	13 175	7 675
HIPC debt relief	3 588	5 261	5 078	7 041	8 186	8 422	8 630

Projections from 2005/2006 and beyond (Millions of Malawi Kwacha) Source: IMF

ANNEX 3: UN staffing numbers in Malawi

The number of staff employed by each of the 14 UN entities (including the Bretton Woods institutions) in Malawi varies widely – as does the total number of staff, over time. Major variables include the number of short-term staff engaged during emergency response periods, and the number of UNVs in country at any particular moment.

The following table represents total UN staff as of May 2006; this number was dropping as the response to the food shortage driven emergency winds down.

	International	Nationals	Total
TOTAL STAFF	123	403	525
WFP	13	139	152
UNV (UNDP)	48	60	108
UNICEF	22	60	82
UNDP	13	40	53
WB	6	29	35
WHO	5	21	26
UNFPA	1	15	16
UNHCR	6	11	17
FAO	1	15	16
UNAIDS	3	6	9
IMF	1	4	5
UNDSS (Security)	1	2	3
