

## Overview of Country Development Cooperation Strategy (CDCS) 2013 - 2018



**Background:** Malawi is at a turning point in its young democratic history, with a chance to make major development progress. Sworn in on May 31, 2014, President Peter Mutharika supports economic and political reforms. This peaceful and constitutional succession reaffirmed Malawi's commitment to democratic principles and helped restore donor confidence and budget support. To succeed in an ambitious reform agenda and to best address the country's economic, health, education, food security and other socioeconomic needs, Malawi will require a strong coordinated approach to address its development challenges. These reforms are critical given that Malawi is one of the world's poorest countries, ranking 170 out of 187 on the United Nation's 2013 Human Development Index. Malawi ranks at or near the bottom of key socio-economic indicators such as life expectancy, literacy, standard of living, and quality of life.

Approximately 75% of the population lives in extreme poverty with income of less than \$1.25 per day.

**Moving Forward:** With the new Malawian administration, opportunities to support transparency and accountability have increased and reform legislation has been enacted. Building on GDP growth rates (4%) and increases in basic health and education services, USAID is committed to increasing investment and building Malawian capacity to lead and manage its own development. USAID's new Country Development Cooperation Strategy or CDCS aligns closely with Phase Two of the Malawi Growth and Development Strategy (MGDS II), national sector policies and strategic plans, development partner portfolios, and other Government of Malawi (GOM) initiatives. Through a series of stakeholder analyses USAID consulted district and community stakeholders and current beneficiaries to identify local development needs. Results illustrated how closely linked supply and demand side service imbalances drive the Malawian development context. To address this imbalance, USAID's CDCS follows an evidenced-based, integrated approach that concentrates resources geographically where and when feasible. The overarching CDCS Goal: **Malawians' quality of life improved** is supported by the hypothesis that if assistance is integrated then development results will be enhanced and more sustainable. Three Development Objectives (DOs) will help achieve this goal: 1) Social Development Improved; 2) Sustainable Livelihoods Increased; and 3) Citizen Rights and Responsibilities Exercised. Through what USAID is calling a 3-C Approach, USAID will integrate development activities by:

- Geographic *colocation* of interventions;
- Internal *coordination* of USAID/Malawi sector teams; and
- Expanded *collaboration* between USAID and the GOM, other development partners (DPs), civil society organizations (CSOs), and community-based organizations (CBOs).

The Mission's programs will be collated in Malawi's 28 districts at various levels. Full integration means that all three DOs will operate in three focus districts. Partial integration means that two of the three DOs will operate in ten districts, and sector specific means that one DO will operate in seven districts. There will then be eight districts with limited USAID presence. Emphasis on rigorous documentation, evidence, use of relevant technologies, such as geographic information systems, will be used to evaluate the development hypothesis that integration will lead to improved results.

USAID has assigned cross sectoral teams from the Mission to lead coordination of activities in each of the focus districts (Colocation). The teams will coordinate internally among the various technical offices in the Mission (Coordination),

and externally with local stakeholders, implementing partners and donors in each of the three focus districts (Collaboration). This will improve synergies, ensure complementary programming and enhance a sense of collaboration based on evidence, comparative advantage and cost benefits.



**DO 1 – Social Development Improved:** DO 1 expands availability and improves quality of essential social services. A healthy, educated population is essential to improving citizens' social development and livelihoods. People need access to quality and the right types of services. USAID will address core barriers to the availability of services including lack of staff, equipment, infrastructure, drugs and supplies. USAID will help service providers in both public and private sectors build their capacity to deliver higher-quality services by increasing adherence to national and international standards, expanding supervision and mentoring, and improving the allocation of resources for services such as expanded access to the Malawi Essential Health Package. In education, parents need to be more involved to develop a reading culture and hold their teachers accountable for attendance and performance. Children who learn better will be more productive adults and more likely to have fewer children. Early grade reading interventions play a prominent role in DO 1 and strongly link to health and nutritional results.



**DO 2 – Sustainable Livelihoods Increased:** DO 2 pursues market-led growth and works comprehensively in specific agricultural value chains while strengthening resiliency to climate change. In close coordination with the Ministry of Agriculture, USAID will add value to and expand agricultural production. Through better agricultural services, crop and nutritional diversity, economic and food security and behavioral practices USAID will build Malawians' ability to increase sustainable livelihoods. Focused on three high potential value chains (dairy, groundnuts and soya) USAID will support farmers to increase income and improve household nutrition. Simultaneous investments in health activities that emphasize breastfeeding and vitamin supplementation will complement nutrition objectives. Combined with innovative SMS technology USAID will link farmers and households to real-time price and market data bringing mobile banking systems to rural communities. In close coordination with the Ministry of Industry and Trade, USAID will promote reforms that make agricultural investment more attractive for the private sector, strengthen systems and policy to address macro-level issues, and expand agricultural trade by encouraging private sector investment. Climate Smart techniques (conservation technologies, protecting soil, forest, and water resources, etc.) will improve land quality and help Malawians adopt behaviors that lead to a reversal of rapid deforestation, livelihood diversification and climate resilient farming systems.



**DO 3 – Citizen Rights and Responsibilities Exercised:** DO 3 focuses on strengthening governance at both national and local levels, removing obstacles to citizens' ability to engage with district and village-level officials and increasing civic involvement in the elections process. Inherent to the success of DO 1 and 2, DO 3 interventions tackle relevant governance challenges to strengthen capacity of district level officials and at the same time augment citizen groups' capacity to plan, manage, organize and understand development issues. USAID recognizes the value of promoting positive working relationships at the district level between new councilors, District Councils and Secretariats, and citizen's groups. Citizens, who are better able to exercise their rights, know and accept their responsibilities, and hold their elected leaders accountable will see better services and governance. USAID will also use innovative approaches to increase civic involvement and support fair and credible elections in 2014. By building Malawian capacity to participate in decision-making processes, including elections, and advocate for improved social development (DO 1) and livelihoods (DO 2) USAID will help Malawians to own their own development outcomes.