

# Institutional Reform and Cooperation Developing suitable policy responses towards the achievement of the Millennium Development Goals

Sessional paper presented by Hon. Prof. Eta Elizabeth Banda, M.P., Minister of Foreign Affairs of the Republic of Malawi during the "Capacity is Development: Smart Strategies and Capable Institutions for 2015 and Beyond" event, Marrakech, Morocco, 17<sup>th</sup> to 19<sup>th</sup> March, 2010.



## Introduction

This paper discusses the progress so far achieved by Malawi in attaining the MDGs and offers policy solutions aimed at achieving institutional reform and enhancing international cooperation in order to reduce poverty.

# So How Did Malawi Do It?

One of the most important aspects in the Malawi experience on working with MDGs was the excellent leadership provided by His Excellency Dr. Bingu wa Mutharika since he became President of Malawi in 2004. This leadership provided a clear and shared vision for Malawi in national programmes as well as integration of vital international requirements such as the MDGs. The development of the vision also emphasized the collective responsibility for all sectors for the MDGs to be achieved. In addition Malawi developed appropriate national policies and national policy frameworks in response to the MDGs. One major aspect of the National policy was that there was one framework for all country programmes including the MDGs.

This was followed by budget allocation and resource mobilization and allocation for the identified national programmes including the MDGs and implementation of all programmes using existing institutions. And lastly within the framework was an evaluation and monitoring plan with indicators for each goal and target. One other major element was that there is a willingness to use the results to inform the planning process and be able to restrategize.

# Challenges

Achieving the Millennium Development Goals (MDGs) is not a simple task. As the world moves closer to 2015, sub-Saharan African countries continue to grapple with the issue of whether they will be able to achieve some of the targets agreed upon at the United Nations Millennium Summit in 2000. Despite progress being made in a number of areas particularly on universal primary education and achieving food self sufficiency thereby reducing poverty, there are a number of challenges. The challenges towards the achievement of the MDGs are both local and international.

At the local level, these challenges manifest themselves at various levels which include capacity as well as resource constraints. The challenges at the international level are also numerous. Internationally, there is slow institutional reform to accommodate fully the interests of developing countries, the stalemate towards the conclusion of the Doha round of talks and also weak inter-state as well as regional and continental cooperation. In addition, the global financial crisis has further exacerbated the problems of resource distribution and access, thereby limiting the available options for developing countries particularly those in sub-Saharan Africa to achieve the MDGs.

#### Malawi and the MDGs in Perspective

Malawi became a signatory to the Millennium Declaration in September, 2000. The UN has eight goals that constitute the Millennium development goals and these are: 1) Eradicating Poverty, 2) Achieving Universal Primary Education, 3) Promoting Gender Equality and Promoting Women, 4) Reducing Child Mortality, 5) Improve Maternal Health, 6) Combating HIV/AIDS, Malaria and Other Diseases, 7) Ensure Environmental Sustainability and 8) Develop Global Partnership for Development.

The Government of Malawi has utilized two policy frameworks to achieve these MGDs. The first was midterm development strategies called the Malawi Poverty Reduction Strategy (MPRS) which was implemented from 2002 to 2005 put a lot of emphasis on poverty reduction while neglecting growth sectors. The shortfalls of the MPRS led the Government of Malawi to develop the Malawi Growth and Development Strategy (MGDS) for the period 2006 through 2014, a plan aimed at implementing the MDGs. The MGDS has nine priorities aimed at transforming Malawi from a predominantly importing and consuming country to a predominantly producing and exporting country. These priorities are as follows: agriculture and food security, education, Transport and infrastructure Development and Nsanje inland Port, Energy and Climate Change, youth development, education science and Technology, Public Health (sanitation, water, HIV/Aids), integrated rural development. As a measure towards implementation of the strategy, the government of Malawi uses the Medium Term Expenditure Framework (MTEF) and the Public Sector Investment Programme (PSIP). In addition, the Development Assistance Strategy (DAS) was developed under the framework of the Paris Declaration on Aid Effectiveness in order to align development partner priorities with those under the MGDS framework.

Over the years Malawi has tracked progress on the MDGs by using data from a variety of sources, to allow for triangulation, such as the Malawi Health Demographic Survey 1992-2000, 2004/2006, multiple indicator clusters (2006)

# A Summary of Malawi's Progress towards achieving the Millennium Development Goals

#### Goal 1: Eradicating Extreme Poverty and Hunger

The reduction of poverty remains the single most important factor both within the framework of the MGDS as well as the MDGs. Reducing the number of people living on less than a dollar a day has been a challenge to Malawi and many developing countries. Within the Malawi context, two targets were set in order to achieve Goal 1 and these include reducing "proportion of population below the poverty line, to halve between 1990 and 2015, the proportion of people living below the poverty line. Between 1998 and 2008, the number of people living below the poverty line has declined from 54 percent to 40 percent. It is expected that with all variables constant, Malawi will achieve the target of reducing poverty by 27 percent by 2015.

In addition, Malawi has made strides in reducing the problem of underweight children below 5 years of age from 28 percent in 1992 to 14 percent in 2007. However, in 2008, the figure slightly rose to 16 percent due to other factors. It is expected that by 2015, the figure will go down to 10.8 percent. Further Malawi has also seen an improvement in the proportion of the population below the minimum level of dietary energy consumption which as 23.6% in 2000 and has moved to 15% in 2008 while the target for 2015 is 11%.

The challenges faced by the Government of Malawi in 2000 included among others; lack of appropriate technologies for food storage, critical shortage of capacity and skills in institutions that implement development programmes; in adequate marketing infrastructure for rural communities and high prevalence rates of HIV/AIDS, Tuberculosis and Malaria.

In order to address these challenges, the Government of Malawi since 2004 has initiated a number of interventions such as the agriculture input subsidy programme which has transformed Malawi from a net importer to a net exporter of food. This is further being complemented by the green belt initiative which will transform Malawi's agricultural production sector through the use of appropriate irrigation technologies. Other initiatives include the disbursement of loans to women and the youth through the Malawi Rural Development Fund (MARDEF) and the Youth Development Fund; the One Village One Product concept borrowed from Japan and the rehabilitation and development of irrigation schemes.

This goal has five indicators and Malawi is moving in the right direction on all these indicators and the overall Malawi is likely to achieve this goal by 2015. However, Malawi cannot achieve these initiatives in isolation. At the local level, there are institutional reforms underway in order to effectively implement, monitor and evaluate these programmes. At the international level, there is need for increased participation from cooperating partners as well as the realisation from development institutions that the provision of targeted subsidies to rural farmers is an effective method for achieving food security First, the Goal of eradicating poverty has necessitated the need to develop the subsidy input programme, the green belt initiative, the revamping of agricultural irrigation schemes and the provision of loans to small holder farmers and other vulnerable groups such as women and the youth. These programmes require the support of international cooperating partners.

#### **Goal 2: Achieving Universal Primary Education**

Investing in human capital development is critical for the sustainable growth and development of economies. Under the framework of the MGDS, education is recognised as a vital priority area critical to the growth and development of the Malawi nation. Over the years, the Government of Malawi has made deliberate efforts aimed at increasing budgetary allocations to the education sector in order to ensure completion of full primary education by boys and girls by 2015.

In terms of results, primary school enrolment has increased from 58 percent in 1992, 78% in 2000 to 79 percent in 2008. At current levels of enrolment, it is expected that by 2015 there will be an 88 percent enrolment rate with universal primary enrolment achieved by 2015.

The other indicator being tracked is the proportion of pupils starting Grade 1 and reaching Grade 5 and this was 69% in 2000 and has moved to 75.5% in 2008 showing a tremendous improvement.

In addition the third indicator is literacy rate for the age group 15-14 years and this was 68% at the beginning of the programme and moved to 82% in 2008.

Despite the tremendous strides towards the achievement of Goal 2, challenges include, shortage of qualified primary school teachers, inadequate physical infrastructure, poor retention of girls from standard 5 to standard 8 as well as problems related to the HIV/AIDS pandemic and the associated orphan-hood.

Second, achieving universal primary education requires provision of resources towards the reduction of pupil-teacher ratio, regular provision of textbooks, construction of primary schools and teacher houses, provision of financial support to girls in order to retain them in school and the expansion of teacher training colleges. Given all this Malawi is not likely to achieve this goal by 2015.

#### Goal 3: Promoting Gender Equality and Empowering Women

The government of Malawi is making tremendous progress in promoting gender equality and empowering women. Historically the marginalization of women was both a social and economic phenomena in Malawi despite women constituting 52 percent of the Malawi population. Illiteracy which is at 56 percent for women compared to 26 percent for men has been the main causative factor. As a result, there are less women in formal employment. However, the Government of Malawi continues to be committed to improving the status of women in society. For instance, the ratio of girls to boys in primary and secondary schools has increase from 0.91 in 2000 to 0.99 in 2008 and from 0.60 in 2000 to 0.77 in 2008 respectively. This has been necessitated by factors such as the abolition of school fees and school uniform in primary schools. At current levels, Malawi is set to meet its targets by 2015.

In terms of literacy, the ratio of females to Males in the 15-24 year bracket has increased from 0.82 in 2000 to 0.94 in 2008. At current rates, Malawi is set to achieve a balance by the year 2015. On the issue of employment, especially in the non agriculture sector improvements are taking place as reflected by the increase in women in the wage employment from 9.3% in 2000 to 15%.

Perhaps, one important factor has been the increase in the number of women Parliamentarians from 27 (9.3%) women in 2004 to 43 (22%) women in 2009 out of 193 elected members of parliament. The target for 2015 is 50%.

However, challenges include capacity as well as material constraints to improve on adult literacy education, poor school facilities such as sanitary facilities, and long distances to education centres and cultural factors which lead to considerable amounts of school dropout rates.

Third, achieving gender equality requires the construction and expansion of boarding facilities for girls, encouraging girls to pursue fields that have been dominated by men and taking affirmative action to increase the number of women in decision making positions. The current government had initiated a programme for building Boarding school facilities for girls so girls an stay in school and that they are secure and the impact of these efforts are long term and not likely to felt by 2015.

#### Goal 4: Reducing Child Mortality

The reduction of child mortality is an important element which requires concerted efforts both by national governments and the international community. In Malawi, the government has increased the budget to the health sector in order to improve investments in health care services and human resource development and procurement of drugs, among others.

It is interesting to note that progress is already being achieved in the sector and the likelihood that Malawi will attain this goal in 2015 is very high. For instance, under-five mortality has declined from 234 deaths per 1,000 live births in 1990 and 189 deaths per 1,000 live births in 2000 to 122 per 1,000 live births in 2006. By 2015, it is expected that there will be 59 deaths of under-five children out of 1,000 live births. In terms of infant mortality rate (IMR), the trend is also encouraging: from 134 deaths per 1,000 live births in 1990 to 69 per 1,000 live births in 2008. Malawi is set to achieve the target of 32 to 1,000 live births above the projected target of 44 deaths per 1,000 live births. The major challenge has been resource constraint in order to provide the necessary services essential to further sustaining and reducing infant and child mortality rates.

Fourth, reducing child mortality rate requires an integrated management of child illnesses (IMCI) approach and implementation of the essential health package, introduction of the sector wide approach, accelerated training of Health Surveillance Assistants (HAS), among others.

# Goal 5: Improve Maternal Health

Malawi continues to make strides in maternal health care. The aim has been to reduce pregnancy complications which have been the major cause of death among women of reproduction age. The maternal indicators for Malawi have been poor for a number of years despite a modest reduction in maternal deaths. For instance, the maternal mortality rate (MMR) declined from 1,120 deaths per 100,000 live births in 2000 to 807 in 2006. At current rates, Malawi to further reduce the figure to 338 per 100,000 live births thus not surpassing the MDG target of 155 per 100,000 live births.

In addition, there have been concerted efforts aimed at training professional health personnel to improve on child deliveries. For instance, in 2000 the number of trained personnel was at 56 percent which has increased to 67 percent in 2008. In the year 2015, the figure is likely to rise to 72 percent. However, there is critical shortage of personnel among other factors which continue to pose a challenge to the Government of Malawi.

Fifth, improving maternal health requires increasing the availability and accessibility of antenatal services, increasing the number of medical personnel, provision of anti-retroviral treatment and micro-nutrients during pregnancy and constructing and upgrading health facilities.

So in this respect Malawi has a lot of work to do and while all efforts are being made, the likelihood that Malawi will attain this goal by the year 2015 is limited by the factors described.

## Goal 6: Combating HIV/AIDS, Malaria and Other Diseases

The HIV/AIDS pandemic continues to be a major challenge not only to Malawi but also to many countries around the globe. The problem has further been exacerbated by increasing incidences of tuberculosis and malaria and other opportunistic infections. This has had a major constraint on the country's resources particularly the health sector and has further negatively affected the productive citizens of the country.

Despite these challenges, the HIV prevalence rate among pregnant women aged 15-24 years has been declining from 24.1 percent in 1998 to 12 percent in 2006. This reduction has mainly been due to sensitization campaigns aimed at bringing awareness to the reproduction age on the dangers of engaging in risky behaviour and contracting the HIV. By 2015, the HIV prevalence rate will be reduced to 2.9 percent. Even though Malawi will not be able to achieve the target of 0 percent, nevertheless, the country will have made remarkable progress.

In terms of curbing the spread of malaria which accounts for 40 percent of Out Patient Department (OPD), statistics indicate that malaria incidences increased from 3.6 percent in 2000 to 5 percent in 2006. This increase has been due to the existence of drug resistant malaria parasites. However, in 2008, there was a decrease to 4 percent, a factor attributed to the introduction of a new malaria drug known as Artemether Lumefantrine (LA) and also the distribution of treated mosquito nets. In addition, there has been progress in reducing tuberculosis cases from 19 percent in 2005 to 9 percent in 2008. The challenge has been increased demand for care due to high HIV/AIDS prevalence, socio cultural factors that contribute to the spread of the pandemic among other factors.

Sixth, the fight against HIV/AIDS, TB, Malaria and other diseases requires the need for improving access to information on HIV AIDS prevention and transmission as well as counseling and testing facilities with the overall goal of fostering behavioral change. Furthermore, the provision of ARVs and subsidized mosquito nets as well as concerted efforts towards the provision of universal access to TB diagnosis, monitoring and evaluation.

#### Goal 7: Ensure Environmental Sustainability

Malawi is a country that has vast mineral resources, fertile land, beautiful inland lake and rivers. However, as the country progresses there has been an increase in environmental degradation. The major compounding factor has been high levels of poverty, an increase in population growth, unreliable energy supply and fewer economic opportunities. For instance, the total land area covered by forests declined from 41 percent in 1990 to 36.2 percent in 2005. If the trend continues, the total land area covered by forests will decline considerably. Currently, the government of Malawi is committed to reverse this trend so that among other factors it can minimize the negative effects of climate change which may arise due to continued environmental degradation. Although the country will not be able to reduce the number of people using solid fuels hence unable to attain the 0 percent target by 2015 as reflected by the fact that solid fuel use was 97.9% in 2000 and has remained almost constant at 97% in 2008, the country continues with efforts to explore alternative sources of fuel.

The gains is other sectors such as access to water have been remarkable where Malawi has already surpassed the target for 2015 which is 74% and Malawi's proportion of people with access to an improved water source has moved from 62% in 2000 to 80% in 2008. In addition sanitation programmes have also been working well and access to sanitation has moved from 81.4% in 2000 to 94% in 2008 surpassing the target of 86.2% by 2015.

Sustaining the environment, requires the revision of legislation on environmental and natural resources in order to curtail rapid degradation, community participation in environment and natural resource conservation, the development of national adaptation programmes of action to climate change. And in terms of protection of biodiversity Malawi has made progress in that in 2008 the proportion of areas for biodiversity was 0.16 and the target in 2015 is 0.18.

Malawi continues to work in all these areas and in terms of progress is doing well and is likely to attain this goal.

## Goal 8: Develop Global Partnership for Development:

According to the World Bank Report (1997), "an effective state is vital for the provision of the goods and services and the rules and institutions that allow markets to flourish". The emphasis by the Bank in its 1997 report is on the vital role that the state plays in facilitating and regulating the economic landscape for the development of the market.

The development of the Newly Industrialized Countries (NICs) in perspective can be attributed to both state intervention and market principles particularly in the later years when the countries adopted outward looking development policies. On the one hand, not only did the state in the NICs develop industries and institutional mechanism for their effective operation but also allowed the export industries to operate in an international system where market principles thrived. Malawi continues to make tremendous strides in this regard by putting in place policies and structural reforms necessary for the flourishing of the private sector and the growth of trade. Some of these policies include trade and exchange rate liberalization, public service reforms, investment promotion, the national anti corruption strategy just to mention a few. The result has been an increase in Official Development Assistance (ODA) because of confidence from our cooperating partners. As a percentage of Gross Domestic Product (GDP), has increased from 13 percent in 2005 to 21 percent in 2008. However, as Malawi and many countries in sub-Saharan Africa and beyond continue to develop, there will be need for global trade to open up.

Lastly, there is need for continued international collaboration in building institutional capacities in states in order to deal effectively with the dynamism of global development and the challenges that emanate from it. Furthermore, there is need for institutional reform in supranational organization so that developing countries are fully accommodated. In addition, an effective and equal trading system is essential in order to ensure that African and developing countries can compete on an equal footing hence reducing poverty through the chain linkages created through trade and investment.

## Conclusion

Developing suitable policies is one of the major steps to achieving Mellinium Development goals. As indicated in this discussion, it is important for each country to have a visionary leadership as Malawi has in His Excellency Dr. Bingu wa Mutharika and then the country needs to collectively develop a strategic framework that facilitates planning, implementation, monitoring and evaluation using smart indicators. In the case of Malawi the leadership and vision provided for a deliberate effort of alignment between MDGs and the entire national programme, so that there is no vertical structure and as one achieves national goals so does one achieve the MDGs!