Country Specific Information: Malawi
U. S. Agency for International Development
Office of Food for Peace
Fiscal Year 2019: Food for Peace Request for Applications (RFA)
Community Development Funds Development Food Security Activity (DFSA)

I. Introduction

The U.S. Agency for International Development's (USAID's) Office of Food for Peace (FFP) intends to award up to one cooperative agreement to sustainably improve food and nutrition security and resilience among ultra poor and chronically vulnerable households and communities in Malawi. The cooperative agreement will follow the Refine and Implement (R&I) approach. Please refer to the RFA for additional information on R&I for this application process and the "Frequently Asked Questions" document on the R&I process.

FFP envisions the forthcoming multi-year development food security activity (DFSA) will support the implementation of the Government of Malawi's (GoM) National Resilience Strategy 2018-2030 (NRS) which aims to break the cycle of food insecurity. USAID and other key donors have pledged support to the NRS. The strategy's four pillars include: (i) resilient agricultural growth, (ii) risk reduction, flood control and early warning and response systems, (iii) human capacity, livelihoods and social protection, and (iv) catchment protection and management.

FFP is looking for partners to present innovative, scalable and context-specific approaches to tackle food and nutrition insecurity. Activity designs should address context-specific key drivers of food and nutrition insecurity in alignment with NRS results and outcomes, and the FFP results framework. In addition, FFP is emphasizing the need to engage and collaborate with local officials and communities to foster ownership, commitment to results and long-term sustainability and therefore expects the activity design to reflect the consultative process. The DFSA will target the districts of Mangochi and Zomba, two NRS-focus districts, to achieve the goals, objectives and principles of the CSI.

Subject to availability, the anticipated funding for these DFSA is approximately $75 million of USAID Bureau for Food Security Community Development Funds (CDF) over a five year period. Applicants may request local and/or regional procurement of food commodities, cash transfers and/or vouchers. Over the course of the activity, the modality may be adjusted to suit market conditions (such a change may require Agreement Officer approval). FFP's development investment is intended to contribute to the achievement of USAID/Malawi's Country Development Cooperation Strategy (CDCS).

II. Country Context

Despite decades of development efforts, Malawi has made limited gains in poverty reduction over the 50 years since independence. Food insecurity is endemic, but more frequent in the

southern region compared to the central and northern regions of the country. Southern districts are usually affected by acute shocks such as dry spells, floods, and high staple purchase prices. Furthermore, the southern region is densely populated with farmers with small land holding sizes. The region has the highest environmental degradation due to pressure on land for cultivation and fuel. In most places, the soil nutrients have been exhausted due to many years of poor cultivation methods. Considering southern areas are typically deficit crop production areas, any slight change in the rainfall pattern affects them more. Due to inadequate diversification of food and income sources, populations in southern districts have not been resilient to shocks.

In the last ten years, the Government and its partners have been providing humanitarian responses every year. Climate predictions indicate that more frequent shocks and stresses will become the "New Normal" in Malawi. Many households, especially in southern Malawi, received humanitarian assistance over recent years, in response to drought and flooding, as well as wild fluctuations in staple food prices. As a result, most Malawians have become increasingly reliant on humanitarian aid. On average, 2.6 million people have required humanitarian assistance every year over the past five years.

The GoM has created multiple programs and policies and set up institutional frameworks to strengthen resilience, reduce poverty, and improve food and nutrition security. These include the Malawi Growth and Development Strategy (MGDS) III, NRS, Malawi National Social Support Program (MNSSP) II, the National Multi-Sector Nutrition Policy 2018-2022 (NMNP), the Farm Input Subsidy Program (FISP), National Agriculture Investment Plan (NAIP), Agriculture Sector Food and Nutrition Strategy (ASFNS) and the National Agricultural Nutrition Strategy (NANS) and the National Agricultural Extension Policy (NAEP). FFP is placing heavy emphasis on programs which sustainably build the GoM, district, and community capacity to implementing the NRS framework.

The Department of Disaster Management Affairs (DODMA) is the GoM agency responsible for developing and implementing the NRS. As the GoM rolls out the new NRS, the United Nations Development Program (UNDP) is assisting the GoM in finalizing the NRS Implementation Plan. Implementation will be across different Ministries and Departments of Agriculture, Social Protection, Health, Nutrition, Environment, and Natural Resources. The two plans cover coordination and collaboration at both national and district levels.

Factors Affecting Food and Nutrition Security

Poverty in Malawi is widespread and the country now has one of the lowest per capita incomes in the world. Recent poverty headcounts show that poverty in Malawi remained stagnant at more than 50 percent and actually increased in rural areas between 2004 and 2011. More than 7 out of 10 Malawians are below the international poverty line of $1.90\day and 51.5% and 20.1% of Malawians are considered moderately poor and ultra poor respectively using GoM metrics. In addition, an estimated 84% of Malawi's population depends either directly or indirectly on agriculture. Malawian farmers are heavily reliant on rain-fed

agriculture and continue to focus on a limited range of crops, many of which are intolerant to drought. An additional challenge to diversification includes over-emphasis on maize production, narrow consumption diets, and inadequate post-harvest and agro-processing facilities. Staple crop maize markets are often inefficient and are dominated by a limited number of actors who are able to set their own prices.

The majority of moderately poor and ultra poor individuals are heavily reliant on off-farm sources of income such as ganyu (casual labor), charcoal production, fetching and/or selling firewood. Both men and women rely on ganyu labor for household income. In 2017, 42% of all households engaged in ganyu labor and most districts saw an increase in ganyu participation from 2011 to 2016. While ganyu is a primary coping mechanism, its low wages and in-kind nature can also contribute to the vicious cycle of poverty in Malawi. Many of the poor and ultra poor have limited or no asset holdings including livestock; this is partially due to the fact that asset liquidation is a common coping mechanism. For Malawian youth, more than 8 out of 10 youth are engaged in an informal sector activity.

Increasing shocks are contributing to the rising need for humanitarian assistance in recent years. In the last few years, Malawi has faced historic flooding (in 2015) and the strongest El Niño induced drought in 25 years (in 2016). In the last two farming seasons, Malawi has experienced an invasion of fall armyworm which has predominantly attacked maize, the major staple crop, at the vegetative stage. The effects of these successive and compounding events have resulted in two consecutive poor harvests.

Despite stagnant poverty reduction and continuing food access and availability challenges, one bright spot for Malawi is an overall improvement in nutrition. Comparing the two most recent Demographic and Health Survey (DHS) from 2011 to 2016, stunting has decreased by over 20 percent across the country, with some districts witnessing stunting reductions by over 40%.[1] According to the Jan/Feb 2018 Standardized Monitoring and Assessment of Relief and Transitions (SMART) Survey, the prevalence of global acute malnutrition was acceptable as per the World Health Organization standards (<5%). It is not yet clear which key factors have led to these improvements, but over the past decade, the GoM has established and committed to the Scaling Up Nutrition (SUN) framework at the district, area, and village level.

Despite the successes, challenges remain. Although stunting has declined, behaviors to improve hygiene such as handwashing with soap or increasing dietary diversity for infants and young children have not improved. Gender-based violence remains prevalent in the activity area. In addition, gender inequality remains a major obstacle to improved food and nutrition security with Malawi ranking 145th out of 150 on the Gender Inequality Index.

Underlying these challenges are constraints in the governance system to invest in a meritocratic and capable bureaucracy, and to coordinate public and private actors to implement systematic measures to prevent, rather than react to, food insecurity. Government

[1] National Statistical Office - NSO/Malawi and ICF. 2017. Malawi Demographic and Health Survey 2015-16.

capacity to implement activities is hampered by low budgetary allocation and staffing. The GoM does not allocate sufficient funds to implement mitigation activities. Government district offices are usually understaffed and overwhelmed. In some districts, there is poor communication and collaboration between the implementing partners and the district governments.

Past FFP experience

From March to April 2017, USAID FFP commissioned a Joint Mid-term Review[2] of the two development food assistance programs in Southern Malawi, with teams composed of USAID FFP, USAID Malawi, implementing partner and independent consultant staff. Several findings were applicable to both programs and are relevant for future FFP programming. The findings and recommendations can be grouped into three overarching, relevant thematic areas,[3] which applicants must address as they relate to design of programs to align with the Malawi NRS:

1) Program Quality: Activities were heavily focused on meeting training targets across all areas of the projects, but actual strengthening of capacities of local actors may not have been achieved. For example, within one project, the JMTR found that trainings provided by service providers enlisted to ensure program quality, e.g. Care Group Promoters, Lead Farmers and other actors, had little or no follow-up after the project. The JMTR recommended greater investment in post-training monitoring, tailored support, regular quality checks, and modules which explicitly included adult learning techniques.

2) Sustainable Impact: Activities lacked a strategic vision of what may be required to sustain project impact after close out. Specifically, under one project, there was a notable absence of stakeholder-owned and driven local economic development plans at the Traditional Authority (TA) level which linked to community needs, TA comparative economic advantages, and business opportunities. The JMTR recommended the project make greater emphasis in supporting these plans before the end of the project with greater ["bottom-up"] engagement of community structures, namely Village Development Committees, Area Development Committees, Village Nutrition Coordination Committee, and Area Nutrition Coordinating Committee, among others.

3) Using Food Strategically: While approaches varied, both the activities distributed food to project participants to prevent chronic malnutrition in the first 1,000 days and to create assets for communities targeting the most vulnerable, e.g. via food for work. FFP development food assistance (in-kind food aid) took place in a context where World Food Program was also providing food assistance to select households identified by the

[2] Joint Mid-Term Review of the UBALE and Njira Projects: Summary Report (June 2017). The report is available from the Development Experience Clearinghouse at: https://pdf.usaid.gov/pdf_docs/PA00N4TH.pdf

[3] Note: this list is not exhaustive, but highlights several key findings which were instructive in constructing this CSI document.

MVAC. Given the history of food assistance in Malawi, the JMTR was concerned with projects reinforcing expectations of handouts by NGOs, as well as concerns with participants' attention being diverted away from the messages promoted by the projects. The JMTR urged the projects to consider shifting in-kind food distribution to other food assistance modalities to support other components of the projects and support existing markets.

III. FFP Goals and Priorities

FFP's goal for the Malawi DFSA is to sustainably improve food and nutrition security and resilience capacities of the ultra-poor and most vulnerable communities. The desired high-level outcomes of this DFSA are:

- Measurable reduction in the number of chronically food and nutrition insecure households

- Enhanced capacity of local and national governance structures to implement resilience-focused policies and actions

The NRS is a new plan developed collaboratively by local and district level communities, the national government, as well as international donors including USAID. FFP expects applicants to tailor this DFSA to support the GoM's implementation of the NRS. Applicants are expected to prioritize and propose interventions that achieve the above-mentioned goal and outcomes. Applicants must explicitly link proposed intervention(s) to specific NRS pillar(s) and/or sub-pillar(s).

FFP activities will <u>not</u> support all sub-pillars due to FFP's mandate and comparative advantage of other actors. *The components of the NRS that FFP DFSA activities will <u>not</u> support include: under Pillar 1: ADMARC reforms and grain export processing, strategic grain reserve and Farm Input Subsidy Program; under Pillar 2: MVAC emergency assessments, targeting and response, strengthening inter-ministerial systems to manage contingency planning, EWS and response (community early warning systems activities will be considered); under Pillar 3: planning for managed urban migration (this exclusion does not encompass rural-urban linkages as noted in Pillar 4), school meals; and under Pillar 4: sustainable energy, including rural electrification and biomass energy.*

Data suggests there is diversity across and within the two districts[4] and therefore the needs for the targeted population in each district may vary, and the selection of pillars and package interventions should reflect this variable context. In some districts, for example, agriculture composes a smaller percentage of household income than in others, and thus activities focusing solely on agricultural productivity may be insufficient in improving household incomes

[4] FEWS Livelihood Baseline profiles. https://fews.net/sites/default/files/documents/reports/Malawi-livelihood-baseline-profiles.pdf

and food security. For instance, markets and access to them are key factors in individuals' and communities' dietary diversity and their ability to prepare for, mitigate, and adapt to shocks. Applicants are expected to make a case for which combination of sub-components of specific pillars are most needed and appropriate for programming. Applicants are expected to carry out appropriate assessments and analyses at the national, district and community levels to determine the most appropriate strategies to achieve the goals of the activity to validate the selected approach in their application.

As part of the monitoring, evaluation, and learning process, USAID will separately fund a third party to conduct an impact evaluation, possibly using an experimental method, to assess the impact of each activity in comparison to a control group. By submitting an application for this RFA, applicants agree to partner with and assist a research institution of USAID's choice in the implementation of the impact evaluation, including potentially randomizing implementation villages. Because the impact evaluation for this DFSA may be designed as a randomized control trial, the applicant should be prepared to propose double the number of target villages in order to allow for randomization if that determination is made.

IV. Activity Principles

In addition to the programming principles outlined in the RFA, the activity principles below should also inform the design and implementation of the DFSA. **Applicant's technical approach score will consider how well the proposed interventions align with the programming and activity principles.**

- **Targeting.** Proposed interventions must be based on the multi-dimensional needs of the selected local populations. This requires first demonstrating an understanding of the target households, their livelihood groups, strengths, priorities, shocks and stresses, and needs - and working with the households to achieve and sustain food and nutrition security outcomes in the face of shocks and stresses. Applications are therefore expected to analyze the context of the specific districts of operation - and based on this, identify the priority capacities and needs to develop programs specific to that context and the targeted populations. Lessons learned in Malawi suggest that projects were not always designed to address the needs of the ultra-poor. For instance, income generation/livelihood targeting prioritized individuals who were willing and able to participate in agriculture-based livelihood activities while excluding others who depended on other livelihood strategies such as ganyu. It is recommended that projects categorize the livelihood strategies of focal populations and ensure that livelihood groups, especially the ultra-poor, are not excluded. In addition to the targeting guidance in the RFA, applicants must utilize the Government of Malawi's Universal Beneficiary Registry (UBR) as a starting basis for identifying and targeting participants. Context analysis mapping should propose intervention areas and activity layering at the district, traditional authority and group village headman levels.

- **Encourage innovative and Malawi-tailored approaches.** Applicants are encouraged to present interventions, approaches, and initiatives that depart from business as usual and avoid the beneficiary dependency and distortion of incentives. The innovations should work to strengthen government institutions, civil society, and/or private sector actors to adopt effective and accountable resilience development practices. And in response to the World Bank study on How (Not) To Fix Problems That Matter: Assessing and Responding to Malawi's History of Institutional Reform, FFP encourages applicants to present approaches that address Malawi's unique challenges and factors that contribute to the lack of resilience and food and nutrition security. The DFSA implementing partner will work with the GoM to test and demonstrate new innovative and impactful approaches and build the capacity of GoM counterparts who can later replicate and scale up DFSA activities on their own under the NRS in other non-DFSA districts alone or with support from other donors.

- **Considerations from Recent Malawi Reviews on Social and Behavior Change: Approaches, Quality and Prioritization of Behavior**. FFP's JMTR and a recent FANTA project[5] review of FFP DFSAs to examine social and behavior change (SBC) approaches and methodologies revealed several key findings which inform how SBC could be strengthened in Malawi DFSA programming. Both the JMTR and FANTA review showed that FFP DFSAs were limited strategically in how they addressed SBC. Within the DFSAs there has been a preference for provision of information through interpersonal communication which was observed as being limited in quality, especially at the community level. Specifically, the mother leaders and promoters within Care Group activities emphasized message delivery over engaging people in a process of learning with a notable lack of probing questions and limited supervisory support in *how* to facilitate group discussions and dialogue. Projects also focused on too many behaviors (more than 20 in both projects), sacrificing quality for quantity, making it difficult to develop creative and comprehensive SBC strategies. Despite the challenges, both the FANTA review and the JMTR applauded promising approaches such as gender dialogues, grandparents groups and community drama, but felt that these activities started too late or were not taken to adequate scale to have an impact. USAID/Malawi and FFP also recognize that in order to make progress towards achieving the overall goal of the DFSA, applicants will need to ensure coordination with USAID's other partners such as Tiwalere II to ensure coordinated SBC approaches and methods are used.

- **Work with/within relevant government institutions at multiple levels, civil society structures, and market systems.** Building government systems and capacity as well as improving markets and market access to amplify results are critical to increasing sustainability**.** FFP anticipates activities will strategically and operationally work in line with the pertinent systems - including DODMA at the national level, district councils

[5] FANTA Project. Landscape Review of SBC in Food for Peace Programs.

and the targeted communities - and policies[6] that support the NRS. Applicants should consider the district Socio-Economic Profiles (SEPs) and describe how programming intends to link to multi-sectoral plans such as district, area and village development plans. Proposed market-based activities should analyze the balance between supply and demand and the impact of a cash injection, if applicable. Applicants should reference the Famine Early Warning Systems Network Enhanced Market Analysis to support the design of the DFSA.

- **Collaborate with and leverage ongoing initiatives to maximize impact.** The FFP Malawi DFSA will not be a stand-alone activity. The new Malawi DFSA will leverage and layer interventions to enable participants to maximize their learning to sustainably achieve food security outcomes. With Mission programs and several development actors working in the target districts, it is imperative that this activity does not duplicate or undermine ongoing efforts. In demonstrating an understanding of the context, applications should include a strategy that identifies opportunities and entry points for strategic collaboration with other resilience actors - and an approach to integrating with other USAID supported activities. The awardee will be expected to actively integrate activities with relevant USAID/Malawi Mission activities and other development partners. The strategy should be prepared to adapt information sharing and learning from other USAID Mission activities that can help inform DFSA. The successful applicant will also partner with the other donor investments which are assisting to implement the NRS. Ongoing activities in the targeted region include, but are not limited to the following (collaboration is expected if there are opportunities to leverage impact with the activities that the applicants propose):
    - The Local Government Accountability and Performance Program (LGAP) in Blantyre, Balaka and Zomba district, ending in 2021, supports a broad range of decentralization efforts at national and local levels. A major objective of LGAP is to improve government accountability and effectiveness. Given similar alignment with the stated expected outcomes for the new FFP DFSA, applicants should find ways to leverage and build upon LGAP efforts, where feasible.
    - The FTF Strengthening Agriculture and Nutrition Extension Services Activity in Blantyre, Mangochi, and Balaka will wrap up in 2020 as DFSA programs will begin refine and implement efforts. The main objective of this activity is to improve access to quality agricultural and nutrition extension services. Applicants should describe how the proposed DFSA will capitalize on lessons learned, where appropriate.
    - Tiwalere 2, a nutrition, food security and WASH project, will continue until July 2021 and is located in Mangochi and Balaka Districts, with the stated goal to improve nutritional status of children under five, pregnant and lactating women and adolescent girls. Should applicants propose any similar approaches, applicants must consider how to harmonize with, complement and build upon

[6] National Agriculture Investment Plan, National Multi-Sector Nutrition Policy, National Social Protection Policy, National Climate Change Management Policy, Malawi Growth and Development Strategy

Tiwalere 2 programming lessons, while avoiding duplication in the same geographic areas.

- The ONSE Health project will operate until November 2021 in potential overlapping districts of Mangochi, Balaka and Zomba. ONSE is focused on supporting GOM efforts to improve access to reproductive, maternal, newborn and child health, WASH and nutrition services, strengthen district health systems and increase community demand for priority services. Where appropriate, DFSA applicants should avoid duplicating ONSE's efforts in the four priority technical areas of family planning, MNCH, malaria and WASH.
- Continuing until September 2021, the Health Communication for Life (HCFL) project is nationwide and is contributing to Malawi's efforts to strengthen health systems to increase health service uptake and change behaviors for better health outcomes. HCFL is focused on SBC for the Ministry of Health Essential Health Package. Where feasible, applicants should forge linkages and build on lessons learned from HCFL.
- World Bank's 14-year Shire Transformation Program is investing in irrigation and associated services during the first five years in Chikwawa and Nsanje districts. The World Bank program will lead to agriculture commercialization and also cover natural resource management, land tenure and domestic water supply.
- At the writing of the CSI, the World Bank is planning an Investing in Early Years (IEY) for Growth and Productivity project in the districts of Mangochi and Zomba which may potentially overlap with the DFSA. The IEY project will focus on enhancing child development from pregnancy to 59 months, linking early child development with community based nutrition. The DFSA should seek to avoid duplication and complement such activities.
- FFP supports shock responsive elements of the NRS and expects the DFSA to work with FFP-funded emergency response efforts in order to protect development gains and investments.

V. Key Personnel

In addition to the responsibilities outlined in the RFA, FFP expects the Monitoring and Evaluation Lead and Strategic Learning Lead to work closely with DODMA in the coordination of monitoring, evaluation and learning of NRS activities. This includes contributing to the development of the NRS monitoring, evaluation and learning strategy and its implementation, providing input on monitoring reports and participating in joint learning visits.

In addition to the key personnel listed in the RFA, applications for Malawi should include:

- A Government Resilience Coordinator as key personnel. The Government Resilience Coordinator will be assigned to support NRS implementation at the national level. In alignment with the goal and expected outcomes of the DFSA, the Government Resilience Coordinator will be expected work in coordination with the Department of

Disaster Management Affairs to determine the priority policy issues it will address. The Government Resilience Coordinator is responsible for implementing the DFSA's approach/strategy, coordinating donor investments and transferring learning from USAID/FFP to the GoM/DODMA and the donor community on a real-time basis and vice versa. S/he will be embedded within the Department of Disaster Management Affairs. PhD or Master's Degree (or equivalent) is required in economics, natural resource management, community development, public/business administration, international relations, political sciences or related field combined with relevant experience working with the GoM, strategy formulation and coordination. Strong skills/knowledge of government processes, climate variability and disasters risk management, community land rights, management, conservation and development, national policies on food security, disasters mitigation, agriculture development and poverty reduction preferred. In addition to the required documentation listed in the RFA annex, the curriculum vitae and letter of commitment for the Government Resilience Coordinator must be uploaded to Food for Peace Management Information System (FFPMIS).