

Australian Aid in Africa

Lessons from Malawi



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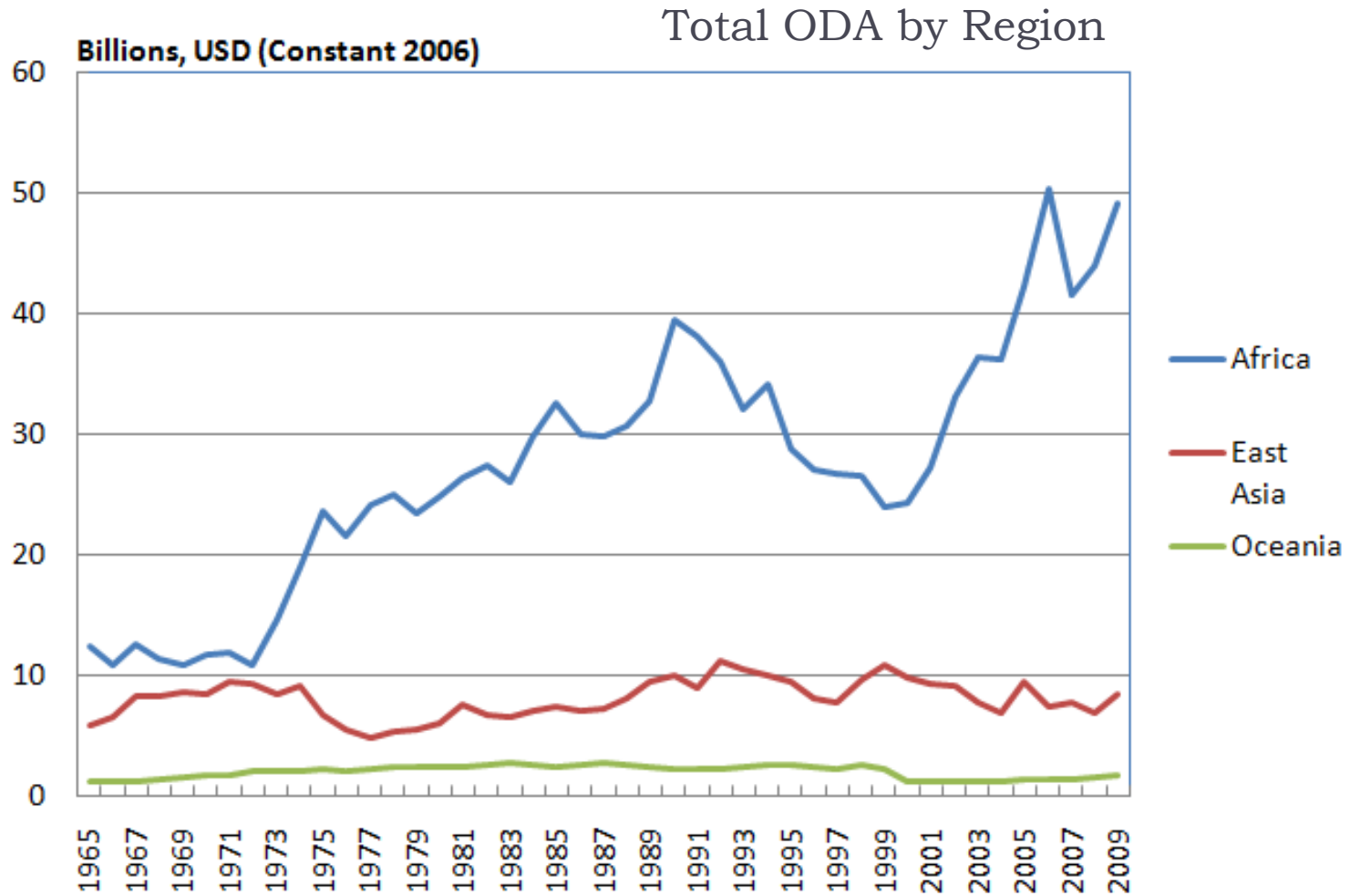


Overview

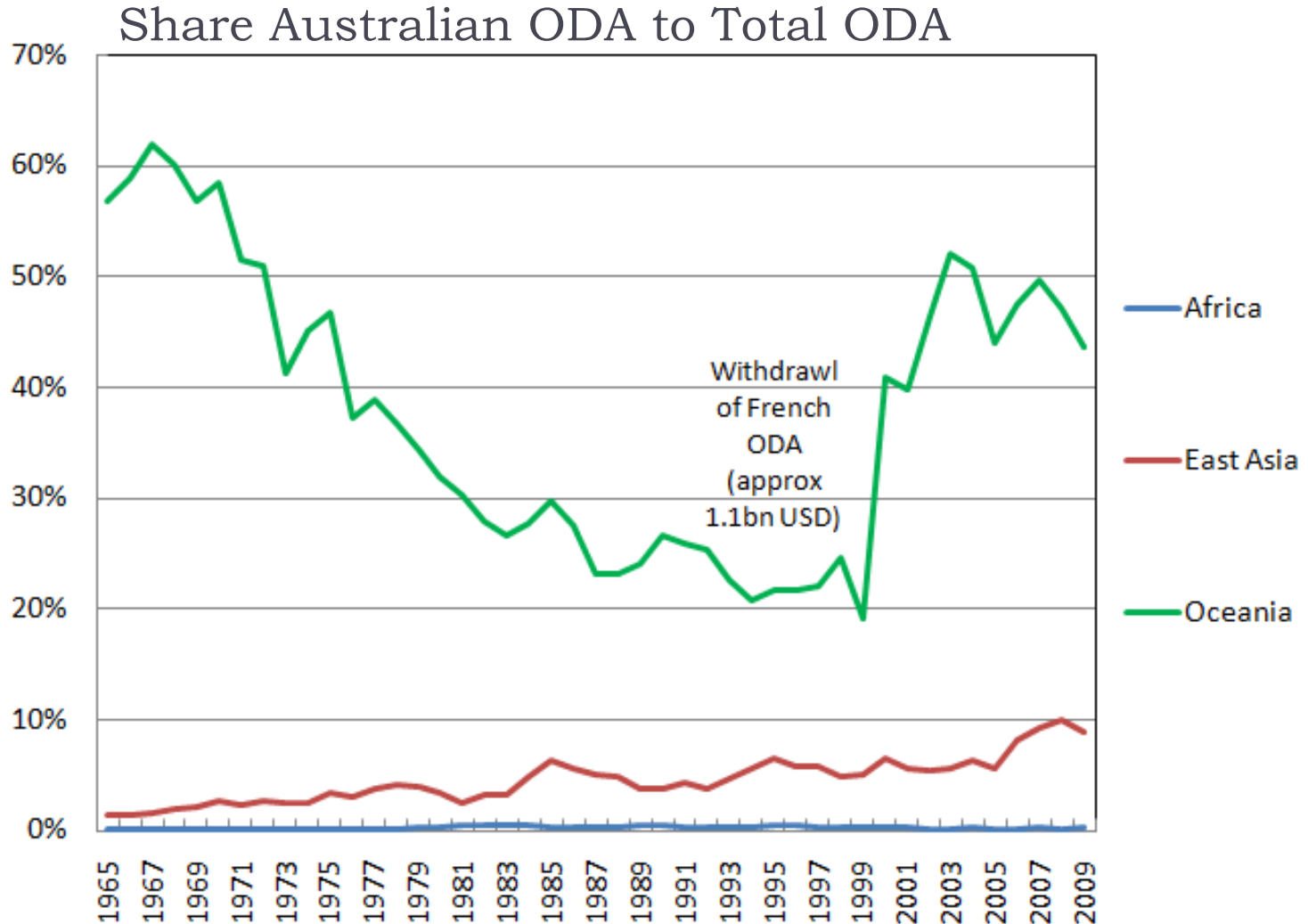
- ▶ Australian Aid to Africa in Context
- ▶ Australia's *Strategic Approach* to African Aid
- ▶ How well are Australia's Strategic Principles being applied in Malawi?
- ▶ What can we do better?
- ▶ Conclusions



Aid to Africa is increasing rapidly...



...but Australia's contribution is very small.



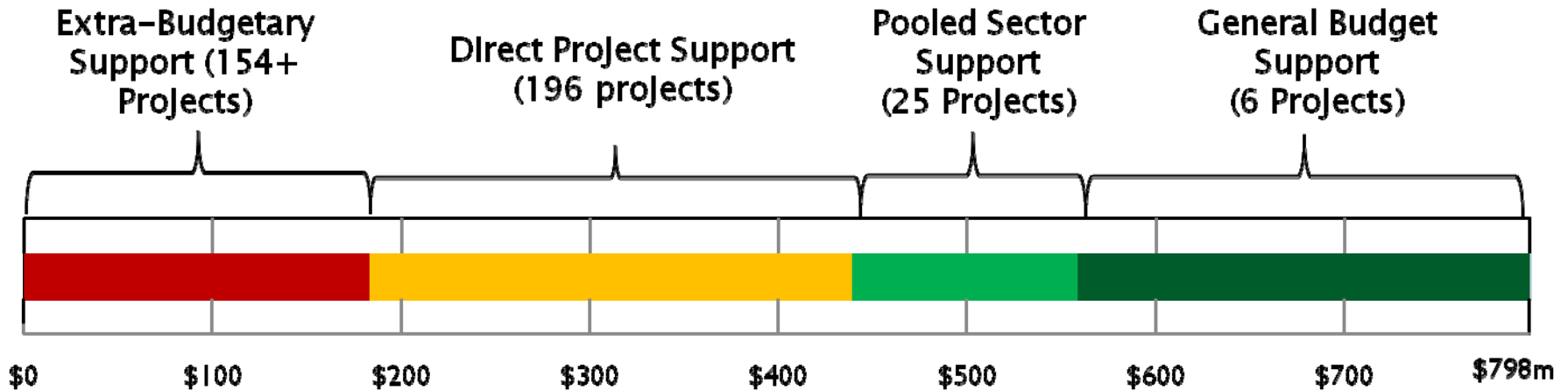
...AusAID has responded with its 'Strategic Approach' to African Aid.

- ▶ Geographic focus on sub-regions and few partner countries;
- ▶ Target one or two sectors in each sub-region;
- ▶ Focus on delivering aid with local institutions and forming partnerships;
- ▶ Support partner country priorities through existing programmes of support.

How well are these principles being applied in Malawi?



Malawi is highly aid dependant with a vast portfolio of aid projects...



- 28 Donors

- 398 Projects

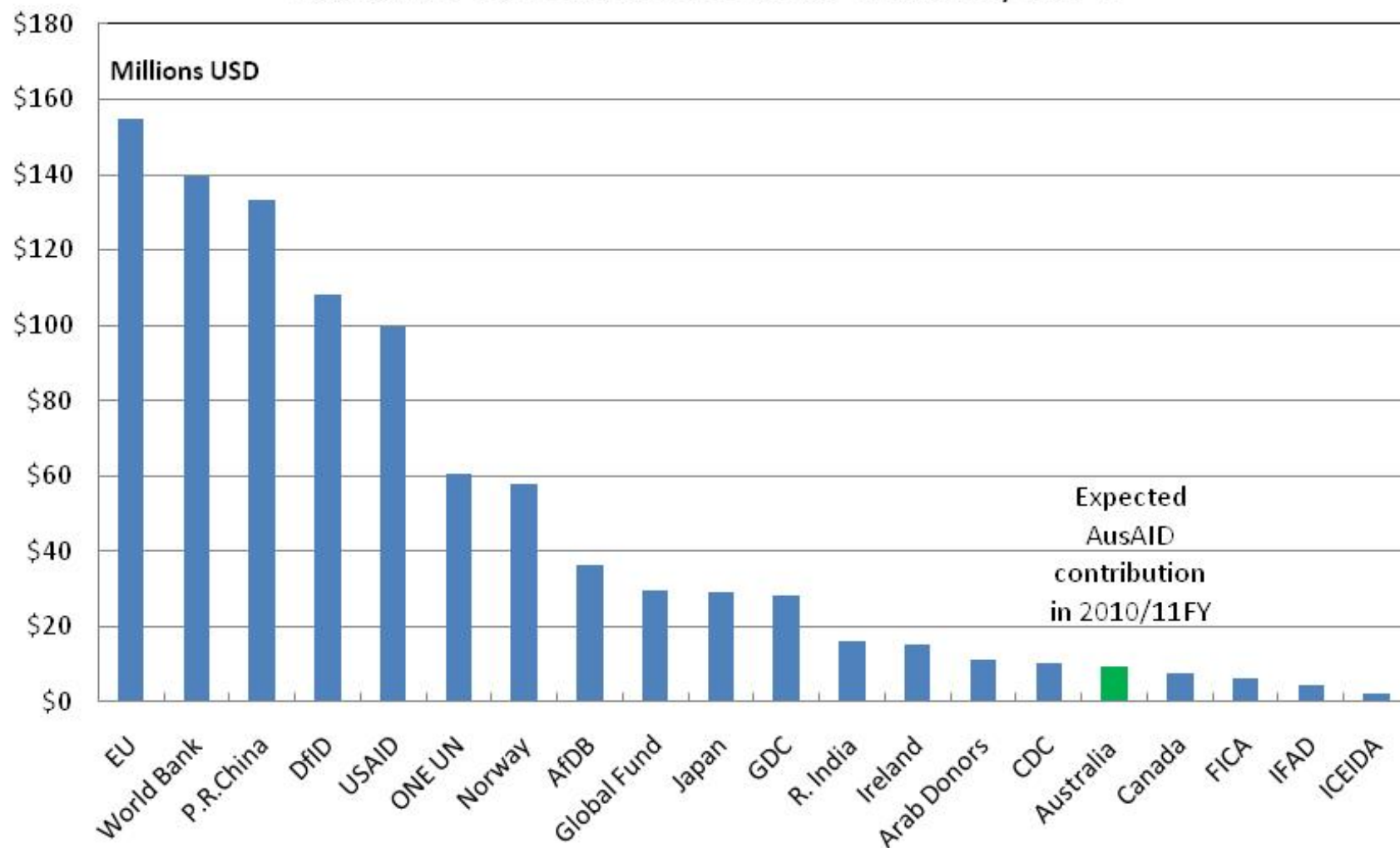
- \$US798 million

- 12% of GDP

- 40% of Budget

...Australia is expected to add 1-2% to the size of this aid portfolio

Malawi Aid Disbursements in 2009/10FY





...but funds being leveraged by partnering with existing donor programmes.

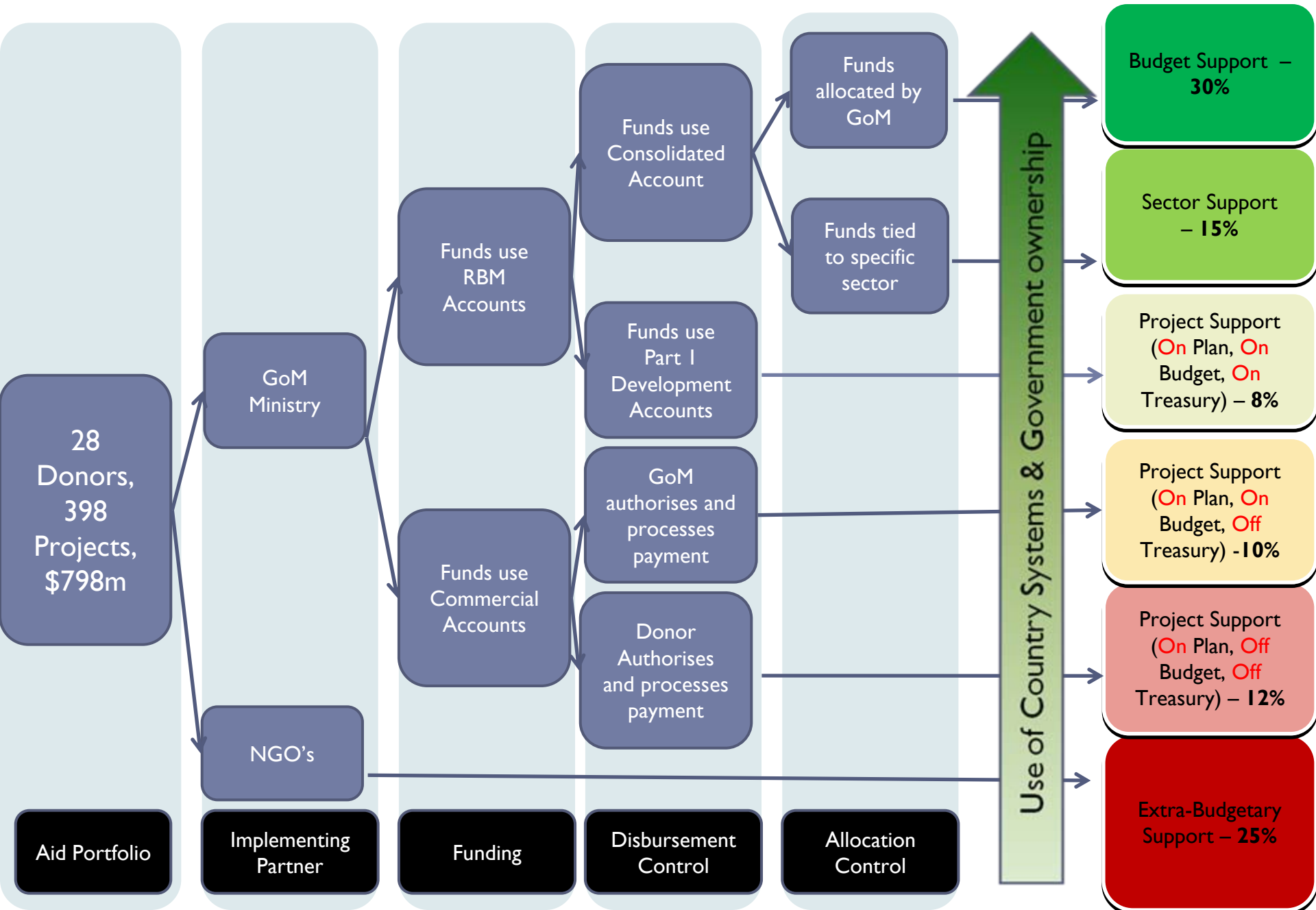
Number of Donor Projects by Sector – 2009/10FY

	USAID	UNDP	DfID	Norway	EU	FAO	Japan	GDC	Ireland	W/HO	CDC	World Bank	UNICEF	UNAIDS	AfDB	FICA	Canada	ICEIDA	UNIDO	Global Fund	P.R.China	UNHCR	IFAD	R. India	UNFPA	UNESCO	WFP	Arab Donors	Australia	Total	
Health	28	3	6	8	2	2	1	6		12	11		2	10	1	1	1	2		4		1		1	3					105	
Agriculture	7	1	2	6	7	25	4		6			1			1	7		1	3			1								69	
Economic Governance		6	4	7	9		3	3	1			2	2		1		1													39	
Education	7		7				3	2	1			1	2		2		3	1			1			1	1	1				33	
Democratic Governance	2	8	6	3	2			4	4												1	3								33	
Water, Sanitation and Irrigation	3		2				4					2	2	3	1		1										1	1	20		
Vulnerability, Disaster and Risk Management	1	3	7				1		2				1													2				17	
Environment, Lands and Natural Resources	1	3		5	1		3					1													2					16	
Gender, Youth and Sports	1	4		4									2	1	1		1	1													15
Integrated Rural Development	1	2			3	1	1															2									13
Roads, Works and Transport			1		8		1																				1				13
Trade, Industry and Private Sector Development	4	4	1																					1							11
Tourism, Wildlife and Culture				3																	1										4
Energy and Mining		1					1												1												2
ICT and R&D		1										1																			2
Public Administration		1																													1
Total	55	37	36	36	32	28	22	16	14	12	11	11	11	11	10	9	6	6	5	4	4	4	3	3	3	3	3	2	1	398	

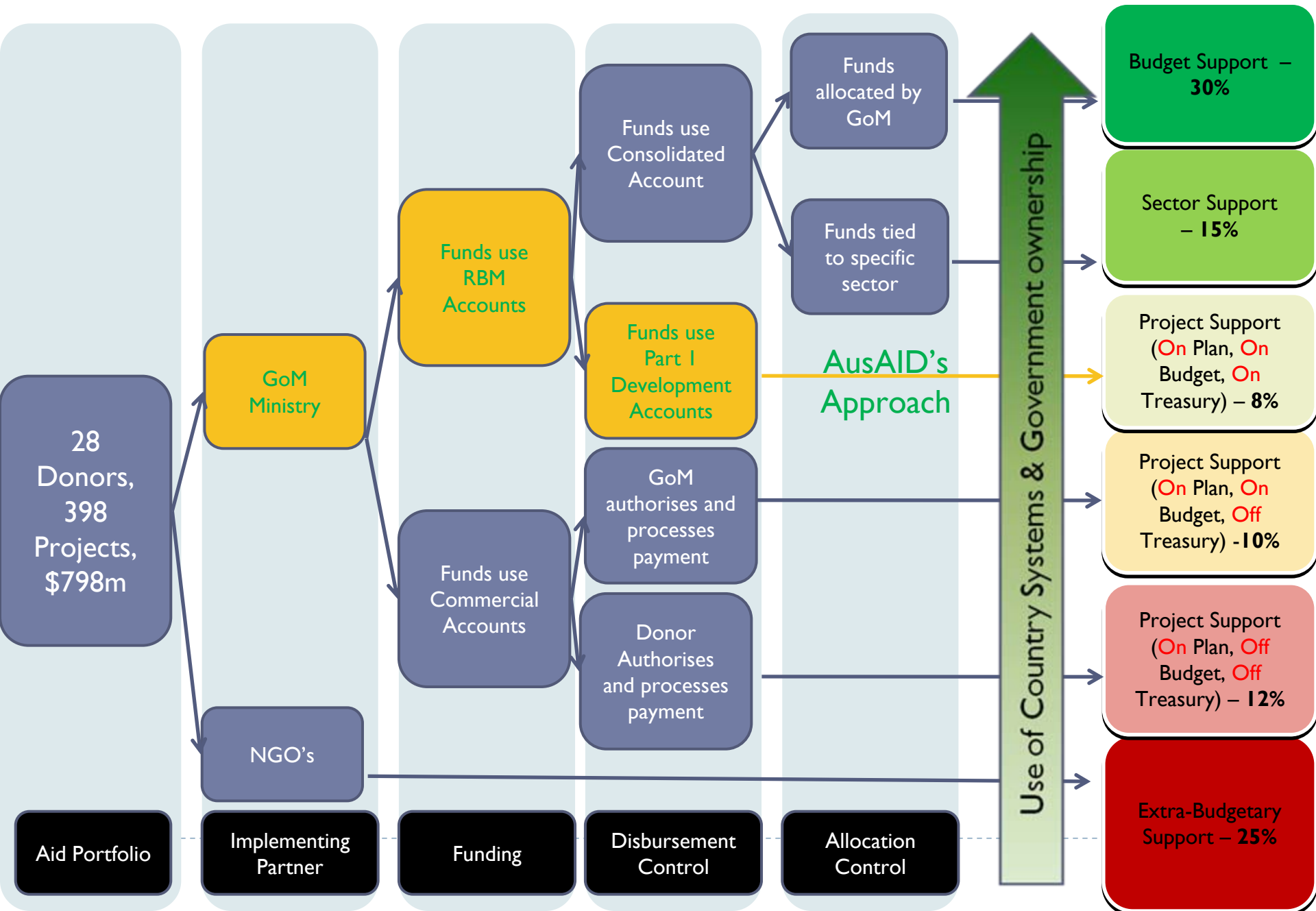
National Water Development Programme



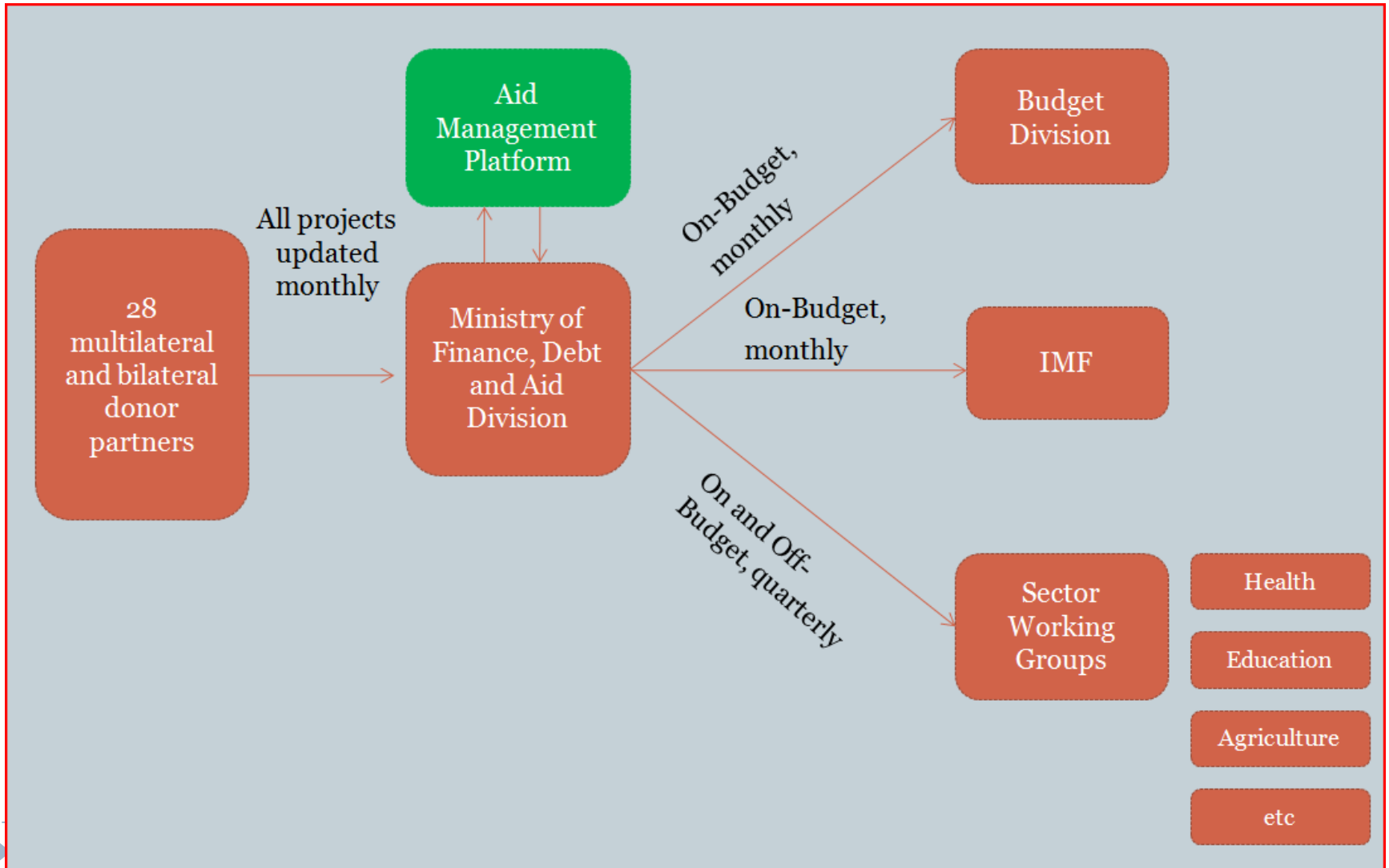
Use of Budget systems is also important...



...& AusAID has done a reasonable job.



Linkages with Government can be further strengthened through utilising AIMS...

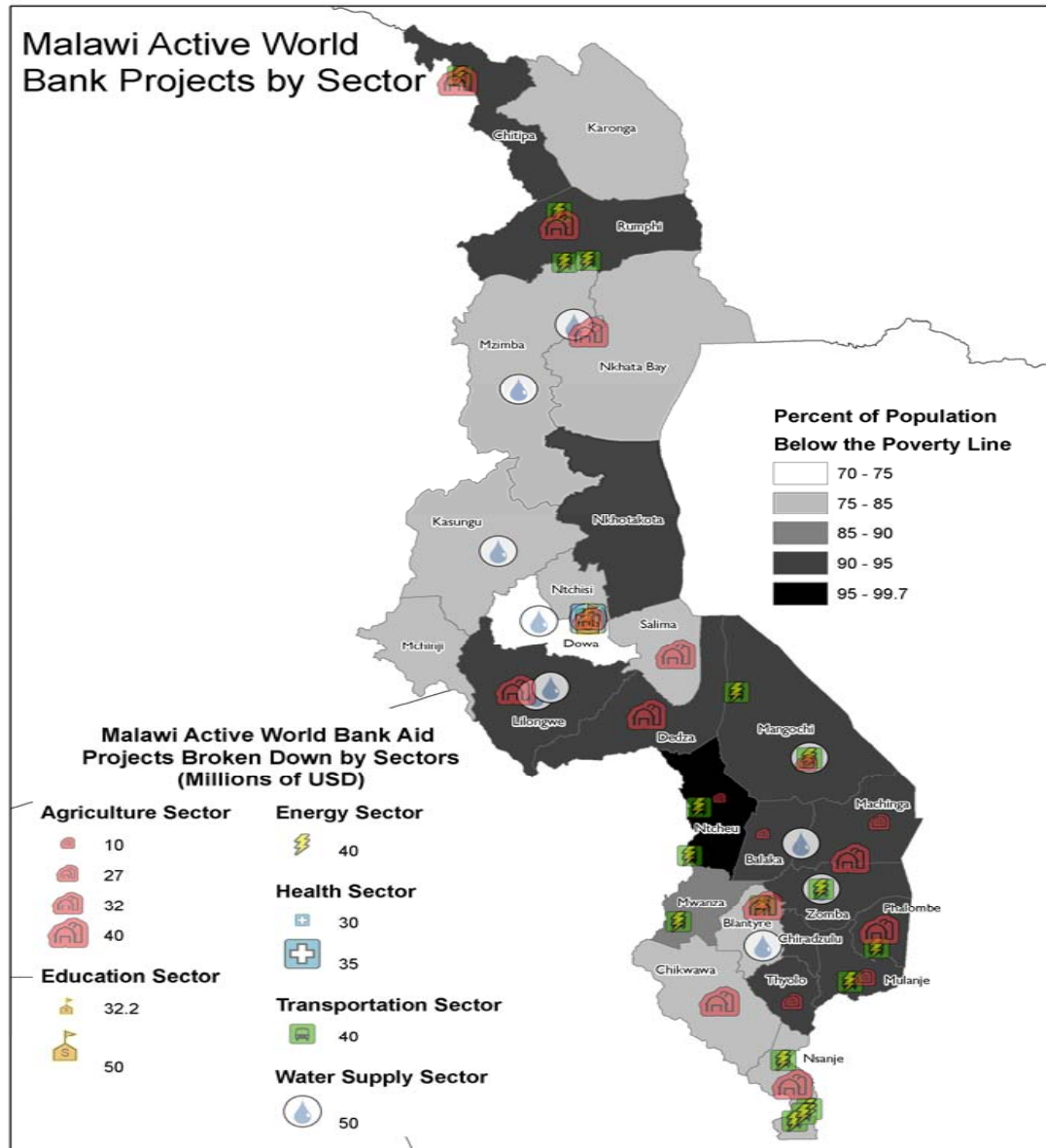


...which offer opportunities for managing projects without in-country staff.

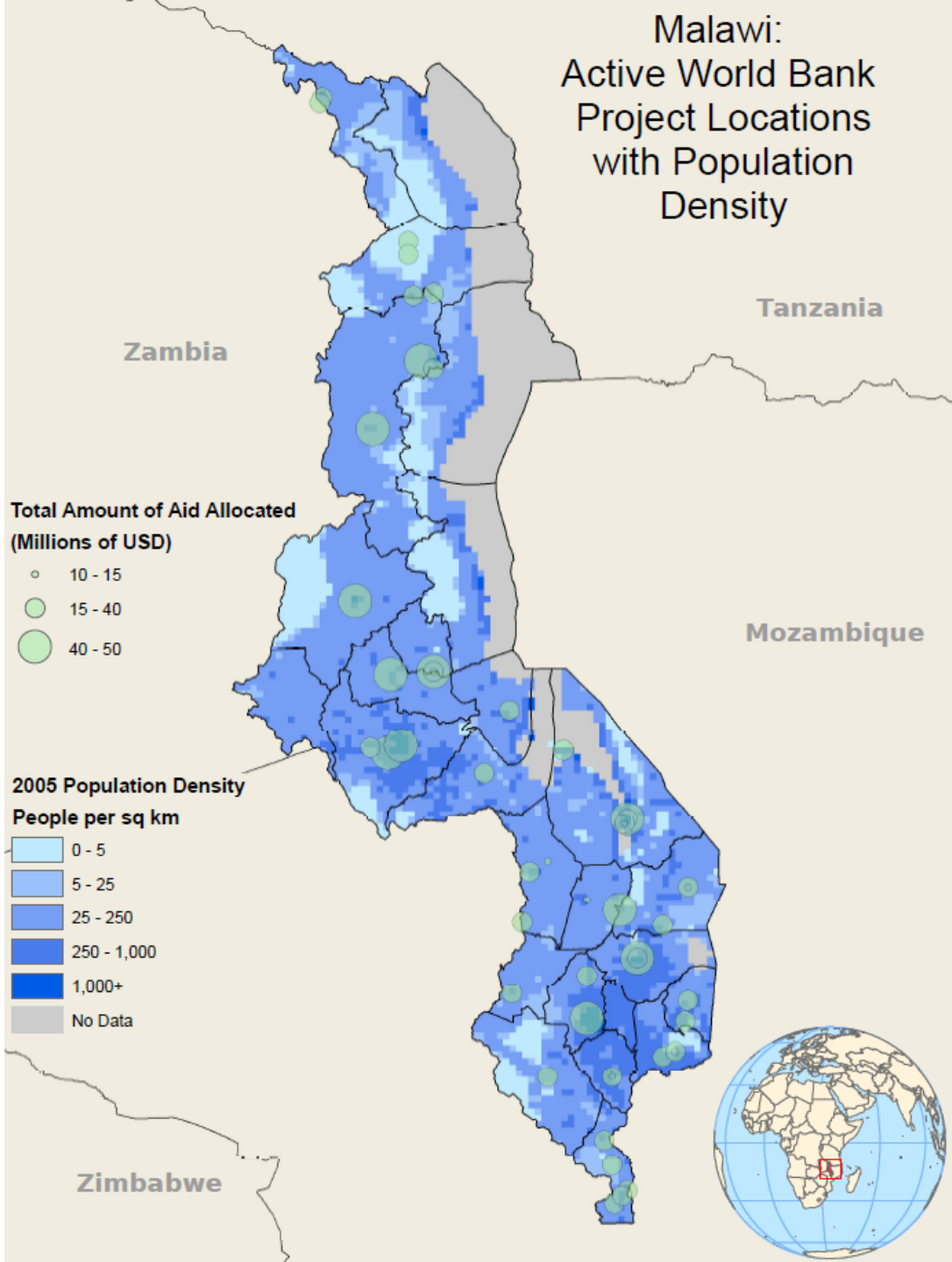
- ▶ Tracking financial and project performance of all other activities in the country;
 - ▶ Improve Harmonisation and Coordination.
- ▶ Obtaining and reviewing project documentation;
- ▶ Sharing M&E reports with all of government;
- ▶ Keeping Government (and other stakeholders) updated of planned and actual disbursements and project performance.



... including new district level mapping



Malawi: Active World Bank Project Locations with Population Density



Can also map against...

- Infant Mortality
- Crop production
- Climate vulnerability
- Household income
- Population
- Schooling

Track money flows to districts based on...

- Sectors
- Donors
- Modalities
- NGO's

Future potential for community feedback mechanisms to be built in to the system





Conclusion

- ▶ AusAID Africa – small fish, big pond.
- ▶ AusAID has articulated a ‘Strategic Approach’ to how it should operate.
 - ▶ In Malawi, it has done a relatively good job of applying these principles.
- ▶ ... ‘Strategic Approach’ should leverage more off developments being made across Africa in country led aid management systems.
 - ▶ These systems can help to overcome the ‘tyranny of distance’.
- ▶ Australia’s small programme size gives it a strategic advantage to be a leader in supporting these initiatives and incorporating them into its own systems.

