

The Department for International Development (DFID) leads the UK's global efforts to end extreme poverty, deliver the Global Goals for Sustainable Development (SDGs) and tackle a wide range of global development challenges. The UK's focus and international leadership on economic development is a vital part of Global Britain - harnessing the potential of new trade relationships, creating jobs and channelling investment to the world's poorest countries. Throughout history, sustained, job-creating growth has played the greatest role in lifting huge numbers of people out of grinding poverty. This is what developing countries want and is what the international system needs to help deliver. Whilst there is an urgent need for traditional aid in many parts of the world, ultimately economic development is how we will achieve the Global Goals and help countries move beyond the need for aid.

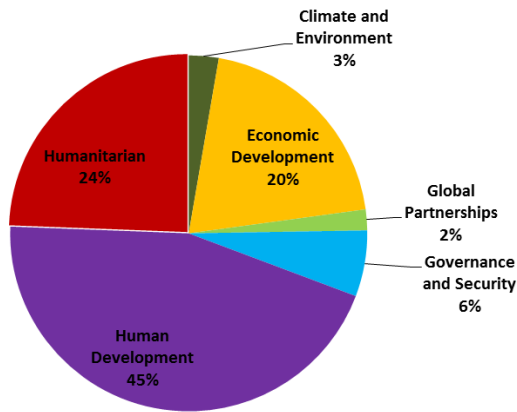
Planned Budget for 2017/18

£80m

Planned Budget for 2018/19

£80m

**Sector breakdown of 2017/18 bilateral plans**



**Top 3 planned spending programmes in 2017/18 (as at June 2017)**

Malawi Humanitarian Preparedness and Response Programme	£23.6m
Malawi Health Sector Support Programme	£14.1m
Support to Family Planning in Malawi	£11m

**Contribution to the Global Goals and other government commitments (achieved as at March 2017)\***

**234 thousand** children supported to gain a decent education

**315 thousand** people with sustainable access to clean water and/or sanitation

**354 thousand** children under 5, women and adolescent girls reached through nutrition related interventions

**100 thousand** additional women and girls using modern methods of family planning

**Headline deliverables**

- Building resilience to crises:** By 2020, we will support Malawi to break the yearly cycle of hunger and humanitarian crises that threatens the lives and livelihoods of over 6 million people. We work to ensure the government of Malawi reforms to improve food security, including reforming its maize markets. We leverage greater results through the United Nations (UN) and International Financial Institutions.
- Women and girls:** We are prioritising the poorest and most vulnerable, including girls and women and those living with disabilities. By 2020 the UK's work to tackle violence against women and girls will have led to fewer women and girls suffering from violence and improved support services for victims. We work to protect those at particular risk of abuse.
- Building institutions and economic development:** UK aid investments, UK partnerships and UK political influence combine to support greater transparency and accountability, tackle corruption head on, and focus on stronger growth and trade, jobs and incomes especially through agribusiness.

**Why DFID is investing in Malawi**

UK aid has a demonstrable impact and is highly cost effective. Millions of Malawians live with poor incomes and job opportunities, ill health and illiteracy. In the last 5 years, UK aid has played a significant role in improving health outcomes in Malawi, nearly halving child mortality and bringing down the average number of children per family from 6 to 4. The country is increasingly prone to droughts and floods leaving millions

\* Results less than 1 million are rounded to the nearest thousand. Results over 1 million are rounded to the nearest hundred thousand

hungry. UK aid works to prevent the escalation of costly humanitarian crises, including hunger and disease.

Malawi's relative stability is an asset but cannot be taken for granted. By 2030, Malawi's population will have doubled to 30 million, with one of the highest population densities in the world. Pressure on land and services combines with climate-change related droughts and floods, poor governance, and a lack of economic opportunities to threaten stability. Instability threatens British interests in Tanzania, South Africa and the wider region, and the UK's prospects for increased trade and investment.

A combined UK government approach in Malawi drives reform and returns for the UK. The UK has a long, important history in Malawi, including through the Commonwealth. We use our strong connections and partnerships for influence, to steer a better, faster pathway out of poverty for the country, and to maximise trade and other partnerships with the UK.

### **How will the UK respond to opportunities and challenges?**

We integrate and coordinate the UK's development investments in Malawi, to maximise the impact UK Aid has for the poorest, and for the country's progress out of extreme poverty. We support the long-term changes in institutions, transparency and accountability needed for stability and prosperity. We address the immediate, specific governance challenges necessary to improve service delivery and open up space for economic development and investment. An example is our work to push and support Malawi to take action on its overreliance on maize, volatile prices, and unpredictable markets and export bans. We take an approach that focuses on the most important underlying problems preventing progress. We learn and adapt interventions to ensure we stop doing things that don't work and invest further in activities and partnerships that deliver significant results. Across the portfolio, we will free up space for greater policy engagement and UK influencing.

### **What is being achieved for the UK?**

We are working to develop a frank and constructive partnership between the UK and a stable, democratic Commonwealth country, that has freedom of expression, is an ally on foreign policy and one which looks to the UK for leadership. In the UK, there is strong public and parliamentary interest, including within the devolved administrations. Scotland has historical ties to Malawi and many Scottish individuals and organisations provide support, some funded by Scottish Government. UK investment, including through CDC, positions Malawi to strengthen its economy and contribute as a partner for increased UK trade and investment.

### **Partners**

- To help manage the risks to operating in Malawi and provide a good return on UK funds, we use a mix of delivery channels including multilateral organisations, NGOs and private sector partnerships. We work to improve our partner engagement, contract management and oversight for better value for money.
- DFID is the largest UK government department operating in Malawi and works closely with the Foreign and Commonwealth Office to deliver a cross UK government approach to poverty reduction.
- The UK does not provide direct financial aid to the government of Malawi. We work with government, and in support of national priorities, but do not currently plan to provide direct support through government financial systems.