

In the warm heart of Africa

German development cooperation in Malawi

German-Malawian Cooperation – A longstanding relationship spanning more than 55 years

The relationship between Malawi and Germany looks back at a long history: Malawi has been a partner country for **German Development Cooperation** since its independence in **1964**. Germany's aim in Malawi is to strengthen the country's resilience and thereby to contribute to poverty reduction and development.

Germany provides **assistance through bilateral, regional and multilateral governmental development cooperation**, as well as in cooperation with **non-governmental organisations, churches and the private sector**. Germany has been supporting the Malawian Government in implementing its vision for development through the Malawi Growth and Development Strategy (MGDS I-III). The **priority sectors** for bilateral financial and technical cooperation are:

- **Health and Social Protection**
- **Education**
- **Private Sector Development in Rural Areas**

Public Financial & Economic Management and a manifold engagement in improving food security and fighting malnutrition through the **German Special initiative "ONE WORLD – No Hunger"** complement the support in the priority areas.

The **German bilateral cooperation currently under implementation** adds up to **approximately 510 million Euro (incl. EU-cofinancing amounting to 120 mio. Euro)**. **Additional 45 million Euro have been committed** for further support.

Health and Social Protection

Malawi faces substantial challenges in providing its growing population with quality basic healthcare. The aim of German cooperation in the health sector is to **improve universal access to good-quality essential health services**, especially in the field of

sexual and reproductive health and rights. Germany collaborates closely with governmental and non-governmental providers of health services, such as churches and private facilities to:

- Strengthen human resources and quality management in hospitals and health centres throughout Malawi;
- Support the education and training of health care professionals;
- Improve access to modern family planning methods;
- Improve the infrastructure of health facilities.

Nearly 25% of Malawians are ultra-poor, cannot cover expenses for their basic needs and face multiple risks. Therefore **Germany supports Malawi in implementing the Malawi National Social Support Programme II (MNSSP II)**, which aims at providing consumption support, building resilient livelihoods and working towards a shock-sensitive social protection system, through:

- Strengthening the coordination and implementation of the MNSSP II at national and district level;
- Providing social cash transfers to 10% of ultra-poor and labour constrained households in selected districts.

Education

With a large and rapidly growing young population and a limited resource envelope, Malawi is facing challenges in **delivering good-quality primary education**. Well-equipped schools with motivated and well-trained teachers are key to enabling children to learn effectively. Therefore, German cooperation in the education sector particularly focuses on:

- Improving **teacher training, development and motivation**,
- Improving learning conditions through investments in better **school infrastructure** and **digital education technologies**,
- Fostering **school health and nutrition**.



Small Grant Projects

Each year, the German Embassy provides small grants of approx. 5.000 to 7.000 Euros to finance micro-projects of income-generating and poverty-reducing measures. These comparatively small amounts often considerably improve the quality of life in the recipient communities. Recipients of the funding are local communities or NGOs, who are responsible for the implementation and sustainability of the project. Examples include irrigation schemes, basic rehabilitation of health clinics and schools, as well as the initial financing of income-generating projects. Application requirements and forms can be found on the German Embassy's website:

www.lilongwe.diplo.de/mw-en/themen/weitere-themen

German non-governmental development cooperation in Malawi

In addition to governmental cooperation, a large number of development programs are run by German non-governmental organisations (NGOs), churches and private initiatives. The German Government welcomes the support of these organisations as an important complementary element to governmental cooperation and provides them with financial support. For an overview of German NGOs and faith-based organisations active in Malawi please consult the German Embassy's website:

www.lilongwe.diplo.de/mw-en/themen/weitere-themen

Staff member of the German NGO Welthungerhilfe explains humanitarian response action after Cyclon Idai to the German Ambassador.



Private sector development in rural areas

MGDS III defines inclusive private sector development as essential priority for Malawi's economic growth. The German support aims at **income and employment creation in rural areas**, especially for **smallholder farmers, women and the youths**. Along selected value chains, like oil seeds, cassava, rice, macadamia, chili/paprika and tourism, the programme supports private sector players directly through:

- Building the business capacity of farmer organisations (FOs), cooperatives and MSMEs
- Promotion of inclusive business models, service provision and stakeholder dialogue;
- Development of market infrastructure in the districts;
- Co-financing the Malawi Innovation Challenge Fund (MICF), a competitive, transparent matching grant finance mechanism for innovative business projects.

Public financial and economic management

Germany supports the Malawian Government across sectors in the **implementation of reforms in the area of public financial and economic management (PFEM)**. Through technical and financial cooperation, the German Government:

- Supports budget planning, forecasting and implementation;
- Encourages demand for accountability from civil society;
- Fosters domestic revenue mobilisation;
- Strengthens internal and external audit of public finances.

Special initiative "ONE WORLD – No Hunger"

Many Malawians frequently face hunger periods and suffer from malnourishment due to a one-sided diet, mainly based on maize. Insufficient agricultural production aggravates hunger and malnutrition. To address these issues, the global **"ONE WORLD – No Hunger"** initiative was launched by Germany in 2014 with Malawi benefitting from a wide ranging support:

- Initiating innovations in agriculture through the **Green Innovation Centres for the Agriculture and Food Sector**;
- Facilitating **Food and Nutrition Security** and financial support to Malawi's **Scaling Up Nutrition (SUN)** programme;
- Improving **access to agri-finance** for farmers, agri-based enterprises and cooperatives by fostering **financial literacy** and providing **matching grants**;
- Promoting sustainable **Fisheries and Aquaculture**;
- Creating youth **employment perspectives in rural areas**;
- Contributing to WFP for **responding to humanitarian needs** and **strengthening resilience** to restore food security, nutrition and livelihoods.

Regional Cooperation

The German Government also assists Malawi within the framework of regional development cooperation programmes. In addition to this, **Germany cooperates with pan-African and regional African organisations**, networks and private sector stakeholders. One particularly important partner of Germany's regional cooperation is the **Southern African Development Community (SADC)**.

The German Development Cooperation Institutions

The **Federal Ministry for Economic Cooperation and Development (BMZ)** is responsible for the policies, planning, and funding of German Development Cooperation. After negotiations with the Malawian Government, BMZ commissions its two implementing agencies, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH and KfW Development Bank (KfW), to implement its bilateral development programmes.

The **German Embassy in Lilongwe** is responsible for the political dialogue with the Malawian Government and other development partners and coordinates German support to Malawi.

The **Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)** GmbH implements Germany's technical cooperation. As a federal enterprise GIZ supports the German Government in achieving its sustainable development objectives in the field of international cooperation.

KfW Development Bank (KfW) is one of the world's leading and most experienced promotional banks. As an integral part of the KfW group, KfW Development Bank carries out Germany's financial cooperation with developing and emerging countries on behalf of the Federal Government.

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