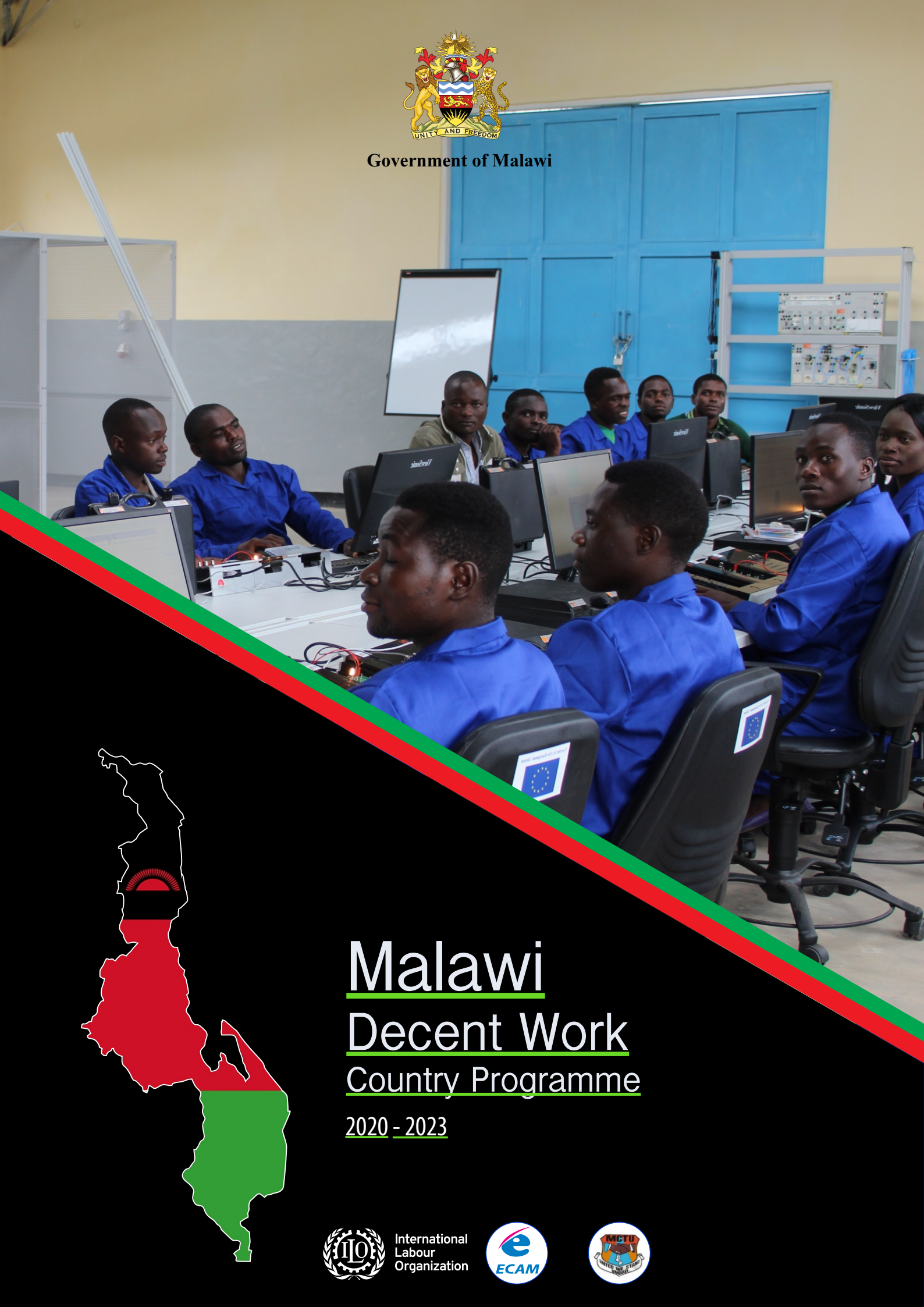




Government of Malawi



Malawi

Decent Work

Country Programme

2020 - 2023



International
Labour
Organization



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LIST OF ACCRONYMS

AIDS	Acquired Immunodeficiency Syndrome
ACTEMP	Bureau for Employers' Activities
ACTRAV	Bureau for Workers' Activities
CB	Collective Bargaining
CBA(s)	Collective Bargaining Agreement(s)
CEACR	Committee of Experts on the Application of Conventions and Recommendations
CEDAW	Convention on the Elimination of all Forms of Discrimination Against Women
CL	Child Labour
COMESA	Common Market for Eastern and Southern Africa
DWA	Decent Work Agenda
DWCP	Decent Work Country Programme
ECAM	Employers Consultative Association of Malawi
ENR	Environment and Natural Resources
EP&D	Economic Planning and Development
FISP	Food Input Subsidy Programme
FL	Forced Labour
FOA	Freedom of Association
FPRW	Fundamental Principles and Rights at Work
GDP	Gross Domestic Product
HIV	Human Immunodeficiency Virus
ILO	International Labour Organization
ILO DWCP	International Labour Organization Decent Work Programme
ILS	International Labour Standards
IRC	Industrial Relations Court
J4Y	Jobs for Youth
LFS	Labour Force Survey
LMIS	Labour Market Information System
MCTU	Malawi Congress of Trade Unions
MGDS	Malawi Growth and Development Strategy
MNE(s)	Multinational Enterprise(s)
MoA	Ministry of Agriculture
MoEPD&PSR	Ministry of Economic Planning Development and Public Sector Reforms
MoGCDSW	Ministry of Gender, Community Development and Social Welfare
MoL	Ministry of Labour
MSME(s)	Micro, Small and Medium-sized Enterprise(s)
MNSSP	Malawi National Social Support Policy
MW	Megawatts

NAP	National Action Plan
NELP	National Employment and Labour Policy
NSSP	National Social Support Policy
OSH	Occupational Safety and Health
OSHW	Occupational Safety, Health, and Welfare
PESTELD	Political, Economic, Social, Technological, Environmental, Legal, and Demographics
SADC	Southern African Development Community
SDG(s)	Sustainable Development Goal(s)
SME(s)	Small and Medium-sized Enterprise(s)
SWGs	Sector Working Groups
SWOT	Strength, Weaknesses, Opportunities and Threats
TEVET	Technical, Entrepreneurial and Vocational Education and Training
TLAC	Tripartite Labour Advisory Council
TWG	Technical Working Group
UN	United Nations
UNDAF	United Nations Development Assistance Framework
UNEP	United Nations Environment Programme
UNSDCF	United Nations Sustainable Development Cooperation Framework
YEDEF	Youth Enterprise Development Fund
ZOPP	Ziel Orientierte Project Planning

FOREWORD

Malawi's second Decent Work Country Programme (DWCP II) articulates the commitment of the Government of Malawi to address decent work deficits prevailing in the labour market and is a key vehicle for delivery of ILO support to Malawi during the period 2020 – 2022.

The overall goal of the DWCP II is to contribute to the objectives of the national development agenda through improved, gainful, secure and rights-based employment for youth, women and men. In pursuit of this overall goal, the DWCP II has two basic objectives: First, to promote decent work as a key component of Malawi's national development strategies, and second to organise ILO knowledge, instruments, advocacy and cooperation at the service of the ILO's tripartite constituents in Malawi within a results-based framework to advance the Decent Work Agenda within the fields of the ILO's comparative advantage. As such, the DWCP II sets out the distinct ILO contribution to Malawi's sustainable development, and is a blueprint for ILO cooperation and assistance to Malawi in furtherance of the ILO's mission to promote human rights and social justice in the world of work, in line with international frameworks including Agenda 2030 and its Sustainable Development Goals (SDGs) as well as regional frameworks including the African Union 2063 Agenda. The ILO's Programme and Budget for the Biennium 2020 – 2021 and the current United Nations Sustainable Development Cooperation Framework (UNSDCF 2019 – 2023) are important programming frameworks with which the DWCP II is aligned. The DWCP II provides an overall framework and strategy for Malawi to promote labour and employment activities including in cooperation with the ILO, the UN system, and other cooperating partners.

The DWCP II is aligned to the third medium-term Malawi Growth and Development Strategy (MGDS III) which has the objective of establishing Malawi as a productive, competitive and resilient nation through sustainable agriculture and economic growth, energy, industrial and infrastructure development while addressing water, climate change, environmental management and population challenges. Amongst others, the DWCP II will contribute to the delivery of the MGDS III through employment promotion and the creation of sustainable jobs, and proposes the formulation of deliberate policies to ensure that economic growth translates into increased decent employment. Experience across the globe has shown that unless deliberate policies are put in place, economic growth may not result in inclusive job creation.

A wide group of stakeholders actively participated in the consultative process undertaken to develop the DWCP II, including the Government of Malawi through ministry and departments, the Malawi Congress of Trade Unions (MCTU) and the Employers Consultative Association of Malawi (ECAM). As a result of this consultative process, three priority areas are defined by the DWCP II: Employment promotion and the creation of sustainable jobs; strengthening the application of standards and fundamental principles and rights at work; and enhancing and extending the coverage and quality of social protection. Crosscutting issues addressed by the DWCP II include social dialogue, gender, disability and HIV/AIDS. A living document, the DWCP II will be reviewed periodically to reflect changing needs and priorities, and to refocus strategies for optimum results.

The Government of Malawi and the ILO join hands in calling on the social partners and all other stakeholders to actively participate in the implementation of the DWCP II in their respective capacities. It is expected that opportunities will be seized to implement the DWCP II through a well-coordinated approach, with prospects of attaining growth that is not only employment-rich, but also ensures that the employment created is inclusive, leaving no one behind in pursuit of the decent work agenda.



Honourable Kenny Edward Kandodo, M.P.
Minister of Labour



Mr. George Okutho
Director - Country Office for Zambia, Malawi and Mozambique

STATEMENT BY THE EMPLOYERS CONSULTATIVE ASSOCIATION OF MALAWI (ECAM)

We welcome the Malawi Decent Work Country Programme II (2020 – 2023) as a blueprint to support the creation of decent work. The DWCP II comes at an appropriate time especially when Malawi has developed and adopted national and international frameworks with a view to the creation of decent jobs and sustainable enterprises. Following the participation and involvement of the Employers Consultative Association of Malawi (ECAM) in both the development and implementation of the first generation DWCP, we look forward to further engagement with Government and Malawi Congress of Trade Unions (MCTU) on the priorities set out in the current DWCP II. We recognise and appreciate the good relations between the Government, ECAM, MCTU, the ILO and other key stakeholders who have contributed to the development of the DWCP II.

Key to employers in the DWCP II is the productivity and competitiveness of enterprises in Malawi, which will contribute towards a robust and efficient labour market. In order for Malawi to achieve this, it is of paramount importance that the gaps in the following areas are addressed: (i) Macro-economic policy; (ii) education, skills development and productivity; (iii) micro, small, and medium-sized enterprise development and; (iv) private sector development and job creation. To this end, ECAM will coordinate with Government and MCTU in implementing interventions outlined in this DWCP II. Successful implementation will require an adequate level of sustainable economic development and capacity.

In order for the DWCP II to be successfully implemented, our expectation is that the necessary support will be channelled towards the strategies and activities identified under this programme. Building on lessons learnt from the previous programme, a spirit of cooperate will foster effective implementation, monitoring and evaluation. In this vein, we believe it is imperative for Malawi to strengthen social dialogue because it is the main vehicle of cooperation under the DWCP II.

We remain hopeful that the ILO through its field structures and its relevant departments will play its role in ensuring that the commitment demonstrated by the tripartite partners in this document will in fact be carried out effectively with ILO technical support.



Mr. George A.K. Khaki
Executive Director

Employers Consultative Association of Malawi

STATEMENT BY MALAWI CONGRESS OF TRADE UNIONS (MCTU)

The Malawi Congress of Trade Unions joins the Government of Malawi, the Employers Consultative Association of Malawi (ECAM), the International Labour Organization (ILO) and other stakeholders in celebrating the development of the Malawi Decent Work Country Programme (DWCP II). Through our participation in the development process, we advocated for the rights of workers to be guaranteed and respected with emphasis on the achievement of fundamental principles and rights at work, promotion of greater employment and income opportunities for both youthful and young women and men, as well as extending social protection and the promotion of social dialogue.

MCTU strongly affirms the need for policy measures to be formulated with the objective of tackling the root causes of poverty, hunger, exploitation, oppression and inequality. Such policy measures will ensure that workers have stable, predictable and adequate incomes; safe working conditions; as well as access to support resources such as land, credit and skills-training to improve income-generating opportunities and productivity.

MCTU realises that workers up to now suffer discrimination and social exclusion, and are denied the rights to organize to improve their bargaining power and gain security and protection within the labour market. In addition, they lack the means to access essential services, such as health and education for their families, and are constrained to place their children in work to supplement family incomes that are below the poverty datum line. Encouraged by the 1944 Declaration of Philadelphia, which states that labour is not a commodity, MCTU commits to demand and enforce national respect for rights of workers, they being different from commodities; and access to decent work as indispensable to just and sustainable development. Their denial anywhere constitutes an immediate threat to human security everywhere.

MCTU is convinced that if trade unions' and workers' rights are respected and guaranteed by all stakeholders, this programme will go a long way in addressing the above challenges, as outlined by the key thematic areas herein. We take pride in the formulation of this DWCP II, and will commit to advocating for the effective implementation of the programme.



Denis C. Kalekeni
Secretary General
Malawi Congress of Trade Unions

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The Ministry of Labour (MoL) would like to acknowledge the invaluable contributions of various stakeholders that have made the development of this document a reality. Special thanks go to the Director of the ILO's Country Office for Zambia, Malawi and Mozambique, Mr. George Okutho for supporting the DWCP II process from its beginning to its finalisation. We are also grateful to the technical support received from the Programme Unit at CO-Lusaka led by Mr. Gerald Tembo as well as the Decent Work Technical Support Team (Decent Work Technical Support Team for Eastern and Southern Africa), particularly Mr. Asfaw Kidanu (Senior Specialist, Employment Intensive Investment), and the ILO's Regional Office for Africa (ROAF).

The development of Malawi's second Decent Work Country Programme was highly participatory. The Ministry would like to thank the social partners and other stakeholders too numerous to mention, who participated in the consultative process. Special gratitude goes to the Executive Director of ECAM, Mr. George Khaki and the Secretary General of MCTU, Mr. Dennis Kalekeni for ensuring that employers and workers were fully involved and their interests duly represented in the development process. Special thanks also go to the tripartite-plus Technical Drafting Committee who worked tirelessly in the development of the DWCP II. Without their dedication and commitment, we would not have had this product.

Gratitude also goes to officials in the Ministry for their dedication and untiring efforts in coordinating the process. Special thanks go to the Labour Commissioner, Mr. H. K. K. Nyangulu, for providing the required oversight. Additionally, we are thankful to the Deputy Labour Commissioner, Mr. W. Musukwa, for anchoring the Technical Drafting Committee and the drafting and consultative process, and for ensuring the participation of departmental heads in the development process.

To all those who worked behind the scenes, the Ministry acknowledges their valuable contributions.



Dickson E. Chunga
Secretary for Labour



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September 2020

1. INTRODUCTION

Decent Work Country Programmes (DWCPs) were introduced by the International Labour Organization (ILO) in 2004 as vehicles for coordinating, harmonising and aligning technical assistance and financial resources around an achievable set of priorities. The ILO Decent Work Agenda to which DWCPs respond to comprises of four pillars: Employment creation; social protection; fundamental principles and rights at work (FPRW); and social dialogue. Malawi adopted DWCP planning in 2011 and developed its first generation DWCP (DWCP I) for the period 2011 – 2016.

The Country Programme Review of the DWCP I undertaken in 2014 established the following: That the DWCP I was highly relevant and complimentary to national priorities and was designed in line with the existing policies, legislation and international conventions; that it contributed towards the achievement of ILO's Decent Work Agenda, the country's United Nations Development Assistance Framework (UNDAF, which has been subsequently renamed to the United Nations Sustainable Development Cooperation Framework – UNSDCF) and the then current Malawi Growth and Development Strategy (MGDS II, which has subsequently been supplanted by the MGDS III). On the other hand, the Country Programme Review established that: Some stakeholders particularly development partners were not aware of the DWCP I; that monitoring, evaluation and reporting was not effective; and that there were weak capacities and resource constraints for delivery amongst the tripartite constituents including Government, the Malawi Congress of Trade Unions (MCTU) and the Employers Consultative Association of Malawi (ECAM). The evaluation of the DWCP I recommended that Malawi should develop its second generation DWCP II, taking advantage of the improved status of Ministry of Labour (MoL), as an economic ministry to improve implementation of the decent work agenda in Malawi.

The development of the DWCP II utilised a participatory and consultative approach. All the constituent partners including the MoL, MCTU, ECAM, ILO and other relevant partners such as the Ministry of Economic Planning and Development and Public Service Reforms (MoEPD&PSR), and the Ministry of Gender, Community Development and Social Welfare (MoGCDSW) participated in the development of the DWCP II. The development of the DWCP II was guided by and synchronized with the Agenda 2030 Sustainable Development Goals (SDGs), the ILO's Programme and Budget (P&B) for the 2020 – 2021 Biennium; the African Union Agenda 2063; Malawi's United Nations Sustainable Development Cooperation Framework (UNSDCF 2019 – 2023); and the Malawi Growth Development Strategy (MGDS) III, which in turn is aligned to Vision 2020, which sets out Malawi's long-term development strategy.



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2. COUNTRY CONTEXT: DIAGNOSTIC AND SITUATION ANALYSIS

2.1 DEMOGRAPHIC

The National Statistical Office (NSO) of Malawi estimates the national population to be about 19.5 million (49% male and 51% female) in 2019,¹ and projects the population to reach more than 22 million by the end of 2023. The population of Malawi is youthful, with about 67% of total population being below the age of 25 years. The population remains mainly rural with only about 15% of the population residing in urban areas. According to UNESCO, the national literacy rate is 65% for both sexes with 59% literacy level for females and 73% for males. Low literacy levels, especially among women impacts on the lives of Malawians, including in terms of employment. The NSO (2017) reports that Malawi's Gross Domestic Product (GDP) per capita was approximately USD 300 in 2016, and that the country's overall GDP was USD 5,442 billion in 2016. Life expectancy is approximately 64 years (2015). Challenges with regard to Malawi's rapid population growth include the following: Limited employment opportunities compounding poverty levels, pressure on land resources, burden on service delivery, increases in the dependency ratio, and low productivity. Addressing rapid population growth and building productive human capacity requires increased investments in the education and skills of the youth so that Malawi can benefit from its demographic dividend.

2.2 POLITICAL

Malawi has remained a politically stable country since independence in 1964. There is a properly constituted Government with a Constitution which provides for the separation of powers among the three branches of Government, namely the Executive, Legislature and Judiciary. In addition, the Constitution provides for a Bill of Rights which includes freedom of press, freedom of association, freedom of expression, equality and non-discrimination. The country's female demographic² dividend presents an opportunity for constituents to meaningfully engage with women and build their capacity for their effective participation, equal access to and equal treatment in the labour market. The Government of Malawi has established the Ministry of Labour (MoL) as the custodian of employment and labour matters. The Government of Malawi has strengthened local governance through decentralisation. There are now twenty-eight District-level local governments. Malawi is a member of international and regional organisations, the United Nations (UN) including the ILO, Southern African Development Community (SADC) and Common Market for Eastern and Southern Africa (COMESA).

2.3 ECONOMIC

Malawi's economy continues to face challenges in spite of the many interventions that have been implemented. The challenges are structural and programmatic including: High domestic borrowing, closure of companies, shrinkage of the private sector and an increase in the informal economy (Duravell and Mussa, 2011). The ultimate impact of these developments is the loss of jobs and income for many individuals and households. In addition, transitioning to the formal economy has been a challenge, leading to losses in taxes, lack of accurate information on labour statistics and high rates of non-compliance labour laws. In 2016, economic growth was only 2.8%, although the rate of economic growth improved to 4% in 2017. According to the Reserve Bank of Malawi (RBM, 2017) the rate of inflation rate has decreased from a recent high of 20% in December 2016, and had stabilised at 7.8% by 2018. The national currency, the Malawi Kwacha (MWK), has remained stable since 2017, with an average exchange rate of approximately MWK730 to the US dollar. Interest rates have decreased in recent years: The RBM reduced the policy lending rate from 27% as of October 2016 to 18% as of July 2017. These reductions in interest rates correspond to declining inflation rates. Overall, these developments are pointing to a stabilising economy that is poised for growth and development. The agriculture sector plays a critical role in Malawi's economy, both in terms of jobs and export earnings. The sector consists of smallholder farms and estates and accounts for 26.1 per cent of the country's GDP.³ Tobacco is Malawi's largest export, followed by tea, nuts, coffee and sugar and accounts for nearly 10 per cent of the country's Gross Domestic Product.⁴

1. National Statistical Office, Projected Population Based on 1998 Malawi population and Housing Census.

2. Agriculture, forestry, and fishing, value added (% of GDP)-Malawi, World Bank, <https://data.worldbank.org/indicator/NV.AGR.TOTL.ZS?locations=MW>

3. Background report for the Technical Meeting to Promote and Exchange of Views on the Further Development and Implementation of the Integrated Strategy to Address Decent Work Deficits in the Tobacco Sector, ILO, https://www.ilo.org/sector/Resources/publications/WCMS_709808/lang-en/index.htm

Agriculture is the predominant source of work and livelihoods in Malawi, employing almost 80 per cent of the population (World Bank, Malawi – Overview, 2019). Some 84 per cent of the population live in rural areas (National Statistics Office (NSO) and United Nations Population Fund (UNFPA) – "2018 Malawi Population & Housing Census: Preliminary Report", December 2018). Malawi's economic growth for 2019 is projected to reach 4.4 per cent (World Bank op. cit.). As noted in Malawi's UNSDCF 2019 – 2022: "The economy is largely based on small scale, low productivity rain-fed agriculture... There is limited diversification, with the manufacturing and service sectors contributing less than 10 per cent and 9 per cent to GDP respectively... The agricultural sector continues to be Malawi's major source of economic growth and accounts for over 90 per cent of export earnings" (op. cit.).

For decades, the country's economy has relied on tobacco for its export earnings. In 2015, Malawi exported some USD 435,034 million worth of tobacco in partly or wholly stemmed/stripped form, returning almost five times higher export revenue earnings than the country's second highest export earner (cane sugar) (World Bank, World Integrated Trade Solution, "Malawi Trade", 2019). In the same year, Malawi exported an additional USD 52,828 million worth of tobacco in not stemmed/stripped form (World Bank, op. cit.). However, with the growing pressure against tobacco smoking and growing, the country's economy is facing serious challenges to maintain and sustain tobacco production and is urgently exploring alternative crops for diversification. In addition, erratic rainfalls and the armyworm outbreak are affecting maize and other crops (including tobacco), negatively affecting food security and the availability of foreign exchange. The government recognises the need to diversify its production out of tobacco and towards other cash crops and food crops, while at the same time enhancing productivity and capacity of small-scale farms, which is where the bulk of production takes place. Other important export commodities for Malawi include: Black tea (with USD 61,687 million in exports in 2015) and dried peas (with USD 56,427 million worth of exports in 2015) (World Bank, op. cit.). Of the employed adults, 88.7 per cent are in informal employment. Own-account workers represent 54 per cent of the employed.

Malawi's most recent National Export Strategy (NES 2013 – 2018) indicated that the low skills base was one of the main factors that constrained Malawi's progress into higher value-added production in export sectors and subsequently limiting economic and employment growth. The NES identified three priority export sectors (i.e. oil seeds, sugar cane products and agro-manufacturing) in which Malawi had a potential comparative advantage. Tobacco has been a major export earner but is facing decreasing demand, which makes substitute cash crops such as oilseed crops (soya beans and groundnuts) increasingly of interest for the country. There is some evidence indicating the prevalence of child labour in these value chains, especially during land preparation, planting, weeding, harvesting and shelling.

2.4 SOCIAL

In the past decade, Malawi has experienced some progress in non-monetary indicators of human development, although there have been persistent challenges with respect to reducing poverty. It is commendable that Malawi achieved four out of the eight MGDs: Primary school completion rates rose by 17% to reach 75%, and the proportion of households with children attending school steadily increased since 2004, reaching 63% in 2013. Notwithstanding the improvements in non-income dimensions of poverty, monetary poverty in Malawi, remains pervasive and largely stagnant, especially in rural areas. In 2010, using a basic needs basket costing USD 50 per person per year, 50% of the population were classified as poor. Approximately 25% lived in extreme poverty, defined as the inability to satisfy food needs. In 2013, 81% of poor rural households consumed fewer than 2,100 kilocalories per capita per day (kcal/person/day), considered the benchmark a person needs to lead a healthy life. In 2013, 65% of all households (and 84% of rural households) reported experiencing food insecurity for at least 1 month per year—a 15 percentage point increase since 2010. The 2015 National Child Labour Survey (NCLS) found that 38% of children aged 5 – 17 were involved in child labour.

Other social issues in Malawi touch on culture. In some cultures, parents prefer educating the boy child over the girl child because it is believed that once the boy child is empowered, he can easily assist the parents. With respect to the girl child, it is assumed that once married off, she will be taken care of by her husband. Therefore, low education and lack of skills reduces the chance of employability among girls (Labour Force Survey, 2013). Culture also limits opportunities for the girl child to undertake tertiary skills training, further limiting employment prospects, according to national TEVET enrolment data. Some cultures encourage early marriages, a practice which inhibits acquisition of education and skills for employment.

5. A. Dabalen, Rural poverty trend for households in Malawi. World Bank Documents and Reports

2.5 TECHNOLOGICAL

Malawi is characterised by low levels of technological innovation and technological development. There is low participation of enterprises in research and development. Linkages are weak between universities, research and development centres and business enterprises leading to a mismatch of technologies required by industry and the skills provided by training institutions. This is limiting the chances of employment of the graduates from the training institutions. Industries spend substantial resources in retraining their new recruits. Industry is characterised by the use of obsolete technology which has resulted in Malawi's failure to compete in the world markets due to low quality products. There is need for Malawi to develop a policy on importation of modern technology. There is insufficient investment in research and development to promote innovation and productivity. New institutions and policy instruments are in place to promote innovation in Malawi. These include the National Commission for Science and Technology, Malawi Industrial Research and Technology Development Centre, the Malawi Innovation Challenge Fund, and some tax incentives. There is a need for capacity building and a stronger human capital policy to support technological innovation and entrepreneurship amongst employers.

2.6 ENVIRONMENTAL

Malawi's economy is largely dependent on the environment and natural resources (ENR), making the country highly vulnerable to the adverse impacts of ENR degradation and climate change. Unsustainable ENR use has been estimated to cost the country 5.3% of GDP annually and thus impedes poverty reduction. Malawi is relatively well endowed with a wide variety of energy resources including coal, fuel wood, solar, hydro and wind. Biomass is the major source of energy (89%) whereas electricity contributes 3%. The current demand of electricity is at 600 Megawatts (MW) but the country is currently producing only around 351 MW. Low rates of electrification, coupled with the undersupply of electricity has an adverse effect on productivity and growth, including of the Micro, Small, and Medium-sized Enterprises (MSMEs) which comprise the majority of all enterprises in the country. There is a need to increase production and access to sustainable energy sources for improved production at domestic and industry level. The unsustainable use of natural resources and their degradation make it increasingly hard for Malawi to achieve its national development priorities. Malawi is heavily dependent on agriculture; therefore drought or other climate catastrophes could heavily impact the economy. This calls for adaptation measures for climate change. Malawi can benefit a lot more by adaptation measures which have the potential to create a lot of jobs and sustainable livelihoods for people by providing climate proofed public assets. As a consequence of climate change, yields from rain-fed agriculture in Malawi stand to decline. At the same time, according to UNEP, productivity of major crops in Malawi is significantly below potential yields due in part to reduced soil fertility caused by unsustainable land use practices.

2.7 LEGISLATIVE, REGULATORY, AND POLICY

Malawi has in place policies and legislation that have domesticated a number of International Labour Standards.

The following is a list of policies relevant to the labour market:

- a) National Employment and Labour Policy
- b) Education Policy
- c) Child Labour Policy (pending Cabinet approval)
- d) National Gender Policy
- e) TEVET Policy

Malawi has not ratified two of the ILO's gender equality conventions namely Convention No. 156 on Workers with Family Responsibilities and Convention No. 183 on Maternity Protection. Nor has Malawi ratified Convention No. 190 on Violence and Harassment.

The following are some of the acts of legislation most relevant to governance of the labour market:

- a) Employment Act (2000)
- b) Labour Relations Act (1996)
- c) Occupation Safety and Health Act (1997)
- d) Gender Equality Act (2013)

- e) Education (Amendment) Act (2013)
- f) Trafficking in Persons Act (2015)
- g) Child Care, Protection and Justice Act (2010)
- h) TEVET Act (1999)
- i) Workers Compensation Act (2000)
- j) Pension Act (2010)

While Malawi has moved a long way to develop some relevant policies and enact some relevant laws, there remains a gap between policy intentions and policy implementation. The two main factors contributing to this include limited technical and financial capacity of the Government of Malawi, including the Ministry of Labour, Skills and Employment (MoL), to enforce these laws and policies.

2.8 ANALYSIS OF THE FOUR PILLARS OF DECENT WORK AGENDA

As part of the situation analysis that informed the development of the DWCP II, the four pillars of the global decent work agenda were subjective to country-level diagnostic analysis. These are namely: employment; fundamental principles and rights at work; social protection; and social dialogue.

2.8.1 EMPLOYMENT

Malawi adopted the National Employment and Labour Policy in 2017. In 2013, the country's labour force was seven million of which 3.7 million were females and 3.3 million were males. A total of 5.5 million people were employed, representing an employment rate of 80%. Males have a higher employment rate than females at 86 % and 74 % respectively. The survey also revealed that males (43.8%) are more likely to be in paid employment than females (32.1%). The share of employment in senior and middle management was much lower for females (0.07%) as compared to 0.3% for males, almost a four-fold difference (FLS, 2013).⁶ Malawi's economy is undiversified and it is estimated that about 80 per cent of the population is employed in agriculture, largely in subsistence farming.⁷

The labour force participation rate for 15 – 64 years is 89% for women and 91% for men. In 2013, 11% of the total employment was engaged in formal employment, with the informal economy contributing 89% of total employment. Women were more represented in the informal economy than men. Malawi's unemployment rate was 6.6%, based on the strict definition of employment and 20% using the broad definition. The LFS (2013) registered a female youth unemployment rate of 28% compared to 17% among male youth. A comparison of youth unemployment rates by geographical location indicates that the level of youth unemployment is 12% higher in the urban areas than in the rural areas (LFS, 2013). Of the total youth in Malawi, 23% in the age group 15 – 34 are unemployed, with female youth more likely to be unemployed than their male counterparts. Many jobs in the informal economy do not ensure decent levels of income and sustainable livelihoods. Based on the LFS, most female workers are in the informal economy where decent work deficits are prevalent. The following are some of the prevalent decent work deficits in Malawi: Lack of social protection, low wages, lack of job security and limited social dialogue. However, female workers are among the most socially vulnerable, the least represented in trade unions, the least likely to have gender equality opportunities and equal pay especially in the informal economy, and less likely to access effective forms of social security and protection.

Findings of the FinScope Survey (2012) showed that there were almost one million Micro, Small and Medium-sized Enterprises (MSMEs) in Malawi, with women owning 46% and men 54% of these businesses. The survey also noted that the overall quality of education provides the owner of a business with basic numeric and literacy skills, thus increasing the chance of business survival. The minimum age of entry into business is 18 years. MSMEs in Malawi employ over one million people, generating an aggregated income of MWK 326 billion, a significant contribution to the country's economy. FinScope, however, noted that the majority of MSMEs in Malawi are very small, with 59% being individual entrepreneurs. Most of the MSMEs in the country (85%) are located in rural areas.

6. National Statistical Office (2013): Malawi Labour Force Survey

7. Country profile: Malawi, Euromonitor.

Enterprise development and entrepreneurship development need to be better supported in Malawi. The growth of MSMEs could be enhanced through better business support services and improving access to finance, markets and electricity. A coherent and coordinated approach to entrepreneurial development to spur industrialization is needed (Africa Economic Outlook, 2016, Country Notes). Further, Malawi's membership of SADC, COMESA and the Global Apprenticeship Network (GAN) gives the country an opportunity for market growth and private sector driven skills development opportunities.

2.8.2 INTERNATIONAL LABOUR STANDARDS AND FUNDAMENTAL PRINCIPLES AND RIGHTS AT WORK

Malawi has ratified 32 ILO Conventions and one ILO Protocol. These ratifications include all eight of the Fundamental Conventions, and three out of four of the priority Governance Conventions. Most recently, on 7 November 2019, Malawi ratified four ILO instruments: Convention No. 155 on Occupational Safety and Health, Convention No. 184 on Occupational Safety and Health in Agriculture, Convention No. 187 on Promotional Framework for Safety and Health, and the Forced Labour Protocol (No. 29).

The Government has shown interest in ratifying Convention No. 151 on Labour Relations (Public Service Convention). Malawi has made a commitment to ratify Convention No. 189 as part of its national Pledge for Action to Eradicate Child Labour and Forced Labour. In 2016, the Government of Malawi submitted a formal request to ILO to conduct a gap analysis on the Employment Policy Convention No. 122. The social partners have indicated a commitment to advocating for the ratification by Malawi of ILO Convention No. 190 on Violence and Harassment.

Malawi's tripartite constituents actively participated in the 14th Africa Regional Meeting (ARM) in December 2019, which resulted in issuance of the Abidjan Declaration and the plan of action developed.

Malawi has a domestic legal framework governing Fundamental Principles and Rights at Work (FPRW) including Freedom of Association (FOA), Collective Bargaining (CB), Child Labour (CL), Forced Labour (FL) and non-discrimination. The Constitution of Malawi, the Employment Act No. 6 (2000), the Labour Relations Act No. 16 (1996), and the Trafficking in Persons Act (2015) – amongst others – provide for issues related to FPRW.

In Malawi, the right to FOA and CB is guaranteed by national law. The Labour Relations Act No. 16 (1996) provides for all issues related to industrial and labour relations including FOA and CB. However, in practice with respect to FOA, social partners still face challenges which include: Low rates of unionisation; lack of motivation of potential members to affiliate to their organisations; limited capacity of union leadership to effectively negotiate and apply the few collective bargaining agreements (CBAs) that are in place; and limited service provision by workers' organisations to members. Malawi also still faces challenges in the enforcement of labour laws and policies due to human, technical and financial constraints. Compliance with labour laws by employers also remains a challenge, including as a result of limited labour inspections.

Within the tenancy labour system, elements of exploitation are still inherent in spite of the law expressly providing for prohibition of forced labour, including Chapter VI of the Constitution and Section 4 of the Employment Act No. 6 (2000). Tenancy is an issue of concern for the Government, employers' and workers' organisations. The Government has indicated that it is committed to the abolition of the tenancy labour system and its replacement with wage employment. For this to be achieved, there is a need to put in place strategies that will ensure protection of these workers and an orderly transition from tenancy to wage employment.

Child labour is prevalent in Malawi. The country's most recent National Child Labour Survey (NCLS, 2015) indicates that 38 percent of children aged 5 – 17 years in the country are involved in child labour, amounting to 2.1 million children, more than half of whom are engaged in hazardous work. For comparison, the 2002 NCLS estimated that there were 1.4 million children engaged in child labour, representing 37 percent of the 5 – 17 age group. Taken together, these findings indicate that the incidence of child labour in Malawi has increased by approximately 50 per cent during the 13 year period between 2002 and 2015 and that the prevalence of child labour also increased over this time period.

The legal framework is reasonably comprehensive and prohibits all forms of child labour and protects the rights and interests of working children of legal age. The Employment Act (2000) prohibits child labour and provides for an overall age for entry to employment of 14 years. The Employment (Prohibition of Hazardous Work for Children) Order (2012) sets out a list of hazardous forms of work prohibited for persons under the age of 18. Malawi's second National Child Labour Action Plan (NAP-II) was adopted in December 2019 and launched in June 2020. A National Child Labour Policy has been drafted but not yet adopted. The ILO Committee of Experts on the Application of Conventions and Recommendations (CEACR) has issued a number of comments on application by Malawi of the Minimum Age Convention (No. 138) and Worst Forms of Child Labour Convention (No. 182).

From an institutional and coordination perspective, both the National Steering Committee on Child Labour (NSC-CL) and its subsidiary Technical Working Group (TWG) have not met regularly, despite each entity being mandated to meet at least quarterly every year. At the sub-national level, child labour support structures including the District Child Labour Committees (DCLCs) and the Community Child Labour Committees (CCLCs) have been instituted.

In practice, culture perpetuates child labour due to a blurred distinction between socialisation and child labour; some cultures placing more value on education of the boy child; and high poverty levels which push children into child labour as a means of supplementing household incomes. The tenancy labour system also compounds the extent of both child labour and forced labour in the country. According to the 2015 NCLS, most children in hazardous forms of child labour work in the agriculture, forestry and fishing sector (66.2%), followed by domestic work (27.5%). These figures highlight child labour in agriculture as a key area for attention.

The mainstreaming of the Sustainable Development Goals (SDGs) into the MGDS III (2017 – 2022), UNSDCF (2019 – 2023) and DWCP II provides an opportunity to create partnerships to facilitate national and sub-national engagement on child labour and forced labour. Amongst others, Alliance 8.7 stands to be an important means of for the coordination child labour, forced labour and human trafficking interventions in Malawi pursuant to Target 8.7 of the SDG framework, particularly given that Malawi became an Alliance 8.7 Pathfinder Country on 25 March 2020.

There is adequate legal protection against discrimination within the labour market and at work as provided for in the Constitution, Employment Act No. 6 (2000), Gender Equality Act (2013), Disability Act No. 8 (2012), and the HIV and AIDS Act (2017). Malawi has ratified the two main ILO equality conventions: Convention No. 100 on Equal Remuneration and Convention No. 111 on Discrimination in Employment and Occupation. Despite ratification of these conventions, representation of women at all levels and in particular, decision-making positions needs to be strengthened to effectively address challenges faced by women in the workplace and address structural barriers to equal opportunities for both women and men as well as equal treatment in the labour market. Additionally, the youth demographic dividend presents an opportunity for constituents to meaningfully engage with youth and build their capacity for their effective participation in decision making on labour issues. Malawi has not yet ratified either Convention No. 156 on Workers with Family Responsibilities or Convention No. 183 on Maternity Protection.

Regarding the domestic application by Malawi of international labour standards, the Committee of Experts on the Application of Conventions and Recommendations (CEACR) in its 2016 and 2017 annual report on the Application of International Labour Standards Report III (Part 1A) regarding articles 19, 22 and 35 of the ILO Constitution made specific requests for information and reports on the application of several conventions including: Forced Labour Convention No. 29; Minimum Age Convention No. 138; Tripartite Consultation (International Labour Standards) Convention No. 144; Labour Inspection (Agriculture) Convention No. 129; and Convention No. 182 on the Worst Forms of Child Labour. As Malawi looks towards addressing the above CEACR concerns and ratifying additional Conventions, there is also need to address the deficits that the country faces in reporting to the ILO supervisory mechanisms and the low levels of country-level awareness concerning ILS and FPRW. Further, the low rate of application of ILS in the country's judicial system and the limited human capacity, budgetary challenges and slow disposal of cases within the country's Industrial Relations Court (IRC) need to be addressed.

2.8.3 SOCIAL PROTECTION

Social protection in Malawi is guided, among others, by the Malawi Growth and Development Strategy (MGDS III), the Malawi National Social Support Programme (MNSSP II), the National Social Support Policy (NSSP), the Occupational Safety, Health and

Welfare Act (1997), the Workers Compensation Act (2000), and the Pension Act (2010). Social protection encompasses both social assistance and social security and effective implementation of both, are guided by ILO Recommendation No. 202 on Social Protection Floors. The MNSSP II has five priority areas: Consumption support, resilient livelihoods, shock sensitive social protection, linkages and system strengthening. The flagship programmes include Cash Transfers, Public Works Programme and the School Meals Programme which target the poor and the vulnerable groups.

Social protection in Malawi is faced with three major challenges. First, while social assistance coverage of the poor and vulnerable has considerably improved in recent years, the coverage of the programmes remains inadequate in the face of Malawi's high poverty and vulnerability levels. A considerable proportion of people in vulnerable situation (e.g. senior citizens, children, persons living with disabilities) are not covered by any programme. The second major challenge is that the government's financial contribution has remained inadequate and as such social protection funding continues to be donor-driven, with fragmented financing mechanisms translating into fragmented implementation modalities. High poverty levels and vulnerability coupled with limited financial base has led government to use poverty based targeting as a means of identifying programme beneficiaries. This has increased the complexity and administrative costs involved in the processes of selecting the "poor of the poor", which is problematic in the Malawian context of widespread, deep poverty and multidimensional deprivations. This is a challenge of poverty based targeting in a country with high poverty levels and limited financial resources. The third major challenge in social protection implementation is inadequate institutional capacities and poor coordination among the coordinating institution (MoEPD&PSR, implementing line ministries and district councils. Much as design of the MNSSP II reflects a clear departure from the silo programme implementation approach, towards greater integration for results, coordination is still a challenge. Improved coordination at the national level across ministries and at the district and community levels would increase efficiency and effectiveness and allow for better information sharing and less fragmentation. In fact, inadequate coordination has resulted in a silo implementation approach. However, there is potential for fostering more integration and coordination across programmes, with a need for clearer definition of complementarities and cross-cutting objectives. While systems for enhanced delivery of social protection (e.g. beneficiary registry, grievance and redress mechanism, payment systems) are under development, the human and financial capacity for their sustainable national roll-out is limited. There is also limited participation of non-state actors (e.g. civil society) in the outreach, monitoring and oversight of social protection interventions.

Closing the social protection design and implementation gaps regarding the Social Protection Floor guarantees will require greater investments and an expansion of key programmes by donors and the Government. In addition to efforts to increase fiscal space, Malawi's social protection system requires a rationalization of existing interventions and a focus on improved alignment and greater harmonization of existing programmes.

Social security encompasses Occupational Safety and Health (OSH), employment injury, social health insurance, pension and maternity protection. From an international labour standards (ILS) perspective, Malawi has not ratified the following ILO Conventions: Convention No. 102 on Social Security (Minimum Standards); Convention No. 121 on Employment Injury Benefits [Schedule I amended in 1980]; Convention No. 128 on Invalidity, Old-Age and Survivors' Benefits; or Convention No. 183 on Maternity Protection.

With regards to workers' compensation, the cause of accidents reported to the Workers' Compensation Division over the period 2000 to 2011 shows that the two most important causes of accidents were factory machines/equipment/tools (25.5%) and road traffic accidents (24.7%) and these two constitute 50% of the causes of accidents over this period. The other causes of accidents were falling down (16.3%), being attacked by thugs (12.9%) and being hit by an object (e.g. a log) at 10.7%. According to the Workers' Compensation Division, a fifth of the reported accidents occurred in the NGO/Private sector (21.5%). Other major contributors of accidents during this period included the tea estates, agriculture/forestry, other social and personal service activities, construction and manufacturing industry.⁸ The Workers Compensation Act (2000), works on the principle of employer's liability. The Act provides for the establishment and administration of a Workers' Compensation Fund. The Fund amongst other things, is aimed at receiving periodical premiums, against which it will meet compensation payments for occupational injuries and diseases.

8. EC, ILO 2012: Recording and Notification of Occupational Accidents and Diseases in Malawi

Government, with support from the ILO, is in the process of establishing a social insurance-based Workers Compensation Fund. The successful implementation of a robust workers' compensation system will lay the foundations of a future social security system. The other element of social security already provided for in law is the creation of a national pension fund. A review of the Pension Fund Act 2011 is under way with participation of Employers and Workers.

Other social security challenges include the lack of or limited labour related medical schemes, indicating that most employers in Malawi do not provide medical insurance for their employees. Work has been underway on the feasibility of introducing national health insurance coverage. In the current situation, the lack of adequate coverage for medical conditions in either general cover or for specific occupational hazards resulting from injury or disease at work leads to a lack of productivity once a member of staff falls ill as they cannot afford the requisite medical care. In spite of the presence of the Occupational Safety, Health and Welfare Act (1997), many employees work under poor health, safety and environmental conditions due to limited capacity to enforce the Act and lack of awareness of its provisions by workers.

Workers in the informal economy are excluded from most of the social security benefits such as compensation services, pension scheme, maternity protection and sick leave, yet it hosts 89% of the country's labour force. Most of the persons employed in the informal economy are often unskilled, self-employed, with low awareness on OSH and usually work in very dangerous conditions. Most of the vulnerable groups of the society like women and children belong to this sector. For instance, 93.6% of women are in the informal sector as compared to 83.6% of men. As reported in the LFS (2013), agriculture sector which is seasonal in Malawi absorbs 64.1% of the labour force.⁹

2.8.4 SOCIAL DIALOGUE

Fair terms of employment, decent working conditions, safety and health at work and development for the benefit of all cannot be achieved without the active involvement of workers, employers and government in social dialogue. The Constitution of Malawi and the Labour Relations Act (1996) provide mechanisms for social dialogue among partners including government, trade unions and workers' organisations. At the national level, the social dialogue structures mainly consist of the Tripartite Labour Advisory Council (TLAC), established under the Labour Relations Act, and adhoc meetings that take place whenever there are matters of national importance to tackle. The TLAC, which is chaired by the MoL, faces challenges in its operations including not meeting regularly, inadequate funding, and limited capacity. In the interest of resolving industrial disputes expeditiously, the Labour Relations Act provides for an Industrial Relations Court (IRC). The Court has jurisdiction to hear and to determine all labour disputes. However, the IRC is inundated with many cases and has limited resources. Only a small number of judicial officers are assigned to this court.

The Employers Consultative Association of Malawi (ECAM) draws its mandate from registered membership of more than 200 enterprises as well as seven sectoral associations. ECAM's primary role is to protect the interests of employers on social and labour policy in Malawi. ECAM's challenges include: Members' inadequate technical competence on labour issues, institutional, logistical and financial constraints, and limited collaboration with other bodies providing similar services. Challenges faced by employer members of ECAM include low productivity levels amidst pressure for maintaining international competitiveness and lack of incentives for rewarding deserving workers appropriately. Employers thus believe that it is now time that the Government and social partners worked collaboratively to implement measures aimed at boosting productivity at enterprise-level and in all sectors of the economy. Employers in Malawi are of the opinion that gaps in labour laws have been taken advantage of by workers to agitate for increased compensation packages, which have contributed to increasing labour costs.

The Malawi Congress of Trade Unions (MCTU) is the national federation of 26 trade unions with a collective membership of approximately 149,500 workers. MCTU works with Government, ECAM, industries, plantations, and other enterprises to promote, unite and strengthen human rights standards and the social welfare of employees in the workplace. MCTU faces a number of challenges. Firstly, low levels of membership result in a weak financial position. Many employers refuse to implement the 'check off system', which makes collection of membership subscription a challenge.

9.NSO (2013), Malawi Labour Force Survey

There is no motivation for employees who are not union members at to join a union since, by law, the benefits negotiated by the union are enjoyed equally by all the employees without any penalty imposed on non-union members. Secondly, the inadequacy of labour legislation manifests in the fact that it largely excludes the informal economy and those in emerging employment relationships, and few labour inspections are conducted by Government officials in both the formal and informal economy. Thirdly, MCTU has inadequate technical and professional capacity to execute its mandate, coupled with the Secretariat's limited number of qualified personnel. The secretariat is however implementing, under the Trade Union Solidarity Project, a communication strategy by engaging the media in addressing knowledge gaps on labour rights among the general public. The programme further tackles issues concerning disability rights, gender and environment. MCTU is also implementing a labour rights programme supported by the Swedish Union for Service and Communications Employees (SEKA).

In terms of the practical application of social dialogue at the enterprise-level, there are significant challenges. While the leadership and secretariats of employers' and workers' organizations are knowledgeable of the tenets of tripartism and social dialogue, there are significant knowledge gaps at membership-level. Furthermore, there is limited application of social dialogue in the Small and Medium-sized Enterprises (SMEs). However, ECAM's intention to expand its membership coverage amongst SMEs should provide a catalytic environment for greater use of social dialogue to resolve disputes in these smaller enterprises. Similarly, although most workers in the informal economy have hitherto not benefited from social dialogue structures or processes, the registration of two trade unions representing the informal economy is a significant step, and presents an opportunity towards creating a conducive environment for social dialogue directly involving informal sector representatives. These two informal economy unions are the Malawi Union for the Informal Sector (MUFIS) and the Quarry Mining Informal Workers' Union (QUAMIWU). MUFIS is an affiliate of MCTU.

2.9 LESSONS LEARNT FROM THE DWCP I (2011 – 2016)

The lessons learnt in the course of implementing the DWCP I (2011 – 2016) were documented in 2014 Country Programme Review. The main lesson learnt was that implementation of DWCP I was much more difficult and challenging than the development of this programme due to lack of planning and allocation of resources. Some of the additional lessons learned were that:

- **Coordination:** A programme involving many stakeholders in its design and implementation requires a strong coordination and management framework. The structures that were intended for coordination of implementation of the DWCP I included the DWCP Implementation Committee, Tripartite Labour Advisory Committee (TLAC), and the DWCP Focal Points but were not fully functional in practice and did not meet regularly to discuss the implementation of the DWCP I. There was a need to strengthen these structures to ensure their efficiency and effectiveness.
- **Resource mobilization:** The weak capacity of the tripartite partners was further compounded by the lack of a joint resource mobilization strategy for the DWCP. The government and its social partners needed to strengthen their efforts to mobilize financial resources for the implementation of the programme activities, in order to achieve the outcomes within the period of the programme.
- **Mainstreaming:** Mainstreaming decent work into social partners' strategic plans and policies was key to ensuring sustainability for their contribution towards the DWCP as well as for the achievement of the partner's goals.
- **Monitoring & Evaluation:** Though the DWCP I had a monitoring and evaluation (M&E) framework, which was aligned to the national monitoring and evaluation framework of the MGDS II, the absence of a system for data collection and reporting by the tripartite partners impacted negatively on decision-making.
- **Communication and knowledge management:** There was limited communication in terms of absence of documentation, of decent work activities, sharing of experiences and lessons learned amongst the tripartite partners and the general public which negatively affected programme implementation. Some of the programme's key stakeholders were not aware of the programme.
- **Gender:** Mainstreaming gender throughout the implementation of the DWCP I in all its activities including reporting using sex disaggregated data was a critical component of the Programme but was not done.

The Country Programme Review identified key issues to be addressed and made key recommendations to be integrated in future plans and in particular in the next DWCP (i.e. DWCP II), which included, among others: Promotion of employment opportunities for disadvantaged communities; sensitization on social protection amongst the social partners, stakeholders and the general public;

promoting bipartite social dialogue as solution-oriented means of resolving conflicts at the workplace-level; mainstreaming cross-cutting policy drivers (international labour standards; gender; and social dialogue) throughout the implementation of the DWCP II; strengthen capacity of the tripartite partners for the coordination, implementation and monitoring of the programme; development of a communication strategy to increase awareness and buy-in to the programme; clarifying roles and responsibilities to ensure buy-in and ownership of the programme by all the stakeholders; and development of a clear resource mobilization strategy to ensure effective implementation of the programme.

2.10 ILO COMPARATIVE ADVANTAGE IN THE COUNTRY

The ILO has extensive experience in Malawi in supporting national and local authorities in improving policies, governance structures, and regulatory frameworks relating to the four pillars of the decent work agenda. The ILO has effective engagement mechanisms and high-level policy contacts with key local and international partners in the country, and a strong network of national partners and convening power as well as competence in rights based approaches that is based on national, regional and international labour standards (ILS). The ILO brings decades of global and regional experience to the table and is able to extensively draw on its in-house capacity embodied in the various technical departments at its Headquarters in Geneva, its Regional Offices (including the ILO Regional Office for Africa – ROAF) and Country Offices (including the ILO Country Office for Zambia, Malawi and Mozambique) as well as the field specialists comprising the Decent Work Support Team for Eastern and Southern Africa (DWT-Pretoria). Furthermore, the ILO brings a portfolio of well-tested capacity development programmes, networks of trainers, and readymade tools to support the effective implementation of the DWCP II.

As a member of the Malawi United Nations Country Team (UNCT), the ILO is playing a central role in the implementation of Malawi's United Nations Sustainable Development Cooperation Framework (UNSDCF 2019 – 2023). The current UNSDCF comprises three pillars: Pillar 1 – Peace, Inclusion and Effective Institutions; Pillar 2 – Population Management and Inclusive Human Development; and Pillar 3 – Inclusive and Resilient Growth. The ILO plays a critical role in advancing the decent work agenda across all three pillars of the UNSDCF, and many of their nine corresponding Outcomes. The UNSDCF, to which the DWCP II is aligned, is the strategic plan for the UNCT in Malawi, contributing to the Government of Malawi's national development priorities and actions for the period 2019-2023. The UNSDCF incorporates the goals and principles that underpin Agenda 2030 and the 17 Sustainable Development Goals (SDGs) that lie at its heart. As such, the UNSDCF has guided development of the DWCP II with a view to ensuring UN-wide coherence. During implementation of the DWCP II, partnerships will be facilitated within the UNCT in Malawi and beyond to advance reporting on selected SDG indicators for which ILO has been made custodian.

10. In addition the DWCP will also incorporate a 4th policy driver on just transition to environmental sustainability as recommended in the ILO Programme and Budget for 2018-19.

ALIGNMENT OF MALAWI DWCP WITH NATIONAL AND INTERNATIONAL DEVELOPMENT FRAMEWORKS

DWCP PRIORITIES	MALAWI GROWTH AND DEVELOPMENT STRATEGY III (NGDS III, 2017 – 2022) Key Priority Areas (KPAs) & Other Development Areas (ODA)	United Nations Sustainable Development Cooperation Framework (UNSDCF, 2019 – 2023)	Sustainable Development Goals (SDGs)	ILO Programme & Budget Outcomes (P&B, 2020- 2021)
(1) Employment promotion and the creation of sustainable jobs.	KPA 6.2 – Outcomes on improved agriculture production, productivity, agro-processing, value addition, diversification and market development - KPA 6.3 – Outcomes on improved access and equity to skills development training; improved productivity and quality of labour force; increased gainful and decent employment for all - KPA 6.4 – Outcome on improved environment for investment and private sector development in energy, industry and tourism - KPA 6.5 – Outcome on increased private sector investment in the operation and management of transport infrastructure; - ODA 7.1 Financial Services (Access to finance and financial literacy for MSMEs) - ODA 7.4 – Outcomes on improved access to land and tenure security for sustainable economic development	Pillar 1 – Peace, Inclusion and Effective Institutions: - Outcome 1 (Key words: Effective institutions; respect for human rights and rule of law; harmonisation of legal and organizational frameworks; civil engagement and participation; quality disaggregated data for development) - Outcome 2 (Key words: Gender equality and the empowerment of women and girls; production, analysis and dissemination of sex-disaggregated data) Pillar 3 – Inclusive and Resilient Growth: - Outcome 8 (Key words: productive, sustainable and diversified agriculture; value chain promotion and market access; tenure rights; enabling environment for agricultural entrepreneurship, agro-processing and commercialisation) - Outcome 9 (Key words: Economic diversification, inclusive business, entrepreneurship and access to clean energy; competitiveness and market access; up-skilling Malawi for a competitive, productive and resilient economy)	- SDG 8, Targets: 8.2, 8.3, 8.5, 8.8 & 8.8 - SDG 1, Targets 1.2 & 1.b - SDG 2, Target 2.3 - SDG 4, Target 4.4 - SDG 5, Target 5.a - SDG 9, Target 9.3 - SDG 10, Target 10.4	- Outcome 3: Economic, social and environmental transitions for full, productive and freely chosen employment and decent work for all. - Outcome 4: Sustainable enterprises as generators of employment and promoters of innovation and decent work. - Outcome 6: Gender equality and equal opportunities and treatment for all in the world of work.
(2) Ratification and application of international labour standards (ILS) and fundamental principles and rights at work (FPRW).	- KPA 6.3 Outcomes on access to education and skills development; and increased gainful and decent employment for all - ODA 7.3 Increased women and youth representation in decision making structures; strengthened national child protection systems to reduce vulnerability, violence, abuse and exploitation; improved access to HIV and AIDS treatment	Pillar 1 – Peace, Inclusion and Effective Institutions: - Outcome 1 (Key words: Effective institutions; respect for human rights and rule of law; harmonisation of legal and organizational frameworks; civil engagement and participation) - Outcome 2 (Key words: Gender equality and the empowerment of women and girls; implementation and monitoring of all global, regional and national obligations and commitments on gender equality) Pillar 2 – Population Management and Inclusive Human Development: - Outcome 5 (Key words: Girls and boys 6-17 years, particularly the most marginalized, benefit from an integrated package of quality education, health, nutrition, HIV/AIDS and protection services) - Outcome 6 (Key words: Men, women and adolescents access high impact comprehensive HIV and AIDS health rights)	- SDG 8, Targets 8.5, 8.7 & 8.8 - SDG 5, Targets 5.2 & 5.5 - SDG 10, Targets 10.3 & 10.7 - SDG 16, Targets 16.3, 16.7 & 16.10	- Outcome 2: International labour standards and authoritative and effective supervision. - Outcome 6: Gender equality and equal opportunities and treatment for all in the world of work.
(3) Enhancing and extending the coverage and quality of social protection.	- ODA 7.2 – Social support to vulnerable groups - ODA 7.6 – Outcomes on improved coordination and equitable access to social services and strengthened national protection systems for elderly persons Priority area 2 and other development areas relating to Gender, Youth Development, Persons with Disability and Social Welfare	Pillar 3 on Inclusive and Resilient Growth: Outcome 7 (Key words: Household increased food and nutrition security; equitable access to WASH and healthy ecosystems; resilient livelihoods; Malawi National Social Support Programme)	- SDG 1, Target 1.3 - SDG 3, Targets 3.8 & 3.9 - SDG 5, Target 5.4 - SDG 8, Targets 8.5 & 8.8 - SDG 10, 10.4 - SDG 16, Target 16.10	- Outcome 6: Gender equality and equal opportunities and treatment for all in the world of work. - Outcome 7: Adequate and effective protection at work for all. - Outcome 8: Comprehensive and sustainable social protection for all.



Malawi
Decent Work
Country Programme

Malawi
September 2020

3. COUNTRY PRIORITIES AND COUNTRY PROGRAMME OUTCOMES

The overall goal of the DWCP II is to contribute to the objectives of the national development agenda through improved, gainful, secure and rights-based employment for youth, women and men. This goal is in line with the Global Jobs Pact as well as the Ouagadougou Roadmap for the implementation of the Global Jobs Pact in Africa, which put emphasis on the centrality of full productive employment and decent work to Africa's recovery from the global financial and economic crises, as well as to its sustainable and balanced development in the future. Further, it contributes to the objectives of the December 2019 Abidjan Declaration issued by the tripartite participants of the 14th Africa Regional Meeting (ARM). At the national level, the overall goal of the DWCP II contributes to the targets of the Malawi Growth and Development Strategy III (2017 – 2022) on creation of decent work for sustained growth and development and all three Pillars of the United Nations Sustainable Development Cooperation Framework (UNSDCF, 2019 – 2023) and many of its nine outcomes.

The following are the country priorities defined by the DWCP-II in their order of precedence:

1. Employment promotion and the creation of sustainable jobs.
2. Ratification and application of international labour standards and fundamental principles and rights at work.
3. Enhancing and extending the coverage and quality of social protection.

Social dialogue has been mainstreamed in each of these three priority areas. Particular attention will be placed to the promotion of decent work in the agriculture sector which is the main source of employment with particular focus on tobacco, tea and coffee.

In relation to the ILO's Programme and Budget (P&B) for the 2020 – 2021 Biennium, the DWCP II is aligned with its eight policy outcomes and three enabling outcomes. The Malawi DWCP through its three priority areas will measurably contribute towards achieving the goals and objectives of the P&B during the 2020 – 2021 Biennium.

3.1 PRIORITY 1: EMPLOYMENT PROMOTION AND CREATION OF SUSTAINABLE JOBS

The first priority of the DWCP II is employment promotion and the creation of sustainable jobs. At the national level, this priority contributes to the Malawi Growth and Development Strategy III (MGDS III, 2017 – 2022) which aspires to reduce poverty through sustainable inclusive growth. MGDS III has three priorities including: Education and skills development; agriculture, water development and climate change management; and energy, industry and tourism development which are critical to job creation. The first priority of the DWCP II further contributes to the achievement of Sustainable Development Goals (SDGs) and is strongly aligned with SDG 8 targets 8.5 and 8.6 which seek to achieve the following: Full and productive employment and decent work for all women and men, including for youth and persons with disabilities; equal pay for work of equal value; and reducing the proportion of youth not in employment, education or training. It also contributes to the Government's flagship programme to create One Million Jobs.

The first priority of the DWCP II is in line with African Union Agenda 2063, especially its 'Aspiration 1' which calls for a prosperous Africa based on inclusive growth and sustainable development. To achieve this, the agenda encourages countries in Africa to structurally transform their economies in order to create shared growth, decent jobs and economic opportunities for all. The AU Agenda 2063 further recognises inclusive growth, job creation, research and innovation, youth empowerment and education as some of the strategies to contribute to the achievement of the priority. This is also well aligned with Pillar 3 of the Malawi UNSDCF 2019 – 2023 on inclusive and resilient growth which promotes the transformation of Malawi's economy to become more competitive, productive and resilient, with targeted action to scale up opportunities for job creation, skills and entrepreneurship development, more robust market and trade systems, and structures that promote inclusive business, especially for women and youth.

To achieve results under this priority, the Government of Malawi will prioritise the implementation of the National Employment Policy (NELP) adopted in 2017. With the adoption of the NELP, Malawi shall also consider ratifying the ILO Employment Policy Convention No. 122. To address persistently high rates of informality in the country, there is ongoing dialogue on implementation of ILO Recommendation No. 204 concerning the Transition from the Informal to the Formal Economy.

There is ample evidence that the country's economic growth has not resulted in the creation of more jobs and consequently, has had a limited impact on poverty reduction (NELP 2017). Lack of an enabling environment for private sector development including for MSMEs is one of the fundamental challenges affecting job creation (Micro Small and Medium Enterprises Policy 2016). According to the Malawi Labour Force Survey (LFS 2013) and FinScope (2012), the country has about one million SMEs, most of which are owner-managed with little opportunity for job creation. The National Export Strategy (NES 2014) also recognises that the skills mismatch is one of the challenges that contributes to poor export sector performance, thereby frustrating the national development agenda of an export-led and productive economy. This first priority area of the DWCP II will be delivered through achievement of three Outcomes:

Outcome 1.1: Improved employment and income generation opportunities for all (youth, women and people with disabilities)

The country's economic growth has not translated into job creation while the environment for economic growth and development has not been conducive as evidenced by the challenges faced by the private sector (NELP 2017). In this regard, this Outcome will be achieved by developing and implementing job creation projects, job creation innovation programmes and the development of value chains with high job creation potential. The country has had episodes of economic growth that have failed to result in job creation. The country's macroeconomic and sectoral policies will be reviewed to strengthen and support decent work and employment creation for all, with support towards pro-employment budgeting in order to channel investment into job-rich growth sectors. In addition, there will be concerted efforts toward developing and implementing active labour market policies; enterprise and entrepreneurship development; and education and skills development, as a means to creating sustainable jobs for all.

Further, this Outcome will also support the promotion of an entrepreneurship culture. Malawi recognises that the country's population is dominated by youth that lack entrepreneurial skills, interest, motivation, and access to finance. The country also recognises that 89% of the workforce operates in the informal economy (Labour Force Survey 2013). According to FinScope MSME Survey 2012, access to finance is a major challenge for new and small enterprises. It is reported that the majority of MSME owners (59%) are financially excluded or do not use any financial products or services. These challenges are therefore affecting MSMEs development especially among the youth. In this regard, this Outcome will focus on instilling entrepreneurship culture among the populace as a means of increasing employment and income generating opportunities. Transitioning of MSMEs into the formal economy will be facilitated through the development and implementation of an enterprise formalisation strategy. The strategy will support capacity strengthening of constituents to support entrepreneurship and enterprise development. Further, the strategy will promote mainstreaming of entrepreneurship into the curriculum at all levels of the education system. Key productive sectors through which several investments will be channelled include agriculture, forestry, energy, recycling, construction and transport. As a means of contributing to environmental sustainability, promoting green jobs at enterprise and sector level, with full participation of constituents, will be prioritized.

Outcome Indicators

- 1.1.1 Active Labour Market Policies (ALMPs) developed for specific target groups in the labour market
Baseline: 0
Target: 2 Comprehensive ALMPs implemented by 2023
- 1.1.2 Number of jobs created through employment intensive investment and public work prograes
Baseline: 0
Target: 20,000 (NELP)

Under this Outcome, the DWCP II will aim at increasing the number of employed women and men and reduce the numbers of unemployed taking into account their specific conditions and circumstances that disadvantage them in the labour market particularly with regard to the quality of jobs and issues of equal pay for work of equal value among others. Key strategies under this outcome will include creating enabling environment for job creation, ensuring equal access to employment for all especially the youth, women and persons with disabilities; developing and implementing programmes that have high potential of creating jobs; creating linkages between SMEs and large companies. In addition, there will be need for mainstreaming employment promotion and job creation in the strategies and policies of key productive sectors; formalisation of the informal economy; promotion of entrepreneurship among the citizenry; and supporting business innovation.

Outputs

- 1.1.1.1 Value chains with high job creation potential and opportunities for women's economic empowerment supported with market linkages and value additions
- 1.1.1.2 Innovative and employment intensive projects/programmes implemented
- 1.1.1.3 Active labour markets policies promoted
- 1.1.1.4 Enterprise formalisation strategy developed
- 1.1.1.5 Financial products and services to increase SME creation by youth, women, and people with disabilities and men developed
- 1.1.1.6 Pro-employment and gender responsive planning and budgeting systems mainstreamed in the national and local governance processes
- 1.1.1.7 Financial service packages targeting youth, persons with disabilities, women and developed

Outcome 1.2: Improved skilled and productive labour force

The country recognises the skills mismatch as one of the challenges affecting the labour market. The National Export Strategy (NES 2013) has emphasised the need to work on reducing the skills mismatch so as to have a more productive labour force. To achieve this Outcome, focus therefore will be on strengthening and implementing policies, strategies and regulatory frameworks for skills anticipation and development, aimed at improving the skills and creating decent job opportunities. Some of the examples of the regulatory frameworks and systems earmarked under this Outcome include development of national qualification framework and review of the TEVET Act. In an effort to reduce the skills mismatch, the Government of Malawi will promote work readiness, skills recognition and Work Integrated Learning (WiL) programmes. Efforts will also be made to ensure enhanced relevance and responsiveness of the skills development system so that skills better correspond with industry needs.

Outcome Indicators

- 1.2.1 Number of people accessing skills training (disaggregated by category)
Baseline: 7,324 (MGDS III)
Target: 10,000 each year (same as the MGDS III)
- 1.2.2 Number of skilled people with disabilities matching industry needs
Baseline: 9,000 (MDGS III)
Target: 12,000 by 2023
- 1.2.3 Percentage change in labour productivity
Baseline: 1.22 (2019) CEIC
Target: 1.3

Under this Outcome, strategies to facilitate improved skills and a productive labour force will include the development of a National Qualification framework; developing and implementing effective WiL programmes; establishing an operational National Productivity Centre; modernizing public employment services; and improving coordination between PES and private employment services. The interventions will prioritise skills development for women, taking into consideration the disadvantages that women have faced over time in accessing education and training; such as construction of hostels for female students and provision of female-targeted bursaries.

Outputs

- 1.2.1.1 National Qualifications Framework developed
- 1.2.1.2 TEVET curricular reviewed to incorporate emerging issues such climate change
- 1.2.1.3 Work Integrated Learning (WiL) system developed
- 1.2.1.4 Appropriate work readiness programmes implemented
- 1.2.1.5 Skills recognition system implemented
- 1.2.1.6 Skills mismatch survey conducted
- 1.2.1.7 Public Employment Services modernised
- 1.2.1.8 Private Employment Services regulated
- 1.2.1.9 National productivity centre established

Outcome 1.3: Improved utilisation of the Labour Market Information System (LMIS)

Focus will be on strengthening the country's Labour Market Information System (LMIS). Support will be provided to the Government to establish an effective data collection, sharing and coordinating mechanism that, amongst other things, will ensure data availability and its accuracy, effective monitoring and reporting on labour market outcomes. Focus will also be placed on establishing a web-based LMIS. The National Statistics Office (NSO) will be supported in implementing the 19th International Conference of Labour Statisticians Resolution concerning work, employment and labour underutilization and reporting on SDG Global Framework Indicators.

Outcome Indicators

- 1.3.1 LMIS is accessible to the general public (disaggregated appropriately)
Baseline: 0
Target: 1
- 1.3.2 Number of annual reports generated using the LMIS
Baseline: 0
Target: 3 by 2023
- 1.3.3 Number of orientation sessions for system administrators and end users
Baseline: 1
Target: 3

Under this Outcome, country-level data on decent-work related SDGs and resolutions of the 19th International Conference of Labour Statisticians (19th ICLS) concerning statistics of work, employment and labour underutilization will be collected and disseminated to feed into the LMIS to facilitate availability of reliable, timely disaggregated (geographical, sector and sex among others) data and labour market information. Further, coordination of various institutions supporting collection, analysis and dissemination of labour market information will be strengthened.

Outputs

- 1.3.1.1 Relevant national disaggregated indicators for monitoring and reporting on decent work related SDGs are produced with ILO advice and support.
- 1.3.2.1 Annual employment reports produced.
- 1.3.3.1 National labour market disaggregated statistics, standards, and information systems are strengthened (including disaggregation by sex, age, and sector).

3.2 PRIORITY 2: RATIFICATION AND APPLICATION OF INTERNATIONAL LABOUR STANDARDS AND FUNDAMENTAL PRINCIPLES AND RIGHTS AT WORK

The second country priority defined by the DWCP II is ratification and application of International Labour Standards (ILS) and Fundamental Principles and Rights at Work (FPRW). This priority will address the following labour administration challenges: Gaps within the policy and legal framework; limited labour inspections resulting from human and financial constraints; decent work deficits relating to remuneration, Occupational Safety and Health (OSH), unacceptable forms of work including child labour, forced labour and human trafficking, and rights at work in general. The priority will also seek to improve trade unionisation membership rates; representation and participation of women and youth in decision-making positions within the tripartite constituents; increased participation of employers' and workers' organizations within the informal economy; and promotion of disability inclusion within social partner organizations.

The second priority of the DWCP II supports ratification of International Labour Standards (ILS) and facilitates timely reporting to the ILO supervisory mechanisms, including responses by the Government of Malawi to comments of the Committee of Experts on the Application of Conventions and Recommendations (CEACR). This priority contributes directly to the achievement of SDG 8 on decent work and economic growth and SDG 5 on gender equality, to several objectives of the Malawi Growth and Development Strategy III (MGDS III) and to several Outcomes across the three Pillars of the UNSDCF.

Outcome 2.1: Improved working conditions for vulnerable workers in the public and private sectors

In terms of working conditions for vulnerable workers in the public and private sectors, Malawi faces a number of challenges including: Limited enforcement of labour laws and policies due to human, technical and financial constraints; limited compliance with labour laws by employers. Limited labour inspections; low minimum wages; the exploitative tenancy labour system; irregular and infrequent meetings of National Child Labour Steering Committee (NSC-CL) and its subsidiary Technical Working Group (TWG); and uncoordinated and limited coverage of child labour programmes. The limited enforcement and compliance, coupled with weak coordination of programmes contributes to decent work deficits relating to wages, Occupational Safety and Health (OSH), child labour, maternity protection, pension, hours of work and poor, unacceptable and exploitative working conditions. This Outcome therefore aims at strengthening the labour administration system for improved working conditions.

Outcome Indicators

- 2.1.1 Percentage of targeted workplaces complying with labour laws and standards
Baseline: TBD by December 2020 based on Labour Inspection Analysis reports
Target: TBD once the baseline has been completed from Labour Inspection Analysis reports by December 2020
- 2.1.2 Decrease in child labour prevalence
Baseline: 29%(NELP)
Target: 20%(NELP)

To improve working conditions, the constituents will support capacity building of labour inspectors to enforce labour laws and regulations as a means of securing compliance to ultimately address decent work deficits in the labour market. Further strengthening the capacity of social partners to engage in bipartite and tripartite dialogue in relation to minimum wage and unacceptable forms of work will be prioritised, amongst others. In terms of ensuring the enjoyment of rights at work for both men and women, gender dimensions within conditions of work will be identified and addressed including equal pay for work of equal value; and reconciliation of work and family responsibilities. Additionally institutionalisation of coordination structures will be a key driver to effective social dialogue for the design, implementation, monitoring and evaluation of programmes addressing decent work deficits, particularly child labour. Target sectors for efforts to accelerate the elimination of child labour will include the agricultural sector, covering amongst others, the tea, coffee, and tobacco sectors.

Outputs

- 2.1.1.1 Labour inspections conducted
2.1.1.2 Gender responsive Strategic Compliance Model Action Plan adopted and implemented
2.1.2.1 Sectoral minimum wage setting mechanism developed
2.1.2.2 Strategy on abolition of tenancy labour system implemented
2.1.3.1 Child Labour coordination structures operationalised
2.1.3.2 Integrated child labour elimination programmes implemented

Outcome 2.2: Institutional capacity of employers' and workers' organizations enhanced

Key institutional challenges facing the social partners in Malawi include: low membership levels, leading to limited representation; limited organisation of informal economy employers and workers; limited representation and participation of women in decision making positions; limited capacity for collective bargaining; and limited capacity of workers' and employers' organisations and their secretariats to effectively deliver on their mandates. The low trade union and employer membership within the formal and informal economies, compounded by the exclusion of a large number of potential members in vulnerable sectors, are the main cause of the low financial base experienced by workers' and employers' organisations. In addition, male dominance in both representation and decision-making positions is a serious gender-equality issue, despite provisions within the national laws and rules of social partners' organisations. Capacity constraints to collectively bargain result in poor working conditions and strained labour relations. Further, limited effectiveness in social partners' capacity to deliver on their mandates results in limited service provision to members and affiliates. This Outcome therefore aims at improving the institutional capacity of employers' and workers' organizations in terms of representation, collective bargaining, inclusion of women, youth, the disabled and people living with HIV and AIDS.

To further enhance working conditions, the promotion of the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) will be prioritised.

Outcome Indicators

2.2.1 Number of Collective Bargaining Agreements (CBAs) submitted to the Registrar of Trade Unions

Baseline: 40 CBAs (2017)

Target: 60 CBAs by 2023

2.2.2 Percentage of women in decision-making positions within social partner structures

Baseline: MCTU – 44%

ECAM – 28.5% (at national level)

Target: MCTU – 50% by 2023

ECAM – 40% by 2023

2.2.3 Percentage increase of social partners' paid-up membership

Baseline: MCTU – 149,500 (2018)

ECAM – 124 (2018)

Target: MCTU – 20% increase in membership by 2023

ECAM – 30% increase in membership by 2023

To support strong, effective and representative workers' and employers' organisations, under this Outcome, the social partners will focus on the following: Capacity strengthening of their secretariats for sustainability; improved and gender responsive collective bargaining through bipartite and mutual gains negotiations; and diversification of services and products for their membership. The strategies will aim at addressing constraints on career progression of women within the social partner organisations by instituting leadership training aimed at breaking male and female stereotypes and occupational segregation. Interventions will aim at striking a gender balance and equity within social partner structures to ensure increased women's representation in decision-making positions and in all processes and structures. In terms of promoting effective participation of women and men in institutional and governance structures of social partner organisations, more equal sharing of work and family responsibilities including child care, along with maternity and paternity protection, and non-discrimination will be paramount. In addition, collective bargaining by the social partners will incorporate gender dimensions to address issues on equal pay for work of equal value. Social partners will be capacitated to ensure gender-responsive environments where contributions of men and women are equally respected and valued and that power relations are balanced to mitigate gender based violence and sexual harassment in the world of work.

Outputs

2.2.1.1 Social partners trained in collective bargaining and mutual gains negotiations

2.2.2.1 Constituents trained in gender equality, women's leadership, and men and masculinities

2.2.2.2 Gender-responsive Employers' and Workers' Organisations Strategic Plans implemented

2.2.1.1 Social partner secretariats strengthened on policy dialogue and leadership

2.2.1.2 New service packages for Employers' and Workers' Organisations developed

Outcome 2.3: Application of international labour standards enhanced

In terms of the domestic application by Malawi of International Labour Standards (ILS), challenges faced by the country include the following: limited knowledge and understanding of both ratified and non-ratified ILO Conventions and Protocols; gaps in the labour policies and laws vis-à-vis the relevant ILS; limited capacity to effectively report and submit timely reports on standards to the ILO's supervisory mechanisms; financial constraints of the Industrial Relations Court (IRC), and limited human capacity of the judiciary (including the IRC) to utilise ILS in court judgements. These challenges result in limited domestication and application of ILS; delays in submission by the Government of reports on ILS and in addressing comments from the Committee of Experts on the Application of Conventions and Recommendations (CEACR); limited reference to ILS in court decisions; and delays in disposal of cases by IRC, including because of the limited number of judicial officers. This Outcome therefore aims at enhancing the application of labour legislation, regulations and standards through ratification of ILS and protocols and domestication through policy and legislation formulation and review and capacitating the IRC on the use of ILS.

Outcome Indicators

- 2.3.1 Number of ILS and regional protocols ratified and implemented
Baseline: 32 ratified (as of 7 November 2019)
Target: 34 ratified by 2023
- 2.3.2 Number of new policies addressing decent work deficits in place
Baseline: 2
Target: 3 by 2023
- 2.3.3 Number of Industrial Relations Court (IRC) decisions that reflect improved utilization of ILS
Baseline: 33
Target: 56

There is consensus amongst the constituents to promote the ratification, application and reporting by the Government of Malawi on international labour standards (ILS). This will be facilitated through social dialogue with ILO technical assistance. Interventions under this Outcome will focus on raising awareness and building constituents' capacity in reviewing and reporting on ratified Conventions and Protocols. Ratification of the Maternity Protection Convention No. 183 will be promoted to facilitate its domestication. To deepen the application of the equality and non-discrimination conventions ratified and strengthen compliance with constitutional provisions on equality, equal pay for work of equal value, access to opportunities and control of economic assets will be promoted. Constituents' capacity for timely reporting on key conventions will be facilitated to improve accountability. The IRC and panellists will also benefit from capacity building on ILS to increase their utilisation in labour judgements. Further, national policy and legal frameworks will be reviewed to align them with ILS and their implementation facilitated through the development of national programmes and strategies.

Outputs

- 2.3.1.1 Capacity of tripartite constituents on ILS including C183 and the equality and non-discrimination conventions as well as regional protocols strengthened
- 2.3.1.2 Reports addressing CEACR recommendations submitted timely
- 2.3.2.1 National policies guided by ILS developed, adopted and implemented
- 2.3.3.1 Labour laws reviewed in line with ILS
- 2.3.3.2 Judiciary trained on utilisation of ILS in court decisions (disaggregated by sex)

3.3 PRIORITY 3: ENHANCING AND EXTENDING THE COVERAGE AND QUALITY OF SOCIAL PROTECTION

Malawi focuses on the development and implementation of adequate and effective social assistance systems in line with the MNSSP II, as well as the gradual development of a social security system for workers in the formal, and eventually informal economy. ILO Recommendation No. 202 calls for the implementation of nationally appropriate Social Protection Floors to ensure a basic level of social protection. Further the provisions of ILO Recommendation No. 204 concerning the Transition from the Informal to the Formal Economy guides specific interventions on extending social protection to the informal economy. The implementation of social protection requires coordination of structures and mechanisms to provide policy support, information and knowledge management, capacity building and monitoring and evaluation.

Outcome 3.1: Enhanced quality and coverage of social security schemes

Social security coverage and quality in Malawi are currently very low. Only employment injury and pensions are legislated, and both schemes face large challenges. Compulsory pension in Malawi was introduced following the enactment of the Pensions Act (2010) and is compulsory for all employers including Government. Although the pension industry has experienced substantial growth since then, many employees remain uncovered. Among the issues that limit coverage, the Reserve Bank of Malawi (RBM), the main implementing Government Agency, is facing legal impediments that have resulted in limited coverage of workers outside the financial sector. Further, the limited geographical presence of RBM offices at regional level means that pensioners or their dependents have challenges accessing their pension benefits. RBM has engaged the MoL on the possibility of amending the law to transfer responsibility for enforcement of compliance with pension's contributions to the MoL. This outcome will aim at improving enforcement beyond the financial sector.

Workers' Compensation is administered under the individual employer liability systems which has challenges including the following: Delays and sometimes failure by the employers to settle compensation claims; inadequacy of compensation due to one-off lump sum payments; lack of medical cover for injured workers; lack of specialized medical personnel to identify occupational diseases; and lack of medical personnel specifically assigned to undertake assessments for workers' compensation. The Workers' Compensation Act (2000) establishes the Workers Compensation Fund. However, it is not yet operational. The operationalization of the workers' compensation fund will help address the challenges highlighted above.

Workers in the informal sector often lack access and have limited capacity to participate in contributory social security schemes, leaving a significant share of the population without access to old age pensions. Parallel to this, the current design of social assistance programmes limits coverage of provisions only to the poorest of the poor, again leaving a large share of older citizens uncovered by any social protection measure. The introduction of a Universal Social Pension scheme would address this gap in the social protection system, by offering unconditional financial support to individuals above a defined age threshold. The outcome will aim to close the coverage gap of old age pensions for individual without access to insurance-based schemes.

Outcome Indicators

- 1.1.1 Number of formal employees on pension schemes
Baseline: 316,000 (RBM, March 2018)
Target: 50% increase
- 1.1.2 Percentage of workers benefiting from social insurance-based workers compensation system (disaggregated appropriately) (contributes to SDG 1.3.1)
Baseline: 0% ¹¹
Target: 50%

Strategies to address the challenge of low quality and coverage of social security under this outcome shall include legislative review of the Pension Act and addressing institutional and administrative mechanism to facilitate access to benefits; formulation of policies and implementation of action plans intended to minimise injury risks inherent in various economic activities; operationalization of the workers' compensation fund; development of an inclusive insurance system for employment injury; and compensation of workers who suffer employment injuries or contract occupational diseases. Further, the Government will put in place programmes to increase the number of citizens above 65 years of age receiving a contributory or non-contributory pension. Other strategies will be directed at assisting workers in transitioning to new employment in line with the Global Jobs Pact and will be consistent with the Employment Injury Benefit Convention No. 121. They will also include the provision of technical assistance for advocacy, design and development of operational system for the implementation of the social security scheme.

Outputs

- 3.1.1.1 Pension Act amended
- 3.1.1.2 Pension Act compliance inspections conducted
- 1.1.2.1 Risk-based premiums and financing strategy developed
- 1.1.2.2 Strategy to provide employment injury insurance for informal workers developed
- 1.1.2.3 Workers' Compensation Act amended and implemented
- 1.1.2.4 Regulations for the Workers' Compensation Act developed
- 1.1.2.5 Elderly Pension Scheme Operationalized

Outcome 3.2 Enhanced Occupational Safety and Health laws, policies, regulations and services

An improved legal and policy framework on Occupational Safety and Health (OSH), the dissemination of knowledge and information on OSH and the strengthening of institutional capacity on OSH are key priorities for Malawi. Currently, the working environment in many establishments is not conducive in terms of OSH; the legal and the regulatory framework is inadequate; legal compliance to the existing legislation is limited; few inspections are conducted; working equipment is inadequate and obsolete; and there is no linkage with cases reported to the Workers' Compensation Commissioner (WCC).

11. Social Insurance Fund is yet to be operationalized.

Under this Outcome, legal compliance with the existing legislation will therefore be enhanced through the review of the Act, intensified workplace inspections, including integrated inspections and awareness campaigns. In addition, a proper linkage of the cases reported to OSH and WCC will provide an opportunity for OSH inspectors to conduct thorough investigations and research on causes in order to come up with measures to avoid recurrence. Improving quality and coverage of Malawi's Occupational Safety and Health system will enhance working conditions resulting in reduced occurrence and incidence of occupational injuries, accidents and diseases.

Outcome Indicators

3.2.1 Number of new and reviewed OSH legal and policy framework in place aligned to ILO ILS

Baseline:	0 OSH Act reviewed 0 OSH Policy developed
Target:	1 OSH Act reviewed 1 OSH Policy developed

The following interventions will be pursued to achieve this Outcome including: Developing a national OSH profile, national OSH policy, national OSH action plan and national OSH programme(s) consistent with the Occupational Safety and Health Convention (No. 155), Promotional Framework for Occupational Safety and Health Convention (No. 187) and the Safety and Health in Agriculture Convention (No. 184); reviewing legislation to protect all workers; implementation of ILO Conventions No. 155, No. 187, and No. 184; strengthening mechanisms that identify and manage risks at work including sexual and gender based violence; facilitating the establishment of national OSH systems for a preventative culture; and strengthening OSH information and research capacity. Further OSH initiatives for workers in the informal sectors will be promoted in line with ILO Recommendation 204.

Outputs

- 3.2.1.1 ILO Conventions 155 and/or 184 and/or 187 on OSH domesticated
- 3.2.1.2 OSH Policy developed
- 3.2.1.3 OSHW Act reviewed
- 3.2.1.4 OSH regulations developed
- 3.2.2.1 OSH information and documentation system developed
- 3.2.2.2 Workers' and employers' knowledge and information on OSH enhanced
- 3.2.2.3 OSH inspections conducted
- 3.2.2.4 OSH documentation units in OSH institutions established
- 3.2.2.5 Gender-based discrimination, violence and harassment workplace policy developed and disseminated

Outcome 3.3: Quality and coverage of Malawi's social protection interventions and institutional capacity enhanced

Despite recent year's improvement in coverage of social assistance programmes in Malawi, the number of individuals protected represent only a small share of those in need of support. The social assistance system relies heavily on direct support and implementation by the Development Partners, Public institutions that run social security operate in isolation. Furthermore, there are little, if any, links between social assistance and social security systems. This results in fragmented and intermittent approaches to social protection with limited interaction with employment and enhancement interventions, and do not provide a clear pathway for long term sustainability. Among the causes of the low coverage are the fragmentation between interventions, given the multiple implementing institutions, limited capacities and resources, poverty focused targeting in the context of widespread poverty and vulnerability, and very limited budget allocation by the government for social protection. The limited overall coverage is worsened by low benefit levels, and limited linkages between the social protection system and humanitarian responses. The lack of joint planning and monitoring of the social assistance programmes by the tripartite partners another contributing factor.

The Malawi National Social Support Programme II (MNSSP II), launched in early 2018, aims to improve the coverage, quality and integration of the social protection system in the country by 2023. Thus, the constituencies agreed to focus on supporting the development and implementation of the institutional framework surrounding the MNSSP II, fostering coordination of systems and programmes for increased accountability and integration, facilitate the coordination between and within the social security and social assistance systems, and invest on continuous capacity building at institutional, organizational and individual levels of all

relevant stakeholders in social protection. Thus, providing assistance towards a more rights-based, broad-based, adequate, efficient and effective social protection system, with reduced donor dependency and fragmentation in the sector.

Under this Outcome, the tripartite constituents will therefore focus on strengthening participation of the tripartite and non-state actors (including civil society, media, research institutions, think tanks and academia) on the social protection system, fostering coordination of systems and programmes for increased accountability and integration, facilitate the coordination between and within the social security and social assistance systems, and invest on continuous capacity building at institutional, organizational and individual levels of all relevant stakeholders in social protection.

Outcome Indicators

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| 3.3.1 | Number of people covered by social protection floors/systems (disaggregated appropriately) |
| | Baseline: 6,158,428 |
| | Target: 7,000,000 |
| 3.3.2 | Total Government spending in social protection as a proportion of the national budget (SDG 1.a.2/UNSDCF 7.4) |
| | Baseline: 44% |
| | Target: 51% |

Several strategies and interventions will be employed under this Outcome to achieve the gradual improvement in the quality and coverage of the social assistance programmes and overall strengthening of the capacities of the institutions involved in the sector. These interventions will include supporting the review of the effectiveness and relevance of current poverty-based targeting mechanisms for social assistance programmes, support the review of benefit adequacy for social protection interventions; conducting discussions on rights-based and the lifecycle approach to social protection; increasing knowledge and public debate on MNSSP II among the partners, beneficiaries and the general public; support evidence generation to support increased government funding of social protection; provide technical and managerial capacity building in social protection; support the development and implementation of improved planning, coordination, and M&E mechanisms. In addition, mobilization of non-state actors including civil society and women's rights groups, for engagement in social protection; develop a system for national engagement for the tripartite partners. This will increase knowledge and public debate on social protection among the partners, beneficiaries and the general public; creation of a special Technical Working Group on Social Security and Social Assistance Systems, comprising at least 40% critical mass of women, with the goal of parity; develop social accountability tools for Civil Society Organisations (CSOs) and lastly develop a communication strategy to create demand driven social assistance programmes.

Outputs

- 3.3.1.1 Capacity for the tripartite partners and social dialogue on social assistance systems strengthened
- 3.3.1.2 Campaigns for participation in the implementation of the MNSSP II enhanced
- 3.3.2.1 Social accountability mechanisms for social protection strengthened
- 3.3.2.2 Social assistance programmes incorporate rights-based approaches
- 3.3.2.3 Lifecycle sensitivity for the social protection system enhanced
- 3.3.2.4 Studies and assessments on financing and fiscal space for social protection conducted

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Malawi
Decent Work
Country Programme

Malawi
September 2020

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4. MANAGEMENT AND IMPLEMENTATION ARRANGEMENTS

The Ministry of Labour (MoL) will spearhead the implementation of Malawi's DWCP, in close collaboration with the social partners and with the support of the ILO. The ILO Country Office for Zambia, Malawi and Mozambique (CO-Lusaka) will facilitate the process of implementation by drawing on the support and expertise from the Decent Work Technical Support Team for Eastern and Southern Africa (DWT-Pretoria), the ILO's Regional Office for Africa (ROAF), and various technical and administrative units and departments at ILO Headquarters in Geneva. Further, the ILO will provide supervisory missions and will require the TLAC to submit a progress report once a year. Below are the specific roles and responsibilities of the key stakeholders:

4.1 TRIPARTITE LABOUR ADVISORY COUNCIL (TLAC)

The Tripartite Labour Advisory Council (TLAC), established under the Labour Relations Act, will champion the management and implementation of the DWCP II. The TLAC will have the overall responsibility of overseeing the implementation. Specifically, the TLAC will:

- Provide policy guidance on management and implementation of the DWCP II
- Resolve conflicting issues affecting the social partners
- Champion solicitation of funding
- Receive monitoring and evaluation reports from the Technical Committee
- Implement risk assessments
- Liaise with ILO and other partners

4.2 TECHNICAL COMMITTEE

In order to expedite the conduct of business, a Technical Committee comprising selected technical level officials from key Government Ministries, workers' and employers' organizations, and other relevant stakeholders will be established. The quorum for the Technical Committee shall be three members as long as there is one each from Government, workers and employers. At least 40% of the Committee's members shall be women. The Technical Committee will be responsible for the day-to-day management and implementation of the DWCP II including planning, implementation, resource mobilisation, programmes, monitoring and evaluation, and risk management among partners. In addition, the Technical Committee will be responsible for advocacy and communication.

4.3 SECRETARIAT

The Ministry of Labour (MoL) has been designated as the Secretariat for the DWCP II. The MoL's overall responsibility will be to coordinate the implementation of the DWCP II. Specifically, the MoL will be responsible for:

- Arranging meetings of the Technical Committee
- Taking minutes of Technical Committee meetings
- Circulating the minutes of Technical Committee meetings
- Following up on issues
- Coordinating visits to project sites
- Monitoring and Evaluation (M&E) of the DWCP II

4.4 DWCP II FOCAL POINTS

Malawi DWCP II Focal Points will be established within MCTU and ECAM and also within other stakeholders as appropriate. The Focal Points will be established in order to ensure effective leadership and coordination. The following are the specific Terms of Reference (TOR) for the Focal Points:

- Arranging sector meetings for the DWCP II
- Drafting minutes and action points of sector meetings
- Circulating the minutes of the sector meetings
- Following up on issues

- Submitting Sector reports to MOL
- Implementing DWCP II projects
- Monitoring and Evaluation (M&E) of the DWCP II
- Submitting quarterly sector reports to the secretariat
- Participate in DWCP II focal points quarterly meetings

4.5 COOPERATING PARTNERS (INCLUDING THE ILO AND OTHER UN AGENCIES)

The Cooperating Partners (CPs) will provide both technical and financial support towards the implementation of this DWCP. The CPs will use their International and global networks to benefit the implementation of this DWCP by sharing best practices in term of Resource Mobilization and Implementation of a DWCP. The CPs will also provide technical support during the evaluation and documenting lessons learnt during the implementation the DWCP.



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5. PERFORMANCE MONITORING AND EVALUATION ARRANGEMENTS

A Theory of Change (TOC) based monitoring and evaluation (M&E) system is an integral part of this DWCP II. This M&E system is in line with participating cooperating partners' and ILO's practice that require bi-annual reports as well as mid- and end-of programme evaluations. Emphasis will be placed on synchronising, aligning the DWCP II M&E system to the MGDS III monitoring and evaluation system, as well as the UNSDCF monitoring, evaluation framework, and the SDGs (i.e. annual voluntary reporting on the SDGs). The M&E system will not only report on achievements but focus on joint analysis of the DWCP II partners answers questions about the how and why and the specific contribution of the DWCP II actors to the achievement of the outcomes (versus other actor's contributions). The Technical Committee for the DWCP II will use key indicators of the DWCP II outcomes and the outputs to monitor implementation and achievements and pitfalls of the DWCP II and report biannually on the progress and lessons learned to the TLAC.

The MoL will be responsible for leading the M&E system and will facilitate the development of the M&E Plan and the bi-annual reports and organize the annual review. In addition, the MoL will provide the country level support for the ILO mid-term and final evaluation of the DWCP II.

The implementation of the M&E system will require filling gaps in data such as baselines and targets in the results monitoring plan and propose adjustments if some data is not available or present a different scenario from which was expected. The M&E system will contribute to reflection, based on the DWCP II's Theory of Change (TOC), on what works, what does not and it will have to be adjusted in the perspective of adaptive management. The tracking of indicators as a way of reflection rather than only as a way of reporting will be key.

Monitoring and evaluation (M&E) procedures will seek to assess the achievements of the DWCP II in both quantitative and qualitative terms, hence the full participation of the social partners in the planning, implementation, monitoring and evaluation of the DWCP II will be assured. In order to make this more effective, capacity building support will be provided on result-based management, including performance monitoring and evaluation to enhance their full and meaningful engagement.

The MoL, being the lead actor for the M&E system, should elaborate within the first 6 months of the implementation of the DWCP II an M&E plan that addresses the points highlighted in this section. Among these, the M&E plan will do the following: (1) explain how the M&E system will be based on the Theory of Change; (2) workplan to complete the planning (i.e. baselines and targets); (3) methodology of joint analysis by partners and role of the different parties by Outcome (how and why and specific contributions); and (4) capacity building interventions required to undertake M&E activities for this DWCP II and how to address them (e.g. training, coaching, normative actions, etc.).

RISK MANAGEMENT

This DWCP II has taken risk management into consideration, with the identification, assessment, and prioritization of these risks. The risk management framework provides recommended actions to address the risks using an approach that aims to facilitate coordination and economical application of resources to minimize, monitor, and control the probability and/or impact of the assumptions and maximize the realization of opportunities. This will ensure that the risks do not deflect from the goals of the DWCP II. It is proposed that at the beginning of each financial year, the Technical Committee should conduct a risk mapping exercise of the DWCP II and propose measures to limit or hinder the occurrence of risk. Risks have been put in three main categories; Environmental, Macroeconomic, and Socioeconomic Risks.

Table 2: DWCP II Risk Assessment and Risk Mitigation

Risk Assessment	Risk Level	Mitigation Measure
1. Environmental Risk Natural disasters like drought and floods mainly due to climate change may negatively affect agricultural production and other productive economic sectors which eventually derail progress towards the expected results. In addition, electricity generation and supply may be disrupted which may hinder private sector development hence compromising on job creation opportunities. Environmental risks if not properly managed may contribute to more fiscal stress which may also affect funding towards enterprise and entrepreneurship development interventions.	Medium	The tripartite parties (social partners) will strengthen collaboration and coordination efforts with relevant sectors like agriculture and water to ensure climate smart agricultural investment is promoted. Resilience of the farmers will also be taken into consideration such as encouraging crop diversification, and value addition. Enhance preparedness mechanisms through early warning systems and encouraging investments in agricultural technologies that are considerate of natural disasters such as irrigation. The constituents will also ensure that there is a strong mechanism of monitoring implementation of the DWCP II interventions in the country and will attempt to address the root causes of decent work deficits; build institutional capacities, especially those of constituents; and work closely with partners to build alliances.
2. Macro-Economic Risk Malawi will be having the elections in 2019 and this poses a risk of change of interest of Government which may shift the priorities away from those agreed in the DWCP II. Change of Government may also affect commitment towards strengthening good governance enshrined in combating corruption. This may lead to donors' withdrawal towards supporting various interventions in the DWCP II that have potential for employment creation. Unstable economic growth compounded by Malawi's macroeconomic challenges including slow GDP growth, high inflation, low foreign exchange reserves and a weakening currency is another important risk to attainment of DWCP II results.	Medium	Collaboration among various actors; Government, development partners, donors, civil society, and social partners to stress the importance of priorities identified in DWCP II as they align to the Malawi Growth and Development Strategy III. Increased national ownership, civil society and media engagement, government leadership, to implementation of DWCP II will be considered key requirements of increased political will. The tripartite partners will ensure that there is a strong commitment towards good governance so as to make sure that the fight against corruption is more pronounced in the country. Furthermore, capacity building of constituents will be prioritised to ensure that implementing institutions and other stakeholders familiarize themselves with their role in supporting sustainable business development that facilitates sustainable job creation and decent work for all. The banks and other microfinance institutions will be adequately engaged and empowered to design financial products tailored to vulnerable groups
3. Socioeconomic Risk Slow economic growth impacts on job creation, resulting in reduced membership in social partner organisations; Complex institutional landscape due to donor driven social protection support in Malawi	Medium	To counter these risks, social partners will raise awareness on their new service packages and provided adequate funding for implementation of gender policies. Additionally, they will facilitate leadership training for their membership.

		Close collaboration amongst social protection partners to reduce duplications, maximize synergies and strengthen political influence. The reviewed MNSSP and MNSSP II design task forces provide an opportunity for further strengthening of development partner coordination. In addition, ILO is supporting a review of institutional coordination mechanisms of Malawi's social protection sector, including the development of recommendations to improve coordination between Government, donors and development partners. Strengthening cooperation with UN agencies through a UN joint programming framework will be a key measure to ensure continued strong cooperation with development partners.
4. Political Risk Political tension following the contested result of the 21 May 2019 national elections, resulting in and demonstrations.	Medium	To mitigate the impact of this risk on programme delivery, should it eventuate, on delivery of the DWCP II, the key implementing actors will develop business continuity plans. During implementation, the DWCP-II will itself seek to promote inclusive economic development and employment creation, including for youth, contributing further to mitigation of this risk by increasing social cohesion.
5. Pandemics Pandemics e.g. COVID-19 may disrupt implementation of interventions under the DWCP and affect the vulnerable negatively.	High	Prioritize interventions that will include strengthening preparedness measures and building the capacity to decrease risks of exposure and importation of COVID-19, and protect vulnerable groups, including the old people and those with underlying conditions.



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6. FUNDING PLAN

In order to optimise national resource mobilisation, deliberate efforts will be made to ensure maximum synergies with the planning and implementation of the MGDS III and the UNSDCF. The MoL will establish linkages with coordination mechanisms of the MGDS III to advocate for the resourcing and implementation of the DWCP II.

Alignment to the MGDS III implementation plan and stakeholder strategic plans will also enable the leveraging of resources for the DWCP II. The ILO will continue to support the implementation of the DWCP II priorities through development cooperation programmes, projects and activities in Malawi.

Additionally, technical and financial support will be mobilised through partnerships with other actors within and beyond the United Nations Country Team (UNCT) in Malawi. The estimated total amount required to implement this DWCP is \$53, 121, 000, which has \$13,747,000, mobilized already leaving a funding gap of \$46, 380, 000 to be mobilized among the constituents and other Cooperating Partners.



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7. ADVOCACY AND COMMUNICATION PLAN

Within the framework of the DWCP II, the constituents will promote the decent work agenda through stakeholder sensitisation, advocacy and collaborating with key economic ministries, Parliamentary Committees and social partner institutions.

The MoL will establish linkages with coordination mechanisms of the MGDS III to promote the DWCP II. Regional sensitisation by constituents will also be facilitated to ensure increased awareness of the DWCP II provisions at sub-national level.

The MoL will facilitate the development of a communication and advocacy plan during the implementation of the DWCP II.

Annex I: Risk Assessment and Mitigation

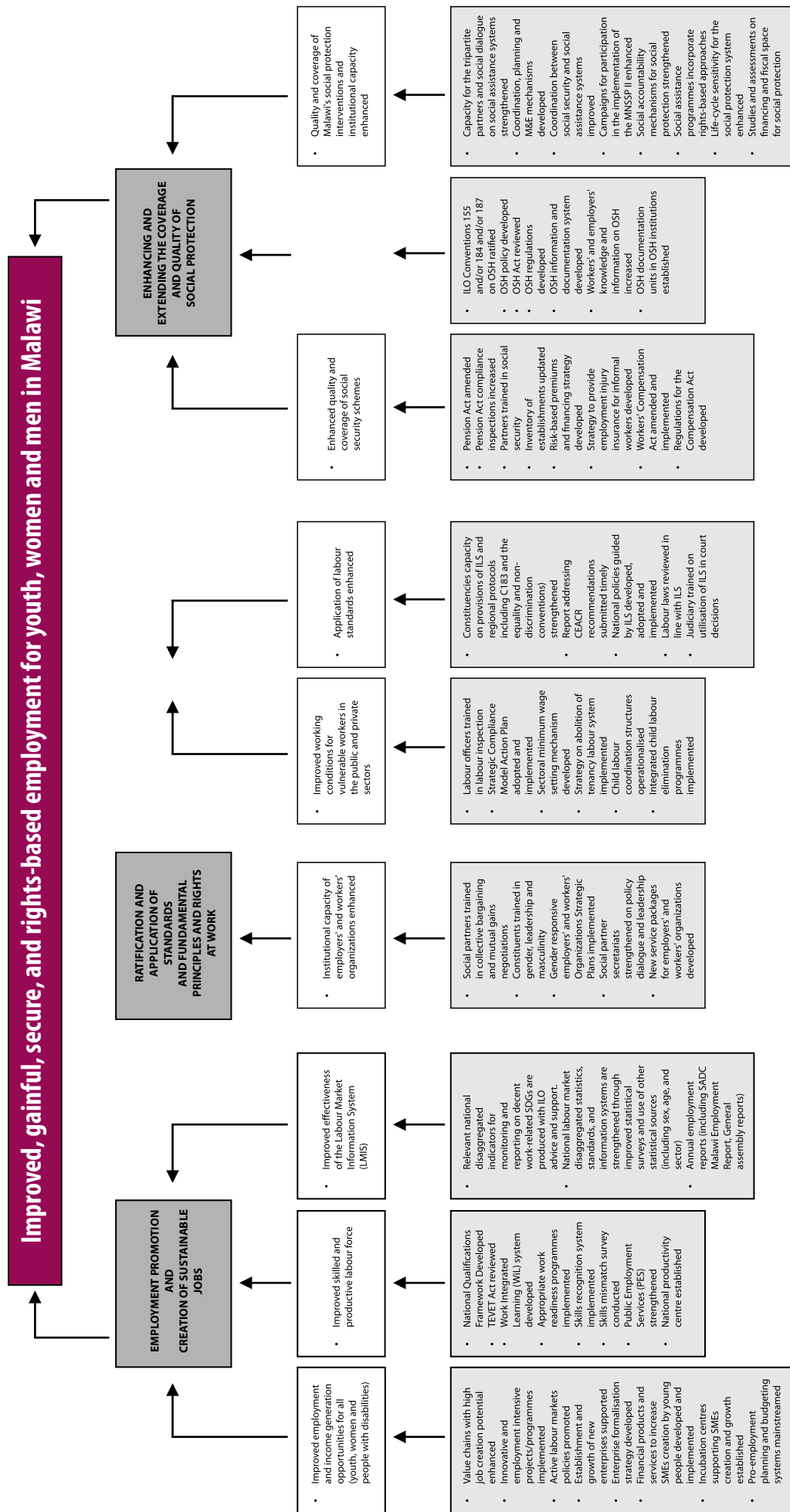
Outcome	Risk Assessment	Risk Level	Mitigation Measure
Outcome 1.1: Improved employment and income generation opportunities for all (youth, women and people with disabilities)	☐ Economic shocks such as natural disasters like drought and floods may disrupt electricity generation and supply which hinders private sector development hence compromising on job creation and this can also affect agriculture production and other productive economic sectors which eventually derail progress towards the expected results; further economic shocks may contribute to more fiscal stress which may affect funding towards enterprise and entrepreneurship development interventions; ☐ Change of interest of government and lack of commitment towards strengthening good governance enshrined in combating corruption may contribute to donor's withdrawal towards supporting various interventions that have potential for employment creation. ☐ Corruption may contribute to donor's withdrawal towards supporting enterprise and entrepreneurship development interventions. ☐ Unwillingness of the banks to provide financial products/ services to targeted beneficiaries	Medium	The tripartite parties (social partners) will strengthen collaboration and coordination efforts with relevant sectors like agriculture to ensure that investments in agriculture are considerate of natural disasters and ensure that irrigation and other sustainable agriculture technologies are given much attention. The constituents will also ensure that there is a strong mechanism of monitoring implementation of the DWCP II interventions in the country and will attempt to address the root causes of decent work deficits; build institutional capacities, especially those of constituents; and work closely with partners to build alliances. The parties will also ensure that there is a strong commitment towards good governance so as to make sure that the fight against corruption is more pronounced in the country. Furthermore, capacity building of constituents will be prioritised to ensure that implementing institutions and other stakeholders familiarize themselves with their role in supporting sustainable business development that facilitates sustainable job creation and decent work for all. The banks and other microfinance institutions will be adequately engaged and empowered to design financial products tailored to vulnerable groups. During implementation, the DWCP-II will itself seek to promote inclusive economic development and employment creation, including for youth, contributing to social cohesion.
Outcome 1.2: Improved skilled and productive labour force	☐ Economic shocks resulting from natural disasters such as drought and floods may contribute to more fiscal stress which may affect funding towards skills development interventions; ☐ Changing government priorities may entail shifting from skills development to other focus areas where there is more political visibility and this may contribute to unsatisfactory resource allocation and government support towards achieving this outcome; ☐ Relaxation in the fight against corruption may contribute to donor's withdrawal towards supporting skills development interventions.	Medium	The tripartite parties will strengthen collaboration and coordination efforts with relevant sectors like agriculture and water to ensure that investments in agriculture are considerate of natural disasters and ensure that irrigation and other sustainable agriculture technologies are given much attention. The parties will also ensure that there is a strong mechanism of monitoring implementation of good governance interventions in the country and also ensuring that National Planning Commission which was approved by Parliament is empowered to make sure that changing of governments does not contribute to disruption of running programmes. Furthermore, capacity building of constituents will be prioritised to ensure that implementing institutions and other stakeholders familiarize themselves with their role in support the delivery of effective skills development that facilitates a productive workforce and decent work for all.

Outcome 1.3: Improved effectiveness of the Labour Information System (LMIS)	☐ Malawi resistance in implementing the 19th International Conference of Labour Statisticians Resolution concerning work, employment and labour underutilization and reporting on SDG due to the likelihood of an increase in those defined as unemployed	Low	Through technical support from ILO, Constituents to be sensitised on the 19 th ICLS resolutions and provided with technical support to develop LFS tools, collection and analysis of data.
Outcome 2.1: Improved working conditions for vulnerable workers in the public and private sectors	☐ Insufficient future allocation of resources for implementation of legal provisions and labour inspection. ☐ Limited compliance by enterprises to address recommendations from labour inspections. ☐ Changes in workers' organizations staff implies limited capacity of Workers' organizations to report and demand workers' rights ☐ Changes in the political environment limits political will to implement provisions of the MNE Declaration.	Medium	To mitigate these risks, efforts will be made to intensify constituents' advocacy and outreach in order to raise awareness at all levels.
Outcome 2.2: Institutional capacity of employers' and workers' organizations enhanced	☐ Slow economic growth impacts on job creation, resulting in reduced membership in social partner organisations; ☐ Limited implementation of institutional gender policies; ☐ Competency levels amongst women in social partner organisations	Medium	To counter these risks social partners will raise awareness on their new service packages and provided adequate funding for implementation of gender policies. Additionally, they will facilitate leadership training for their membership.
Outcome 2.3: Application of labour standards enhanced	☐ Weak economic development, shifts national priorities away from the development of rights-based socio-economic policies; ☐ Limited political will to ratify ILO standards; ☐ Insufficient allocation of finances for implementation of labour standards.	Medium	To address the risks, technical support to the tripartite plus will be facilitated for ratification and implementation of international labour.

Outcome 3.1 Enhanced quality and coverage of social security schemes	☐ Changes in the current political environment limits political will to the strengthening of social protection systems ☐ Changes in staff limits capacity to implement social protection provisions ☐ Low and stagnant Government contributions to social protection in Malawi ☐ Unstable economic growth compounded by Malawi's macroeconomic challenges including slow GDP growth, high inflation, low foreign exchange reserves and a weakening currency.	Medium	Strengthened collaboration between Government, development partners, donors, civil society, and social partners to stress the importance of social protection for Malawi's development and support the implementation of highly visible national dialogues. The year-long review of the MNSSP and the inclusive national dialogue underpinning the development of the MNSSP II aims to increase national ownership, civil society and media engagement, government leadership, which are considered key requirements of increased political will. Advocacy on the positive contribution of social protection towards pro-poor economic growth and economic stabilization.
Outcome 3.2 Enhanced Occupational Safety and Health services	☐ Changes in the current political environment limits prioritisation of OSH and workplace compliance to OSH standards especially as regards allocation of budgetary resources to strengthen national	Medium	Intensification of research based advocacy and outreach in order to raise awareness on OSH standards; technical support towards the revision of OSH policies and legislation.
Outcome 3.3: Quality and coverage of Malawi's social protection interventions and institutional capacity enhanced	☐ Complex institutional landscape due to donor driven social protection support in Malawi	Low	Close collaboration amongst social protection partners to reduce duplications, maximize synergies and strengthen political influence. The reviewed MNSSP and MNSSP II design task forces provide an opportunity for further strengthening of development partner coordination. In addition, ILO is supporting a review of institutional coordination mechanisms of Malawi's social protection sector, including the development of recommendations to improve coordination between Government, donors and development partners. Strengthening cooperation with UN agencies through a UN joint programming framework will be a key measure to ensure continued strong cooperation with development partners.

Annex II: Theory of Change

Malawi Decent Work Country Programme Theory of Change







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