**UNDP**

**Terms of Reference (TORs)**

**for Conducting Capacity Diagnostic on Women Economic Empowerment in Malawi**

Duty Station: Lilongwe, Malawi

Language Required: English

Starting Date: 1st Nov. 2012

Expected Duration of Assignment: 40 days

Type of Contract: International/National

**1.0 Background**

In Malawi, the MDGs targets that are lagging behind have pronounced gender connotations. These include MDG 1, Eradicate Extreme Poverty and Hunger, MDG 2, Universal Primary Education, MDG 3, Gender Equality and Women Empowerment and MDG 5, Maternal Health. Women economic Empowerment is linked to MDG’s 1 and3, through the indicator “share of women in wage employment in the non-agricultural sector”.

In the Malawi Growth and Development Strategy (MGDS, 2012-2-16), the Malawi Government has committed itself to implement a number of strategies to reduce gender inequalities. The strategies with a direct bearing on economic empowerment include: promoting women entrepreneurship and involvement in cooperatives; promoting equal access to appropriate technologies and micro-finance schemes; strengthening legal and regulatory framework; mainstreaming gender at all levels; promoting access to quality education for girls; and strengthening gender disaggregated research and documentation.

Most sector plans are not clear on strategies to address gender disparities although this is recognized as being critical. Lack of gender disaggregated data, poor commitment to resource allocation towards gender mainstreaming and institutional capacity to analyze and systematically mainstream gender in all sectors remain the major challenges.

Many sectors of the economy in Malawi have witnessed some improvements in women economic empowerment. However, despite the fact that a number of policies and programmes have been developed, implementation and coherence remains a big challenge. Several factors have influenced the level of women economic empowerment among which is participation in development programmes, literacy level, access to and control over productive resources as well an enabling policy and regulatory environment across sectors. New legislation and policies include the National Gender Policy, 2011 whose goal is to mainstream gender in the national development process in order to enhance participation of women and men, girls and boys for attainment of sustainable and equitable development. The policy is also designed to promote gender equality and women economic empowerment.

Ministry of Trade, Commerce and Industry is also implementing a number of programmes aimed at promoting economic empowerment of women through institutions such as: the Development of Malawi Trust (DEMAT); the Small Enterprise Development Organization of Malawi (SEDOM); the Malawi Enterprise Development Institute (MEDI); and One Village One Producer (OVOP). Ministry of Local Government and Rural Development has also embarked on programmes aimed at community empowerment such as the Rural Income Enhancement Programme 2000-2005, the Poverty Reduction Programme 2000-2005, the Rural Livelihood Support programme 2004-2013 and the Rural Livelihoods and Economic Enhancement programme, 2009–2017.

The Ministry of Agriculture, Irrigation and Water Development has a component on increased income for the poor although most of its initiatives such as the TIP, ASWAP, AIP and FISP do not have components with a direct link to economic empowerment of women. On the other hand, Ministry of Finance and Development Planning has a number of donor funded programmes such as MASAF, MARDEF and Financial Inclusion in Malawi (FIMA) all of which promote economic empowerment of women. Ministry of Finance is also currently reviewing the draft economic empowerment policy from 2004.

The Ministry of Gender, Children and Social Welfare (MoGCSW) has the overall mandate and responsibility for the formulation and oversight of gender equality programmes including policy and legal frameworks, mainstreaming and other applications in all sectors of the economy.

Despite the multiplicity of Ministries, Departments and Agencies which have been involved in supporting EEW, there has been no specialized institution or champion that has assumed full responsibility and authority for EEW. It is therefore suggested that to be effective in EEW, proper coordination, management, monitoring and evaluation of EEW initiatives are needed.

As a first step to developing the needed interventions, UNDP has proposed a capacity diagnostic study in order to identify capacity gaps that need to be filled to create an enabling environment for a well coordinated EEW programme in Malawi. The study will cover five key ministries that are primarily involved in EEW programmes, notably Ministry of Gender, Children and Social Welfare, Ministry of Agriculture, Ministry of Trade and Industry, Ministry of Finance and Ministry of Local Government and Rural Development.

2.0 **JUSTIFICATION**

A number of development policies and strategies have been formulated and implemented with the overall goal of promoting gender equality, sustainable development and poverty reduction. All these policies and strategies are guided by Malawi long term vision 2020. The Current Malawi Growth and Development Strategy II 2012 -2016 mainstreams gender in planning and budgeting process in all sectors and thematic areas which is an improvement over the MGDS I. The National Gender Policy and Programme which was first developed in 2000 and revised in 2005 is still in draft form. The National Gender Programme 2004 – 2009 forms a guiding framework for a coordinated response to gender equality in Malawi with the overall goal of mainstreaming gender in the national development process to enhance participation of men and women, boys and girls for sustainable and equitable development for poverty eradication. In addition to the economic and legal framework highlighted above, the Development Assistance Group which is a tripartite of DPs, NGOs and Government is headed by Ministry of Gender and Community Development with a membership of 30 who meet on monthly basis. Apart from the laws on gender equality formulated and enacted in Malawi, the Government has ratified a number international treaties and instruments such CEDAW in 1997, 4th Conference on Women in Beijing 1995, SADC Declaration on Gender and Development 1997.

However, much as there is a policy and legal framework in place to promote gender equality and women economic empowerment, a number of gaps that need to be addressed still exist. From the 2008 FINSCOP demand side study, it was established that 55% of the population of Malawi is financially excluded and only 26% of those with financial access were formally banked. A complementary supply side study on the financial sector in Malawi identified key barriers to financial access as; limited accessibility to financial service points which include branches and outlets; high transaction costs; capacity constraints; crowding effect of the public sector and; the lack of market coordination between private initiatives seeking to promote better access to financial services. Also, most women in Malawi spend less time on income generating activities and more on reproductive and unpaid work making them dependent on men for income.

An analysis of the status of EEW programmes in Malawi, according to a study conducted by DCA in 2009 has shown that:

1. Organizations focusing on women and therefore funding opportunities have increased over the years with the overall changes in policy and development frameworks which have seen the high inclusion of gender and women related initiatives.
2. Despite the increase in funding opportunities for women, there are a number of hiccups which lead to many women failing to access the same opportunities as men. These include lower levels of literacy which results in reduced up-take of services and limits the levels of training that can be given to women for purposes of empowerment.
3. Also, while there are many organizations working on Gender and Women Development in Malawi, less than 50% are directly engaged in EEW. Also, very few are working on economic, social and cultural rights thereby limiting the chances for furthering EEW in Malawi. Examples of the few organizations working on EEW in Malawi include FINCA, OVOP, MARDEF, YEDEF and the Local Development Fund.
4. Furthermore, most of the EEW service providers operate in cities or at the main towns of the districts which then limits the accessibility of such services by the ultra-poor women in the rural areas of the country.
5. Another problem is that there is insufficient financial orientation to the clients targeted by the various EEW initiatives. The study by the DCA revealed that about 61.3% of the respondents confirmed that very few financial service providers conduct financial education in rural areas apart from merely unveiling themselves, and;
6. While there are many stakeholders and financial service providers necessary for EEW, there is still need for capacity development and improved linkage and coordination of the service providers as well as the clients if many women are to attain economic empowerment in the country.

Five major gaps and challenges were therefore identified as affecting EEW in Malawi and these are as follows:

1. Socio-economic and cultural barriers to economic empowerment of women
2. Women excluded from the financial sector
3. Lack of efficient coordination across sectors towards economic empowerment of women
4. Current efforts towards economic empowerment of women lack men involvement, and
5. Impediments in the structural barriers within the legal, financial and political systems.

One of the major impediments to the realization of economic empowerment of women in Malawi is the appropriateness of existing financial institutions to effectively serve the rural poor. The situation in the country is such that most of the micro-finance institutions are located in urban areas, out of reach of the majority of the population, most of whom (up to 85 percent) live in rural areas. As such, the country still faces many challenges and unanswered questions that unless they are fully addressed, economic empowerment of women will remain a dream for many years. Questions that need to be answered include for example, whether the existing financial institutions, which are mostly urban-based, are appropriate to deliver effective services to the rural poor? Do they have financial products/services suited to the needs and circumstances of the rural poor in general and women in particular? Unlike other loan products which rely heavily on short-term loans with frequent, regular repayments, agricultural loans usually need to fit to seasonal crop production. Financial products/services, delivery mechanism as well as the terms and conditions thus need to be adapted to the *needs*, repayment *capacities* and *cash flow patterns* of rural/agricultural borrowers. In other words, they need to be *adapted* in terms of matching of disbursement and repayment to rural/agricultural production cycles; flexibility in collateral requirement, cash flow of farmers/rural producers, flexible delivery mechanisms, risk management techniques, portfolio diversification, etc. The question therefore is whether existing banks, insurance companies as well as MFIs in their current form are capable of doing these? Do financial institutions in the country have the kind of *readiness* (in terms of risk capacity and appetite for risk, loan capital, appropriate products and required skills) as well as rural *presence* that effective provision of the above services to smallholder farmers would require? Could banks be envisaged to emerge as source of smallholder finance considering the *high per unit cost* of small loans, the *covariant* nature of risks in smallholder agriculture, *missing insurance markets* for such risks, the lack of appropriate assets for collateral as well as enforcement difficulties? Are banks on their own likely to be interested in such borrowers?

So, from the above, one can see there are lots of questions that remain unanswered. The proposed capacity diagnostic therefore is some sort of an attempt to to identify capacity gaps in the key institutions that are involved in economic empowerment of women programmes and to propose interventions or strategies that are needed to stimulate economic empowerment in the country.

1. **Objectives and Scope of the Capacity Diagnostic Study**

To effectively support the capacity development process of economic empowerment of women requires identifying what capacities are needed and establishing which of these key capacities already exist and what additional capacities may be required to reach the objectives. A capacity diagnostic is the analysis of the desired capacities against existing capacities which generates an understanding of capacity assets and needs that can serve as input for formulating a capacity development response that addresses those capacities that could be strengthened and optimizes capacities that are already strong and well founded. The specific objectives of conducting a capacity diagnostic on economic empowerment of women are highlighted below:

To carry out a situation analysis using a gender responsive and a rights-based approach, taking into account the care economy, in order to illuminate the conflict areas of a development cooperation that rests on the premise of economic growth to establish focus areas, structures and mechanisms where concrete results are being achieved;

* To map out capacities needed to promote economic empowerment of women;
* To identify gaps, areas of intervention and the role that UN Agencies can play to strengthen capacity in gender equitable economic development approach To provide justification and information for the formulation of a joint UN Programme on Gender focusing on economic empowerment of women.

**4.0 Methodology and Approach**

A capacity diagnostic model was developed by the UN System in Malawi tofacilitate assessment of capacities in a selected sector. Based on the UN’s comparative advantage in providing comprehensive capacity development support through policy guidance, capacity development and technical assistance to partner countries and in line with national sector strategy and decentralization efforts in the country, the model as shown below looks at the entire sector (sector wide approach). It provides a sequenced and systematic approach to building and sustaining capacities and advocates the key aspects of capacity retention and utilization for the attainment of national development priorities as well as the MDGs.

**Note:** The capacity development response or Project for women economic empowerment should be based on the strengths and weaknesses and desired capacities identified through the capacity diagnostic. The framework should show the following: (i) the title, (ii) Objectives, (iii) Outcome, (iv) Outputs, (v) Indicators, (vi) Means of Verification, (vii) Implementing Partner and Responsible Parties, (viii) Time Frame and (ix) Budget or Resource needed.

**Capacity Diagnostic Model**

The capacity diagnostic model seeks to identify "capacity systems" that are essential for an effective implementation of sector wide approaches. The model focuses on endogenous assets mainly policy, leadership & management, implementation, M & E and Knowledge systems and how these impact on service delivery and/or production of goods and services.

The capacity diagnostic will be carried out in three phases as follows:

Phase 1: Desk Review and preparatory consultations

- Review available documentation (see list attached)

- Stakeholder consultations

- Capacity assessment and SWOT analysis of key MDAs (Ministries, Departments and Agencies) involved in EEW

Phase 2: Validation and Report Preparation

- More stakeholder consultations

- Prepare draft report

- Consultative workshop

**Deliverables:**

* Inception report within five days
* Draft capacity diagnostic report within 15days
* Final draft capacity diagnostic report and Road Map- Within ten days
* Validation report within five days
* Final Report and Road map- Five days

1. **Required *S*kills and Experience**

The Consultant/firm should have good knowledge, experience and understanding of gender mainstreaming, women economic empowerment, programme formulation and management.

**Team Leader**

* Master Degree in economics, social science, international development or related discipline
* At least 7 years experience in the area of economic empowerment in developing countries preferably in sub Saharan Africa.
* Good understating of international treaties and agreements on women empowerment including the millennium declaration
* Demonstrated understanding and experience in capacity diagnostic studies
* Partnership building involving government, private sector, UN agencies and civil society.
* Excellent oral and written skills in English
* Knowledge and experience of UNDP programming and capacity development approaches..

**Consultant**

* Master Degree in economics, social science, international development or related discipline
* 5 years experience in the area of economic and democratic governance and women economic empowerment.
* Experience in joint programming involving DPs, government, private sector and civil society.
* Vast experience knowledge and experience in women economic empowerment studies
* A good understating of UNDP Capacity Development tools
* Experience in sub Saharan Africa will be an added advantage.

**Annex 1**

**Some Literature for Review.**

* Malawi National Economic Empowerment Policy and Action Programme – Final Report, Ministry of Economic Planning and Development, Government of Malawi, 2004.
* UNDP Corporate Gender Strategy
* White Paper – Strengthening National Gender Machinery – Final Report, UNDP Malawi. July, 2011.
* Directory – Funding Opportunities for Economic Empowerment in Malawi, Dan Church Aid, 2011.
* Economic Empowerment of Women – A Call for Action Towards Gender Equality, The Lilongwe Declaration, Malawi. Dan Church Aid, May 2009.
* Economic Empowerment of Women: Law and Policy Review, Final Report. Dan Church Aid, August, 2011.
* Trends in Economic Empowerment of Women in Malawi, Dan Church Aid, August 2011.
* An Analysis of Economic Empowerment of Women Stakeholders and Funding Opportunities, Dan Church Aid, Aug. 2011.
* Progress Reports of Selected Projects such as:
  + EU supported Income Generating Public Works Programmes (IGPWP),
  + Rural Livelihood Economic Enhancement Programme (RLEEP) ,
  + UNDP supported Financial Inclusion in Malawi (FIMA) Project, and
  + UNDP supported Sustainable Socio-Economic Empowerment Programme for Poverty Reduction (SSEEP).