

# MALAWI DECENT WORK COUNTRY PROGRAMME M-DWCP 2011-2016





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## LIST OF ACRONYMS AND ABBREVIATIONS

<b>ADB</b>	African Development Bank
<b>CCA</b>	Common Country Assessments
<b>CEDAW</b>	Convention on the Elimination of Discrimination Against Women
<b>COMATU</b>	Congress of Malawi Trades Union
<b>CYCI</b>	Commonwealth Youth Credit Initiative
<b>CYPAC</b>	Commonwealth Youth Programme Africa Centre
<b>DfID</b>	UK Department for International Development
<b>DWCP</b>	Decent Work Country Programme
<b>EAP</b>	Economic Activities Program
<b>ECAM</b>	Employers Consultative Association of Malawi
<b>EDECP</b>	Entrepreneurship Development & Employment Creation Programme
<b>FAO</b>	Food and Agriculture Organization of the United Nations
<b>GTZ</b>	German Technical Cooperation
<b>HIPC</b>	Heavily Indebted Poor Countries
<b>IMF</b>	International Monetary Fund
<b>ILO</b>	International Labour Organization
<b>ILSSA</b>	Improving Labour Systems in Southern Africa
<b>IPEC</b>	International Programme on Elimination of Child Labour
<b>IRC</b>	Industrial Relations Court
<b>MCTU</b>	Malawi Congress of Trade Unions
<b>MDGs</b>	Millennium Development Goals
<b>MoGCCD</b>	Ministry of Gender, Children and Community Development
<b>MGDS</b>	Malawi Growth and Development Strategy
<b>MEGS</b>	Malawi Economic Growth Strategy
<b>MoL</b>	Ministry of Labour
<b>MPRSP</b>	Malawi Poverty Reduction Strategy Paper
<b>MRFC</b>	Malawi Rural Finance Company
<b>NORAD</b>	Norwegian Aid Division
<b>ODA</b>	Overseas Development Agency
<b>PMERW</b>	Promotion of Micro-Enterprises for Rural Women
<b>SADC</b>	Southern Africa Development Community
<b>SAMAT</b>	Southern Africa Multidisciplinary Advisory Team
<b>SAP</b>	Structural Adjustment Program
<b>SIMPOC</b>	Statistical Information & Monitoring Programme on Child Labour
<b>SLASSA</b>	Strengthening Labour Administration Systems in Southern Africa
<b>SMEF</b>	Small and Medium Enterprise Fund
<b>TECS</b>	Tobacco Exporters Children's Services
<b>TEVET</b>	Technical, Entrepreneurial and Vocational Education and Training
<b>UN</b>	United Nations
<b>UNDAF</b>	United Nations Development Assistance Framework
<b>UNDP</b>	United Nations Development Program
<b>USDOL</b>	United States Department of Labor
<b>WEDGE</b>	Women's Entrepreneurship Development and Gender Equality
<b>YED</b>	Youth Enterprise Development

## FOREWORD

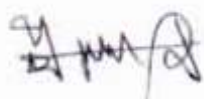
In concert with changes and reforms in UN programming at the global and country level, over the past couple of years a new tool for programming Decent Work priorities at the country level was introduced: Decent Work Country Programmes (DWCPs). The new orientation places emphasis on managing for results and is progressing towards a more coordinated and streamlined programme that is grounded in national priorities articulated in the national development agenda. Its approach is also consistent with the spirit, expectations, recommendations and principles generated by the Rome and Paris Declarations. The DWCP is developed by the ILO constituents – the Government together with the employers' and workers' organizations (social partners) with contributions from the wider group of stakeholders – and it is the blueprint for ILO cooperation and assistance to any country in furtherance of the ILO's mission to promote human rights and social justice in the world of work, and to contribute towards the achievement of Millennium Development Goals.

The Malawi Decent Work Country Programme has been developed through a highly consultative process, supported by technical assistance from the ILO. The development of this DWCP has come at an opportune time when Malawi's own development strategy, the Malawi Growth and Development Strategy (MGDS), is under revision. The DWCP has been aligned to and complements the Malawi Growth and Development Strategy II, which is the vehicle for achieving the Government's vision of creating wealth and employment for all the people of Malawi.

The DWCP contributes to the MGDS through the promotion of sustainable enterprises and hence job creation and economic growth, and by ensuring that economic growth translates into increased decent employment. Experience across the globe has shown that unless deliberate policies are put in place, growth may not result in job creation for the populace. The current global economic downturn resulting from the global financial crisis provides a more compelling reason and rationale for an economic development strategy fused with decent work considerations. The DWCP is expected to help the country steer through these global challenges.

The Government is committed to full implementation of the DWCP and optimizing the synergies with the Malawi Growth and Development Strategy as well as other sectoral strategies; such as the National Gender Policy. The DWCP provides an overall framework and strategy for the promotion of labour and employment activities in the country, as well as a basis for Malawi's cooperation with the International Labour Organization, the entire UN system and other cooperating partners. It is a living document that will be reviewed periodically to reflect changing needs and priorities, and to refocus strategies for optimum results.

Government is calling on the social partners and all stakeholders to actively participate in the implementation of the DWCP in their various capacities. With this coordinated approach to labour and employment promotion, the prospects for attaining growth that is not only employment-rich, but also ensures that the employment created is decent, are brighter than ever before.



**Hon Yunus Mussa, MP**  
Minister of Labour



**Martin Clemensson**  
Director, ILO Representative for  
Malawi, Mozambique and Zambia

## STATEMENTS FROM SOCIAL PARTNERS

The Employers Consultative Association of Malawi welcomes the DWCP as the main vehicle for delivery of technical cooperation in the International Labour Organization. The DWCP will complement national strategies aimed at improving the social and economic environment in the country such as the Malawi Growth and Development Strategy which aims to implement objectives under the Millennium Development Goals. Furthermore it is a tool by which social partners will use to engage in dialogue and interventions with the sole interest of promotion of sustainable enterprises. This in turn has the effect of job creation and economic growth, which translates into increased decent employment for Malawians. Issues of low productivity, lack of skills and costs related to skills development are a major concern to employers and it is through the DWCP that they can be addressed. Employers are aware that DWCP is conditional on a country having an adequate level of sustainable economic development and capacity, which are required if poor social and economic conditions are to be eradicated.

Employers in Malawi are privileged to have been involved in the preparatory and design phase of the Malawi DWCP document. The International Organization of Employers (IOE) has re-enforced the need for employers to take the ILO Decent Work Agenda seriously. Likewise employers in Malawi will accord their full weight towards the implementation of the DWCP in Malawi. The full involvement of employers is indispensable to the success of the DWCP.

As employers, we are hopeful that the ILO Country Office for Zambia, Malawi and Mozambique based in Lusaka, ILO's field structure and the relevant sectors and departments in Geneva, such as ACTEMP and ACTRAV, will play their role in ensuring that the commitment demonstrated by the tripartite partners in this document will in fact be carried out effectively with the ILO's support.



**Mr. Beyani Todd Munthali**  
Acting Executive Director  
Employers' Consultative Association of Malawi (ECAM)



In keeping with the ILO's Decent Work Agenda, which focuses on the achievement of fundamental principles and rights at work, promotion of greater employment and income opportunities for both women and men, as well as extending social protection and the promotion of social dialogue, Malawi Congress of Trade Unions (MCTU) appends its signature to this Decent Work Country Programme as it conforms to the Malawi Growth and Development Strategy, which is a home-bred product aimed at implementing the Millennium Development Goals, whose main thrust is poverty eradication, among others.

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. A starting point must be the realization of the centrality of decent work to poverty eradication. It should be recognized that poverty is multidimensional, and that many of its dimensions relate to the world of work. People are poor because they are deprived of the means to lift themselves out of poverty and enjoy a decent quality of life in larger freedom. They lack stable, predictable, 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. They 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. 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 line. They are thus caught up in a cycle of intergenerational poverty, the dimensions of which are profoundly related to the world of work.

Encouraged by the Declaration of Philadelphia, 1944 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.

Convinced that Trade union rights and workers' rights in particular will be respected and guaranteed by all stakeholders, MCTU believes this DWCP will go a long way in addressing the above challenges, and as outlined by the key thematic areas of the programme. We take pride in its formulation and shall seriously advocate for its full realization.



**Robert Mkwezalamba**  
Secretary General  
Malawi Congress of Trade Unions (MCTU)

## ACKNOWLEDGEMENTS

The Ministry of Labour would like to acknowledge the invaluable contributions of various stakeholders who have made the drafting of this document a reality. Special thanks go to the former Director of the ILO Lusaka Office, Mr. Gerry Finnegan for actively supporting the DWCP process from its beginning, and his successor, Mr. Martin Clemensson for ensuring that the document is finalized and signed at the highest level. The technical support received from the programming team at the ILO Lusaka Office, particularly Mr. Dennis Zulu (Former Head of Programming), Ms. Johanna Silvander and Ms. Belinda Chanda cannot go without mentioning. We are also grateful for the backstopping technical services received from the Harare Sub-Regional Office, the Decent Work Team in Pretoria as well as the various Specialists at ILO Headquarters Geneva both behind the scenes through the Lusaka Office, and directly during the tripartite stakeholder meeting in February 2009 and subsequent stakeholder consultations leading to the development of the document.

The development of this 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 consultation process. The former and current Executive Directors of the Employers' Consultative Association of Malawi (ECAM), Mr. Buxton Kayuni, Gladys Mwale and Mr. Beyani Munthali (Acting Executive Director) respectively, and the Secretary General of the Malawi Congress of Trade Unions, Mr. Robert Mkwezalamba deserve recognition for ensuring that employers and workers were fully involved and their interests represented in the Decent Work Country Programme. Special thanks also go to the Tripartite Technical Committee which worked on the preliminary draft by the consultant and saw it through to the final product. Without their dedication and commitment, we would not have had this product.

Thanks also go to officials in the Ministry of Labour for their dedication and untiring efforts in coordinating the whole process. Special thanks go to the Labour Commissioner, Mr. Elias Zirikudondo, for providing the overall oversight and the Deputy Labour Commissioner, Mr. Michael Mwasikakata, for anchoring the technical committee and the whole drafting and consultation process, as well as all the departmental heads for their contribution in various ways.

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



**Andrina Mchiela**  
Secretary for Labour  
June 2011

## MALAWI DWCP EXECUTIVE SUMMARY

The purpose of the Decent Work Country Programme for Malawi is to coordinate, harmonize and align technical assistance and financial resources around an achievable set of priority outcomes related to the promotion of the ILO's global Decent Work Agenda. It provides a policy and operational framework to guide the Government, social partners and other stakeholders, as well as development partners with regard to priority action towards the realization of the ILO's global Decent Work Agenda in Malawi.

The major issues to be addressed in the Malawi DWCP were identified and prioritized through a participatory consultative process involving all of the constituents: the Ministry of Labour on behalf of the Government; the Employers' Consultative Association of Malawi on behalf of the employers, and the Malawi Congress of Trades Unions (MCTU) and the Congress for Malawi Trade Unions (COMATU) on behalf of the workers. In addition, other relevant Government line ministries, the UN system, as well as bilateral and multilateral cooperating partners were consulted.

The priority issues were assessed in the context of the comparative advantages and mandate of the ILO as a specialized agency within the One UN system in Malawi, and in that way the issues were appraised within the framework of the four pillars of ILO's Decent Work Agenda. These are rights at work, employment creation and enterprise development, social protection, and social dialogue. Deficits for each pillar were identified through a consensus-building process and they are summarised below.

With regard to Rights at Work, it is recognised that Malawi has made tremendous progress in creating an enabling policy and legal framework for the enjoyment of rights at work. However, full enjoyment of these rights in practice is constrained by historical gender discrimination based on deep-rooted cultural attitudes and beliefs, the lack of sufficient capacity by the duty bearers, particularly Ministry of Labour, to ensure compliance with the law, inadequate capacity of the dispute settlement and adjudication system, the rapid change in the employment relationship practices in Malawi and globally, and the inability of the law to keep pace with these changes, as well as the challenges associated with the problem of child labour, a problem which is further aggravated by gender inequality and discrimination.

While the Government of Malawi has put in place a solid foundation in terms of a comprehensive policy framework for wealth creation and employment generation in the form of the Malawi Growth and Development Strategy (MGDS), gainful and decent employment remains elusive to the majority of the Malawian labour force. Within a background of a small and shrinking formal economy and the absence of a national social security system, the majority eke out a living through the most precarious jobs in the informal economy, characterised by low incomes and very high levels of underemployment. The lack of a comprehensive national employment and labour market policy and deficiencies in the education and training system to prepare labour market entrants, are some of the identified strategic deficits. The vulnerable groups, including women and the youth, tend to be more affected by the consequences of the deficits.

Lack of social protection remains one of the most challenging decent work deficits in Malawi. Malawi is among the countries in the sub-region (SADC)

that do not have a national social security system. The voluntary pension and medical aid schemes provided by the very few large employers are also threatened by the controversy over severance allowance provisions in the law. Capacity problems and the lack of a policy and national system militate against the realisation of an acceptable level of occupational safety and health environment. HIV and AIDS continue to pose a threat in the workplace as the national workplace policy is yet to be adopted and the legal framework remains fragmented.

Coming from a historical background of a one party era where social dialogue was virtually non-existent, Malawi has made tremendous strides towards creating an enabling policy environment and the necessary institutional mechanisms and structures for social dialogue to thrive, such as the Tripartite Labour Advisory Council (TLAC) whose main role is to advise the Minister responsible for Labour on all issues relating to labour and employment, including the promotion of collective bargaining, the labour market and human resources development as well as with respect to matters concerning the activities of the International Labour Organization. Despite these achievements, there are still deficits in social dialogue, particularly with regard to its practical use at the enterprise level. While the leadership and secretariats of employers' and workers' organizations are knowledgeable on the tenets of tripartism and social dialogue, there are glaring gaps at the members' level. The Tripartite Labour Advisory Council has faced problems in convening its meetings regularly while the National Social Dialogue Forum faces sustainability problems beyond the current donor support. Furthermore, there is limited application of social dialogue in the small and medium enterprises (SMEs) and in general in rural areas. Increasing the outreach and engagement of social partners in rural areas as well as innovative approaches for organization and representation of rural interests will be of crucial importance in this sense.

The three priority areas for remedial actions arising from the deficits identified above are:

- 1) creating more and better employment and income generation opportunities, particularly for the vulnerable groups, including the youth, women and people with disabilities, as well as ensuring the elimination of the worst forms of child labour;
- 2) enhancing and extending the coverage of social protection; and
- 3) building the capacities of the Government and social partners to improve service delivery.

In addressing the above priority areas, due attention will be given to the informal economy, rural areas and the agricultural sector.

**Priority 1** seeks to strengthen the economic and labour market policy framework for increased gainful and decent employment generation by focusing action in employment-rich sectors; promoting employment opportunities for the vulnerable groups, particularly the youth, women and people with disabilities; improving the capacity of trade testing and certification services and strengthening action on the elimination of child labour.

**Priority 2** Addresses the need for strengthening the capacity of the occupational safety and health services and putting in place national systems and policy framework. Furthermore, improvement of the current workers' compensation system through establishment of a fund, and the establishment of a national social security system are being proposed. Strengthening of the workplace response to HIV and AIDS is yet another important outcome to be addressed under this priority.

**Priority 3** Seeks to strengthen the financial, human, technical and material capacity of the Ministry of Labour in carrying out integrated labour inspections; putting in place a comprehensive legal framework; strengthening the capacity of the Industrial Relations Court to hear cases expeditiously and effectively; and strengthening the alternative dispute resolution through conciliation and mediation services within the Ministry of Labour. It also seeks to develop and strengthen the Labour Market Information System, as well as strengthen the capacity of social partners to effectively engage in social dialogue through technical and financial capacity building as well as increasing and extending membership to the SMEs and rural and informal economy. Strengthening the institutions of social dialogue, notably the Tripartite Labour Advisory Council and the National Social Dialogue Forum, are seen as key to realizing all the objectives of the MLW-DWCP.

These three components of the DWCP will also contribute towards achieving the objectives of Malawi's Vision 2020; the Malawi Growth and Development Strategy, and more broadly the Millennium Development Goals. The priorities identified also reflect the nexus between Malawi's development strategies and the common United Nations Development Assistance Framework (UNDAF), to which the ILO is a contributor. Furthermore, the DWCP for Malawi builds upon recent, ongoing and planned ILO programmes, projects and activities in Malawi in all the four pillars of the Decent Work Agenda.

The DWCP has been developed to respond and contribute to the overall goal and specific objectives of the Malawi Growth and Development Strategy. It will therefore be reviewed regularly in line with the Malawi Growth and Development Strategy to ensure its relevance to the evolving national priorities.



## 1.0 COUNTRY CONTEXT

### 1.1 Socio-Economic Background

A situation analysis of decent work in Malawi must be placed in the context of the prevailing economic milieu. Malawi has a fragile economy, overly dependent on rain-fed agriculture and a narrow range of products. The agricultural sector is the mainstay of the economy, providing livelihood to 80 per cent of the population, generating over 90 per cent of export earnings and 35 to 45 per cent of GDP. Maize is the staple crop and the most important crop in terms of food security and land area cultivated. However, tobacco is by far Malawi's largest export, accounting for 60 per cent of merchandise export earnings.

Since 1981, Malawi has been implementing a series of structural and sectoral adjustment programs and the focus of economic policy has evolved over time: Earlier emphasis placed on development which was based on estate agriculture has given way to policy changes aimed at market-determined macroeconomic indicators for economic management, and more recently, with a focus to alleviate poverty. Strategies have included the liberalisation of domestic markets, the privatisation of some parastatals that previously dominated the economy, privatisation or commercialisation of state-owned enterprises, and improvements for smallholder farmers, including the liberalisation of agricultural production and marketing arrangements.

Because of these continuing adjustments, for much of the late 1990s and early 2000s macroeconomic instability prevailed. Following the floatation of the exchange rate in February 1994, the Malawi Kwacha depreciated by 73 per cent from MK8.76 to MK15.21 per US dollar within one year. Due to inelasticity of imports, the exchange rate depreciation in turn fuelled the inflation rate which rose from 35 per cent in 1994 to 83 per cent in 1995, and averaged 37 per cent between 1995 and 2000. It is only during the period from 2004 that the Government has improved management of the economy, exercising fiscal discipline and pursuing market-friendly monetary policy. Over this period, while the Reserve Bank of Malawi has managed to reduce the bank rate from 25 per cent to 13 per cent in 2010 and the liquidity reserve ratio to 15.5 per cent, the inflation rate has generally continued to decline to 8.5 per cent in September, 2008 and 7.2 per cent by March 2011. With a track-record of macroeconomic stability, Malawi resumed the IMF program and on 31 August 2006, Malawi reached the HIPC completion point and qualified for debt relief.

It is estimated that about 40 per cent of the population lives below the national poverty line characterised by a highly skewed distribution (NSO: 2007 Welfare Monitoring Survey). The WMS 2009 report indicates that the proportion of poor in rural areas is 43%, relative to 14% in urban settings. Further, the share of working poor is high (estimated at 53%), indicating that many of those who are working do not have access to productive and gainful jobs. The pervasiveness of poverty and mal-distribution of income have not only affected the environment for decent work, but have also had disastrous consequences for Malawi's epidemiological profile. In recent years, HIV and AIDS has become a major public health problem in Malawi. According to the National AIDS Commission, HIV prevalence in adults is currently estimated at

12 per cent (about 7 per cent in rural areas and 23 per cent in urban areas), thus leading to reduction in life expectancy from 44 years in early 1990s to 38 years (NAC, 2008). The HIV and AIDS situation has also contributed to the growing levels of child labour in Malawi. It is estimated that 1.4 million children were in child labour in 2002 and most of them in the agricultural and community, social and personal services sectors (Child Labour Survey, 2002).

The high growth rate of the population and the additional pressures from urbanization pose challenges to Malawi's poverty situation. The 2008 Census reveals a total population of 13.07 million, of which 6.37 million (49%) are males and 6.7 million (51%) are females. This represents a population growth rate of 2.8 per cent during the 1998-2008 inter-censal period. The Southern region has the largest population with 45 percent followed by the Central region with 42 percent and the rest in the North. In the past decade there has been an increase in population density from 105 persons per square kilometre in 1998 to 139 persons per square kilometre in 2008. However, the national average masks regional variations with the Southern region being the most densely populated at 185 persons per square kilometre while the Northern region has 63 persons per square kilometre.

There has been a remarkable increase in the urban population over the past two decades which could have contributed to urban unemployment. The southern region has the highest number of the urban population followed by the centre and north. This can be attributed to the fact that the southern region has remained the industrial hub of the country in addition to the fact that the region accounts for the largest share of the population in general. However, in terms of population growth, the central region has experienced the fastest growth in its urban population, increasing five fold between 1977 and 2008 followed by the northern region at over four times increase. The southern region urban population has only doubled during the period. This could be explained by the moving of the administrative capital from Zomba in the south to Lilongwe in the centre in 1975 as well as the declaring of Mzuzu as a city in the north in the mid 80s.

Furthermore, the Malawi population structure reflects a typical down heavy pyramid with a highly inflated youth bulge: 77% (10.08 million) of the population constitutes young people below the age of 30 with a median age estimated at 16.7 years. Over 40% are youth between 10 and 29 years. This trend is caused by early child bearing, low contraceptive usage rate, high female illiteracy rate, and desire for large families. The observed youth bulge accounts for a high dependency ratio of 1:0.1 for every economically active adult. With life expectancy at 39.9 years down from 47 in 1987 largely due to the HIV/AIDS pandemic and poverty, the country largely constitutes a youthful and dependent population. Youth unemployment has remained high. This is particularly the case for youth seeking full-time work, productive employment and decent work as youth employment tends to be dominated by part-time, casual labour and much in informal sector. The prospects for full-time and productive employment are especially low for young people, and early school drop outs in particular.

Related to the high rate of youth unemployment/underemployment and dependency is the issue of inadequate skills which affects the employability of



labour in Malawi. Malawi faces a shortage of skilled labour. The 2008 Africa Economic Outlook observed that Malawi's education system may be partly to blame for the problem in skills shortage. This shortage is characterized by high returns to university and TEVET education, recruitment of expatriates in some sectors of the economy, and vacancies that the industry find hard to fill. A rapid survey of the industry and skills training institutions reveal that skilled labour relating to chemical, mining and civil engineering at both graduate and technician levels is in short supply. TEVET artisan graduates are also in short supply and the quality is poor. Low enrolment rates in the university and TEVET institutions relative to comparator countries partly explain the problem. The low enrolment rates and poor quality of graduates are attributed to poor policy environment, inadequate infrastructure and lack of learning equipment both at the university and TEVET colleges. As a result of this situation, shortage of skilled labour has become a constraint to economic growth. Skills development in Malawi requires broad based reforms.

With a per capita gross domestic product (GDP) of US\$301 in 2008 (up from US\$ 261 in 2007), the country still experiences a high level of underemployment due to the insufficient number of jobs created in the formal economy. As a result there has been a rapid growth in the size of the informal economy. The informal economy is characterized by a large number of young people and women workers, as well as a number of decent work deficits, such as lack of fundamental principles and rights at work; lack of decent work opportunities and inadequate social protection; precarious incomes; poor and even dangerous working conditions; and lack of voice and worker representation in some sectors. In the informal economy, about 80 per cent of the labour force is engaged in small-scale agriculture, provision of casual labour, and vending (Gemini Report, 2000). For instance, the GEMINI report (2000) estimates that micro and small enterprises (MSEs) contribute income to about 25 per cent of the Malawian households. Moreover, by employing over 1.7 million people, SMEs engage about 38 per cent of the total Malawian labour force, and women account for 42 per cent of the total employment.

Agriculture is the main sector of the economy, both in terms of percentage to GDP and of employment. Specifically, small-scale agriculture is particularly relevant for the economy and for food security. The smallholder sub-sector contributes more than 70 per cent to agricultural GDP; and around 85 percent of rural workforce works in subsistence farming (mlimi). Also, there are gender aspects to be accounted for as there are relatively more rural females working as mlimi: around 91 percent of the rural female working population is employed within this category, compared to 77 percent for males. There is also evidence that many rural workers undertake more than one productive activity. Many of them combine subsistence farming with casual work (ganyu) as a means to improve their livelihoods and diversify their income-generating activities.

Even if the economic importance of agriculture within the overall national economy in the economy is likely to decline throughout the development process, the decline in the respective labour share happens usually at a slower pace. Hence, there is a need to put in place adequate policies and programmes to ensure a smooth transition out of agriculture, fostering sustainable agricultural productivity and increasing the human capital of the

rural poor. Better and more relevant education and skills for rural populations, especially youth, would contribute to the elimination of discrimination, and could support a sustainable pathway from the farm to non-farm activities.

Any attempts at creating broad-based and sustainable wealth and employment must be accompanied by strategies to improve the overall productivity in the economy on a sustainable basis. In Malawi, studies have clearly shown that productivity is not only low, but has at best stagnated. A study by the SADC in the mid-1990s showed that Malawi's productivity, alongside that of Mozambique and Tanzania, was below the SADC average. Malawi's productivity was actually on a downward trend during the period under analysis. It was also believed that the heavy dependence on agriculture, lack of appropriate skills, poor attitude to work, lack of appropriate incentives, and lack of conducive industrial relations were the major factors responsible for low productivity.

In order to address this problem of low productivity levels, Malawi requested the assistance of the ILO to conduct a feasibility study to determine the need for a productivity centre and the modalities of its set-up and operations, if found necessary and feasible. The study that was carried out in 1999 concluded that Malawi urgently needed a productivity centre, and recommendations on modalities for its establishment were made. It was recommended that a lean structure be established initially to coordinate productivity issues, with the possibility of expanding the structure as need arose. The efforts however fell through when Cabinet did not approve the proposal. In general, higher levels of productivity are required to address the generally low but wide range of earnings among workers in Malawi.

For what concerns Gender in the world of work, most women are active in the rural informal economy, particularly in subsistence agriculture where earnings are low. Even in the formal sector, women are concentrated in low-paying jobs that are stereotypically believed to be those that are specifically meant to be undertaken by female workers. Equal participation of women in formal employment will contribute towards gender equality and economic empowerment.

This DWCP was drafted in the midst of the Global Financial and Economic Crises, dating back to September 2008. Available figures show that the downturn deepened, in light of which the impact of the crisis increased. In Malawi, the global crisis led to a trade shock in 2008 and, to a lesser extent, 2009. The increase in fuel and fertilizer prices in 2008 resulted in an estimated deterioration in the balance of trade of about 7 percent of GDP. The increase in 2008 fertilizer prices alone was estimated to have contributed to an increase in import costs of almost 3 percent of GDP given the government's resolve to maintain the size of the subsidy program in 2008 and expand it in 2009. Malawi's major export commodities were also affected by the crisis. Thus, although tobacco output in 2009 was higher than in 2008, the drop in prices led to lower proceeds. International prices for cotton, tea and coffee also declined between the 2008 and 2009, leading to lower export earnings.

Both official aid and private capital flows into Malawi declined between 2008 and 2009. Foreign Direct Investment (FDI) and other inflows are estimated to have declined by over 50 percent between 2008 and 2009. As a result the

overall balance of payments deteriorated from 0.5 percent of GDP in 2007 to -1.0 and -1.8 in 2008 and 2009.

Despite of the crisis, Malawi recorded high economic growth rates. This is attributable to the agriculture subsidy programme initiated by the Government which has served to make Malawi food secure during the period 2005-2008. The Agricultural subsidy programme is a central plank of the Malawi government's social sector strategy.

Besides having to modify fiscal and monetary policies at the national level, measures outlined in the ILO's Global Jobs Pact - adopted during the June 2009 International Labour Conference - as well as the Ouagadougou Road Map adopted during the African Decent Work Symposium held in December 2009 on its implementation - would need to be introduced to cushion any negative impact of the crisis on the labour market as well as averting the impact of future crises by providing support in the following areas: (i) social protection for all; (ii) public investment in infrastructure and housing, including through emergency public works with labour-intensive techniques; (iii) SMEs and vulnerable sectors of the economy; and (iv) social dialogue at the enterprise, sectoral and national levels.

## **1.2 Labour and Employment Legislation and Ratification of ILO Conventions**

Since it joined the ILO in 1964, Malawi has ratified a total of 29 Conventions (see Annex 1). Included among the ratified Conventions are all eight core Conventions. After 1994, there has been a paradigm shift in the labour law, and the web of control over the labour market has loosened and governmental interventionism significantly downgraded. Political developments, especially pluralism and subsequent economic developments, like privatisation and restructuring, have therefore influenced the transformation of labour laws and industrial relations to accommodate the new and emerging needs of a market economy. Similarly in an era of economic and political pluralism, the adaptation of labour law has been premised on limiting the role of the state, the acknowledgement of economic conflict between labour and capital, recognition of the managerial rights of the owner/manager, and respect for trade union autonomy. More importantly, this recognition of the others' rights has highlighted the benefit of social dialogue and mutual gains bargaining among the social partners.

The 1994 Malawi Constitution addresses labour issues in several of its sections, for example by calling for equal and fair treatment, and providing for passing legislation aimed at addressing inequalities in society or prohibiting discrimination (S20 and 24); affirming rights in relation to employment conditions and labour relations, such as fair and safe labour practices including remuneration, trade unionism and freedom to work (S31); access to basic services and special consideration for potentially vulnerable groups such as women, children and persons with disabilities (S30). In addition, it stipulates that children are entitled to protection from economic exploitation or any treatment, work or punishment that is likely to be hazardous, interfere with their education or be harmful to their health or to their physical, mental or social development (S23). The Constitution also prohibits slavery or

servitude, forced labour or bonded labour that amounts to servitude (S27).

The legislative mandates of the Ministry of Labour are stipulated in the Laws of Malawi and have been informed by ILO Conventions and Recommendations. The labour legislation in Malawi comprises of the Malawi Constitution referred to above, as well as the Labour Relations Act of 1996 (CAP 54:01); Occupational Safety, Health and Welfare Act, No 21 of 1997 (CAP 55:07); the Employment Act, No 6 of 2000 (CAP 55:01); and Workers' Compensation Act No 7 of 2000.

- The Labour Relations Act (No 54 of 1996) heavily draws from ILO Convention No 87 on Freedom of Association and Protection of the Right to Organize, and Convention No 98 on the Right to Organise and Collective Bargaining. It promotes sound labour relations through the protection and promotion of freedom of association, the encouragement of effective collective bargaining, and the promotion of orderly and expeditious dispute settlement, conducive to social justice and economic development.
  - The Employment Act (No 6 of 2000) contains comprehensive legislation on employment. The objective of the Act is “to establish, reinforce and regulate minimum standards of employment with the purpose of ensuring equity necessary for enhancing industrial peace, accelerated economic growth and social justice”.
  - The Workers' Compensation Act (No 7 of 2000) makes provision for compensation for injuries suffered or diseases contracted by workers in the course of their employment, or for death resulting from such injuries or diseases. It also provides for the establishment and administration of a Workers' Compensation Fund.
  - The Occupational Safety, Health and Welfare Act (No 21 of 1997) makes provision for the regulation of conditions of employment in workplaces with regard to safety, health and welfare of employees; for the inspection of certain plants and machinery; for the prevention and regulation of accidents occurring to persons employed or authorised to go into the workplace, and for some related matters.
- Other related acts**
- The Technical, Entrepreneurial and Vocational Education and Training Act (TEVET Act, No 6 of 1999) was until recently part of the labour law. The implementing authority has since moved from Ministry of Labour to the Ministry of Education. It also phased out the Industrial Training Unit in the Ministry of Labour, and provided for the creation of an autonomous Technical, Entrepreneurial and Vocational Education and Training Authority to oversee employer-based and informal technical, entrepreneurial and vocational education and training in Malawi.
  - The Pension Act of 2011 provides for mandatory pension by every employer to his/her employees, except for those below a specified salary threshold who are exempted but are instead covered by provision of a gratuity on termination of employment under the 2010

## Amendment to the Employment Act.

### 1.3 Roles of Social Partners

#### 1.3.1 Employers' organizations

The Employers' Consultative Association of Malawi (ECAM) is the most representative employers' body in Malawi. ECAM was registered in 1963 under the Trustees Act. It draws its mandate from registered membership of over 200 corporate companies as well as seven sectoral associations. The body's primary role is to protect the interests of employers on social and labour policy in Malawi.

Among its many activities, ECAM represents its members in industrial relations cases and conducts seminars to educate members on issues of interest to employers. Furthermore, ECAM in collaboration with the Malawi Chamber of Commerce and Industry has initiated programmes in order to reach out to the small and medium enterprises, which have not been able to benefit from representation so far.

ECAM's challenges include members' inadequate technical competence on labour issues, institutional, logistical and financial constraints, and the need for new forms of collaboration with other bodies providing similar services. ECAM's constituents have had to grapple with low productivity levels amidst pressure for maintaining international competitiveness on the one hand, and the need to reward their workers appropriately. Employers thus believe that it is high time the Government and social partners put their heads together to implement measures aimed at boosting productivity in the enterprises and all sectors of the economy. Furthermore, and related to the issue of productivity, 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.

#### 1.3.2 Workers' organizations

The Malawi Congress of Trade Unions (MCTU) is currently the most representative of the two existing Trade Union Federations, the other being the Congress of Malawi Trade Unions (COMATU). There are 26 registered Trade Unions, of which 22 are affiliated to MCTU and two to COMATU respectively, two being independent. MCTU's 22 affiliates account for approximately 200,000 members in different sectors of economy. MCTU's main objective is to defend the workers' rights and human rights in general.

In performing its activities, the workers' organizations face challenges in different areas. Within social dialogue, the organizations encounter difficulties in organizing potential members, getting recognition from some employers, and in engaging them in collective bargaining negotiations. With respect to representation, workers feel marginalized or even left out in some agenda-setting fora of national importance. Additionally, emerging issues of precarious employment relationships create new types of challenges for the organization. Furthermore, education on workers' rights is inadequate, mainly due to financial, human resource and logistical constraints. Workers'

rights violations are also perpetuated by insufficient enforcement of labour statutes and long delays in legal proceedings. HIV and AIDS continue to adversely affect the workers in Malawi. Consequently, to some extent the membership of the unions has been reduced due to deaths caused by the epidemic. The challenge therefore is to find appropriate ways of prevention and mitigation of HIV & AIDS at the workplace, and ideally this should be done in collaboration between the employers and workers.

The Trade Union Federation is also faced with the challenges posed by globalization, such as job losses and the emergence of precarious forms of employment. The mergers and acquisitions of companies and an influx of investment ventures have provided both positive and negative effects to the organization. The majority of the economically active persons are employed or self-employed in the informal economy, thus forcing the federation to re-strategize. Anecdotal data indicate that the informal economy accounts for over 4 million jobs against 500,000 formal jobs. It is pleasing to note that MCTU has led the move of formalizing those working in the informal economy through the support of its affiliated Malawi Union for the Informal Sector, which is championing the provision of decent benefits.

The workers' and employers' organizations require additional capacities to enable them to effectively participate in and contribute to the implementation of all aspects of the DWCP, particularly when it comes to supporting the designated target groups and reaching out to the vast number of workers in the informal economy (given that in 2001 the SME sector alone had up to 1.7 million employees, Gemini Report, 2001).

## 2.0 TOWARDS A DECENT WORK COUNTRY PROGRAMME FOR MALAWI

### 2.1 Decent Work Deficits in Malawi

Decent work deficits in Malawi are evident in all four areas that comprise the ILO's Decent Work Agenda i.e. Rights at Work, Employment, Social Protection and Social Dialogue. Decent work deficits are defined as "the absence of sufficient employment opportunities, inadequate social protection, the denial of rights at work and shortcomings in social dialogue". The Decent Work Agenda not only provides a vitally important rights-based lens for assessing the ILO's mission to promote human rights and social justice and contribute towards the achievement of Millennium Development Goals, but also provides an enabling framework for effectively analyzing and responding to these challenges and promoting decent work for all globally.

The 2008 Declaration on 'Global Justice for a Fair Globalization' further strengthened and institutionalized the four pillars of the Decent Work Agenda that also form ILO's strategic objectives. It states that the four strategic objectives are inter-linked, inter-related and mutually supportive, which is why one of the objectives cannot be realized without the others.

#### 2.1.1 Pillar One: Rights at Work (Sector 1)

Malawi has ratified the major ILO Conventions promoting the Fundamental Principles and Rights at Work, and various pieces of labour legislation affirm Malawi's commitment to ensuring that labour rights are enjoyed by all. The legal reform process in Malawi has also taken stock of gender disparities and inequalities through the amendment of laws such as Affiliation Act, Marriage Act and Wills and Inheritance Act. However, the enjoyment of these rights depends on the rights holders being aware of and exercising their entitlements, and duty bearers being willing and able to fulfil their responsibilities. Regarding the duty bearers, the Ministry of Labour lacks the necessary capacity for comprehensive labour inspection, monitoring and enforcement of legislation that falls under it.

Similarly, workers' and employers' access to justice is negatively affected by insufficient human, financial, material and technical resources in the Industrial Relations Court (IRC) to dispense justice in a timely manner. Furthermore, the IRC and its judgements seem to rank as secondary within the judicial system, thus highlighting a flaw in the enforcement of legal aspects of decent work. The absence of an independent alternative dispute resolution (ADR) mechanism has exacerbated the situation. Additionally, the rapid pace at which employment relationship practices are changing in Malawi and in the world at large, and the inability of local laws to respond to some of the new practices efficiently and effectively, has made workers vulnerable to abuse. Furthermore, child labour has continued to be a problem despite numerous efforts towards its elimination. This is due to inadequate enforcement measures and resource constraints.

### 2.1.2 Pillar Two: Employment (Sector 2)

Malawi does not have an overarching employment and labour policy, although a number of supportive policies are in the process of development (e.g. Policy on Child Labour, National Policy on HIV and AIDS in the Workplace, revision of National Gender Policy, Technical, Vocational Education and Training Policy and a Labour Inspection Policy). More importantly, labour issues are now clearly articulated in the Malawi Growth and Development Strategy II, and therefore it is hoped that the Ministry of Labour will now be treated as a strategic ministry and allocated adequate budgetary resources befitting its mission and mandate

Where employment creation is concerned, the formal sector has not been able to absorb the additional labour market entrants due to the contraction, especially following retrenchments associated with privatization and commercialization of formerly state-owned enterprises, and effective de-industrialization of private companies due to technological change and structural transformations. In general, the formal sector in Malawi is small. According to the Welfare Monitoring Survey of 2008, about 2.5 percent of the labour force work for private businesses and 1.1 percent work on estates, adding up to about 222,000 formal private sector employees, while another 3.6 percent, 220,000, work in the public sector. Hence, out of a labour force of close to 6,100,000 only 440,000 work in the formal sector .

A comprehensive analysis of the labour market in Malawi is not possible due to the paucity of information and up-to-date data. This is because the country does not have a functioning Labour Market Information System in place and no comprehensive labour market surveys have been undertaken over the past two decades, apart from action-oriented studies on specific subjects such as child labour.

The inability of the Malawian economy (both public and private sectors) to generate an adequate number of jobs has left many job-seekers, particularly young people, school leavers and women, without the opportunities for obtaining decent employment. For many of these labour market entrants, the only viable option is entrepreneurship or self-employment in the informal economy. However, the education and TEVET system in Malawi does little to prepare or equip school leavers or graduates for careers in the informal economy, which is also compounded by inadequate availability of start-up capital. In addition to these challenges, an entrepreneurial culture also needs to be promoted in Malawi as an alternate means of employment creation. In light of the absence of a comprehensive social security system, people are left with no choice but to make a living through the most precarious jobs in the informal economy, leading to high levels of underemployment and paradoxically very low levels of official unemployment.

The Employment Diagnostic Study on Malawi (2010) identifies a number of constraints to growth and employment creation including the following:

1. Shortage of skilled labour;
2. Inadequate Infrastructural Development (Roads, Power etc);
3. Lack of economic diversification beyond agriculture;



4. Low labour productivity;
5. Unsustainable Population Growth;
6. Inadequate Labour Market Information;
7. Gaps in policies to support the competitiveness of the economy and creation of productive employment and the Foreign Exchange Rate Policy in particular; and
8. Inadequate access to finance for enterprise development.

Furthermore, the study observes that decent employment creation can only be sustained if growth is broad based, inclusive and job-rich. In other words, government should have a deliberate policy to place employment central in the national development strategy (MGDSII) and should strengthen labour market information and monitoring. Labour market information is a key component of an active labour market policy and should form part of an employment policy framework. The absence of a labour market information system in Malawi poses difficulties for the Government to formulate, adopt and implement active labour market policies. Development of an effective Labour Market Information System should commence with regular Labour Force Surveys .

### **2.1.3 Pillar Three: Social Protection (Sector 3)**

The structure of the Malawian labour market and the large number of jobs in the informal economy leave the majority of workers without basic forms of social protection. In Malawi there is only one major private health insurance provider, the Medical Aid Society of Malawi, and 95 per cent of its members are enrolled through formal schemes of employers. Even the single largest employer, the civil service, does not have an insurance provider.

The current workers' compensation system provides only lump-sum payments and no periodical payments thereafter, and it places liability for compensation with individual employers, with no pooling of risks across the labour market, as is the case with social insurance. This leads to undue delays in processing beneficiary claims arising from the need for employers to provide the necessary financial resources.

The government has in early 2011 passed the Pension Act which makes pension mandatory for all workers save for those below a certain threshold. This is the first step in developing a comprehensive social security system in Malawi, by beginning with provision of income security to the worker in retirement and the family in case of death of the worker.

The other aspect of social protection relates to occupational safety and health. The Occupational Safety, Health and Welfare Act governs the operations of occupational safety and health. However, at the moment, Malawi does not have an Occupational Safety and Health Policy, nor does it have adequate programmes and systems for Occupational Safety and Health. The Occupational Safety and Health Directorate faces a problem of capacity to undertake quality inspections due to lack of monitoring equipment, some gaps in the coverage of legislation, and inadequate personnel to conduct inspections.

HIV and AIDS continue to pose a serious challenge at workplaces in Malawi, despite efforts by the public sector, the private sector, trade unions and other stakeholders in its prevention and mitigation. Cases of discrimination and stigmatization are commonplace in workplaces across the country. To address the situation, in 2010 the Government has in collaboration with the social partners and other stakeholders finalised the National HIV and AIDS Workplace Policy which has already taken into account the ILO Recommendation concerning HIV and AIDS and the World of work, 2010 (No 200). The Government is also working on incorporating provisions in the Employment (Amendment) Bill. Nevertheless, more needs to be done, particularly for workers in the informal economy, to regulate for and enhance prevention and support complementary prevention management measures (including care and support) being undertaken by the social partners, National AIDS Commission (NAC) and UNAIDS, including the ILO.

#### **2.1.4 Pillar Four: Social Dialogue (Sector 4)**

There is an increasing commitment by the social partners to using social dialogue, not only as a tool for dispute resolution, but as a mechanism for facilitating consultation and effectively addressing strategic issues relating to employment and labour. For instance, there is evidence of reduction in industrial action shown by the fact that between 2000 and 2002 the number of reported strikes and lock-outs was halved from ten to five. Similarly between 2003 and 2004, the number of complaints registered at Labour Offices fell from 6,294 to 4,693.

Despite these achievements, there are still challenges in social dialogue, particularly with regard to its practical use at the enterprise level. While the leadership and secretariats of employers' and workers' organizations are knowledgeable of the tenets of tripartism and social dialogue, there are glaring gaps at members' level. Furthermore, there is limited application of social dialogue in the small and medium enterprises (SMEs). However, ECAM's intention to expand its membership coverage to employers in the small and medium enterprises should provide a catalytic environment for greater use of social dialogue to resolve disputes in these enterprises. Similarly, although in the informal economy most workers have hitherto not benefited from the processes of social dialogue, the registration of two unions representing the informal economy is a step in the right direction towards creating a conducive environment for social dialogue. These organizations are the Malawi Union for Informal Sector (MUFIS), an affiliate of MCTU, and the Quarry Mining Informal Workers' Union (QUAMIWU), an affiliate of COMATU.

At the national level, the social dialogue structures mainly consist of the Tripartite Labour Advisory Council (TLAC), established under the Labour Relations Act, and the National Social Dialogue Forum. The latter is an administrative structure established to broaden dialogue among social partners on social and economic issues beyond labour and employment. The Tripartite Labour Advisory Council faces challenges in its operations. While the law stipulates that it should meet at least once a year, it has not met regularly; and the last time was in 2005. While the Social Dialogue Forum has been very active for the past five years, its sustainability is threatened by the

apparent inadequate mechanisms for its sustainability beyond the donor funding.

## **2.2 Government Policies and Programmes**

Considering that there is a range of actors in the Malawian Labour and Social Sector, it is also important to understand how the ILO's Decent Work Agenda and the Malawi Decent Work Country Programme fit into the stated priorities of the Malawi Government. To do so, it is necessary to outline the stated goals of Government, as articulated in key policy documents like MPRS (GOM, 2002), MEGS (2004) and MGDS (GOM, 2007 & 2011). Furthermore, it is important to identify and explore points of intersection in those plans vis-à-vis the achievement of decent work and social justice.

Below is an outline of the interfaces between employment creation and labour issues on one hand, and Malawi's international and national development frameworks on the other.

### **2.2.1 Malawi and the Millennium Development Goals (MDGs)**

The Malawi Government has committed itself to the MDGs for poverty reduction and has widely used them as a basis for its poverty reduction strategy. In fact, since 1994 Malawi adopted the concept of poverty reduction as both a development philosophy and objective, and has localised the MDGs in the medium term development strategies such as the MPRS and the MGDS. This is consistent with the spirit of the MDGs which are also centred on eradicating poverty and hunger; achieving universal primary education; promoting gender equality and empowering women; reducing child mortality; improving maternal health; combating HIV and AIDS, malaria and other diseases; ensuring environmental sustainability; and developing a global partnership for development.

### **2.2.2 Malawi Vision 2020**

Malawi's vision is that "By the year 2020, Malawi as a God-fearing nation will be secure, democratically mature, environmentally sustainable, self-reliant with equal opportunities for and active participation by all, having social services, vibrant cultural and religious values and being a technologically driven middle-income economy".

Based on the discussions held at the First and Second National Long-Term Perspective Study Workshops in 1997, the consultations with various stakeholders in Malawi and written contributions from various Malawians, it was agreed that Malawians cannot achieve the proposed Vision unless they successfully achieve the following: good governance; sustainable economic growth and development; vibrant culture; well-developed economic infrastructure; food security and nutrition; science and technology-led development; social sector development; fair and equitable distribution of income and wealth; and sustainable environmental management. These provide the foundation for the promotion and realization of decent work in Malawi.

### **2.2.3 Government National Priorities – PRSP (2002 - 2005)**

Partly as a requirement for qualification for debt relief and partly in search of strategic direction, in 2002, the Government developed the Poverty Reduction Strategy Paper (PRSP, GOM, 2002), which is an overarching statement on how Malawi can achieve its core objective of poverty reduction. The MPRS clearly recognized that higher and sustained economic growth (averaging at least 6 per cent) was necessary to make a sizable dent in poverty. The MPRS laid out a four-pronged strategy: to promote sustainable pro-poor growth by offering the poor an opportunity to increase their incomes and providing the private sector with an enabling environment for investment; enhancing human capital development; improving the quality of life of the most vulnerable; and promoting good governance. It appears that the MPRS policies were generally consistent with the ILO's global Decent Work Agenda.

Also relevant for the ILO's Decent Work Agenda is the fact that the MPRS mainstreamed key cross-cutting issues such as HIV and AIDS, gender, environment, and science and technology. The MPRS explicitly mentions employment creation, especially labour-intensive measures implemented in part through the Malawi Social Action Fund, and micro-enterprise development.

The MPRS came to an end in 2005, and a post-mortem suggests that its main problem was that it provided a "wish list" of policies without identifying the critical macroeconomic policies that were necessary for rapid reduction in poverty. For instance, while it recognised that over its three-year existence agriculture would remain the engine of growth, it failed to take account of available research which suggests that the major constraint to agricultural development is land, and recommend land and agrarian reform.

During the implementation of MPRS, it was realised that Pillar one of promoting rapid pro-poor economic growth was not sufficiently and ably articulated to drive the economic growth of Malawi. To this effect the Malawi Economic Growth Strategy (MEGS, 2004) was developed, which outlined a private sector-led growth strategy for economic development to strengthen the Pillar one of MPRS.

### **2.2.4 Government National Priorities – MGDS (2006 - 2011)**

In March 2005 in Paris, donor and developing countries agreed to improve aid effectiveness and monitoring for results. This emphasized the need for country ownership of development plans and processes, and Malawi utilized this opportunity to develop the Malawi Growth and Development Strategy (2006 – 2011). The MGDS is now the overarching operational medium-term strategy for a 5-year period. It draws inspiration from the Malawi Vision 2020, builds on the MEGS and is also informed by the practical lessons learned in the implementation of the MPRS. The overall objective of the MGDS is "to reduce poverty through sustained economic growth and infrastructure development". However, unlike the MPRS, the thematic framework of the MGDS represents a policy shift from social redistribution towards economic growth and infrastructure development. It identifies the six priority areas,

namely: agriculture and food security; irrigation and water development; infrastructure development; energy generation and supply; integrated rural development; and prevention and management of HIV and AIDS and nutrition disorders. The MGDS is also built on five themes, designed to further the long-term development aspirations of Malawians. These MGDS themes are sustainable economic growth; social protection; social development; infrastructure; and good governance.

Application of a Decent Work lens to the MGDS shows that, unlike the MPRS which had pro-poor growth and redistribution as one of its central objectives, the MGDS assumed that growth will automatically result in increased and better employment. In other words, by promoting growth of sustainable enterprises, it is believed that employment and wealth would be created for the masses. By adopting a trickle down growth paradigm, the MGDS failed to take into account the fact that experiences of jobless growth abound, and Malawi may not be an exception. Furthermore, the MGDS I failed to recognize the fact that employment creation can be pursued as an objective in its own right and that it can also stimulate sustained economic growth.

#### **2.2.5. Malawi Growth and Development Strategy (MGDS) II: 2011-2016**

In 2009, the Government prepared a Revised Version of the Malawi Growth and Development Strategy as a precursor to the phase II of the MGDS 2011-2016. The tenets of the revised edition were presented by the Head of State at the UN General Assembly in September, 2009.

The Revised Version of the MGDS which is the basis for the development of the MGDS II (2011-2016), redefined the key priority areas and expanded them from the original six as outlined above to nine (9). The nine key priority areas are as follows:

1. Agriculture and Food Security: with emphasis on agricultural productivity, agro-processing (tea, tobacco, sugar, cotton and wheat), food security and fisheries;
2. Green-belt Irrigation and Water Development: focusing on an intensive and extensive programme of irrigation of the fertile arable land along the rift valley from Karonga in the North to the Lower Shire in the South as well as conserving, managing and protecting the water resources while ensuring improved access by the masses;
3. Education, Science and Technology: with emphasis on building an educated and highly skilled population and promoting scientific and technological developments and innovations;
4. Transport Infrastructure and Nsanje World Inland Port: covering road transport, rail transport, water transport, air transport and the integrated Nsanje World Inland Port providing all forms of transport;
5. Climate Change, Natural Resources and Environmental Management: focusing on sustainable management of key natural resources and responding to threats of climate change to ensure achievement of sustainable economic growth and development;
6. Integrated Rural Development: emphasis is on development of rural growth centres through infrastructure development with the goal of

- creating employment opportunities and thereby enhance the redistribution of wealth to all citizens and reduce rural-urban migration;
7. Public Health, Sanitation and HIV and AIDS Management: covering public health including primary health care, sanitation and good hygiene practices, promotion and implementation of the National Action Framework on AIDS and the three ones strategy, and nutrition promotion;
  8. Youth Development and Empowerment: focuses on the youth (10-29 years), aiming to economically empower them so that they actively participate in the development initiatives; and
  9. Energy, Mining and Industrial Development: focusing on broadening alternatives for energy development, expanding opportunities for exploitation of mineral resources and development of industries.

The MGDS II identifies six broad thematic areas, namely Sustainable Economic Growth; Social Development; Social Support and Disaster Risk Management; Infrastructure Development; Improved Governance; and Crosscutting Issues. Unlike in the first version where employment and labour issues were completely missing, MGDS II has introduced a specific Sub-theme 7 on Labour and Employment under Theme 1: Sustainable Economic Growth. The Strategy document acknowledges that labour as a factor of production is a key component of growth and that earnings from employment drive consumption which helps a country to realize sustained growth.

The Sub-theme identifies seven challenges in the labour and employment sector: unavailability of robust labour statistics (labour market information) low labour productivity, weak institutional and regulatory framework, child labour, inadequate skills development and lack of adherence to occupational safety and health. Furthermore, the document recognizes the central importance of employment and decent work in stimulating economic growth and improving living standards. It commits government to taking appropriate action:

“As such, Government will continue to stimulate and ensure productive and decent employment for better standards of living. In the medium term, a number of outcomes will be achieved, including: improved labour productivity; increased gainful and decent employment for all; and eliminated all forms of child labour. The key strategies will include: establishing an effective and efficient labour market information system; promoting occupational safety and health; integrating child labour issues into development initiatives and interventions; reviewing, harmonizing and enforcing legislation on child labour; promoting labour intensive investments; reducing all forms of discrimination in the labour market; promoting skills development, testing and certification; establishing a robust database on labour statistics and promoting labour administration systems” pp.viii.

## **2.3 Cooperating Partners' Aid Policies and Programmes**

### **2.3.1 United Nations Development Assistance Framework (UNDAF) 20011-2016**

For the development of the UNDAF (2011-2016), the United Nations System in Malawi undertook a Country Assessment (2010) in order to gather evidence on the key development challenges in Malawi. The outcome of the Country Assessment informed the development of the Malawi Growth and Development Strategy. The thematic areas of the MGDS are the Pillars that support the key priority areas upon which the UNDAF (2011-2016) is premised. The broad thematic areas are linked to 9 key priorities as detailed in Section 2.2.5.

The UNDAF (2011-2016) articulates five themes for UN assistance to Malawi whose Outcomes are as follows: (i) Government policies, local and national institutions effectively support equitable and sustainable economic growth and food security; (ii) Government policies, local and national institutions effectively support increased equitable and quality basic social and protection services; (iii) national response to HIV/AIDS scaled up to achieve universal access to prevention, treatment, care and support; (v) Government policies, local and national institutions effectively support transparency, accountability, participatory democracy and human rights

Of significance to the implementation of the Decent Work Country Programme is the UNDAF Outcome 1.2. which states that; Women, youth, people with disability and rural households benefit from pro-poor private sector growth, decent employment and income generation. The ILO in collaboration with its tripartite constituents will lead in the implementation of programmes and strategies around the realisation of this country programme outcome.

### **2.3.2 Delivering As One in Malawi**

Malawi is a Self Starter UN Reform Country as guided by the Aid Effectiveness Agenda. Through steady progress, the UN System developed a joint UN Resource Mobilization Strategy which partly enabled the mobilization of USD 18.51 million from the Expanded Delivering as One Funding Window. In 2009 additional non-core funding from the One UN Fund helped UN Agencies to upscale and prioritize activities for development results as set out in the UNDAF/One Plan.

Through ILO's active participation in three UNDAF Clusters i.e. Cluster 1: Sustainable Economic Development and Food Security; Cluster 2: Social Protection and Disaster Reduction; and Cluster 4: HIV and AIDS, resources have been mobilised to support existing project interventions in Malawi including Youth Employment and Empowerment, Improved Social Protection through Reduced Child Labour under the IPEC Programme, as well as HIV Prevention and Impact Mitigation in the Agriculture and Transport Sector Corridors for Malawi under ILO/AIDS.

In a bid to increase the overall support to enhancing Youth Employment and Empowerment in Malawi, a number of UN Agencies are collaborating in a UN Joint Programme towards this end i.e. ILO, World Food Programme (WFP), Food and Agricultural Organization (FAO) and United Nations Development Programme (UNDP). The UN Joint Programme is led by the ILO and the lead Government Ministry is the Ministry of Sports and Youth Development.

The Joint Programme of Youth Employment and Empowerment (JPYEE) is a UN response to the MGDS priority number 8 on “Youth Development and Empowerment” which is also reflected in National Youth Policy and Ministry of Youth Strategic Plan. It takes cognisance of the Education for All (EFA) Goals, the Convention on the Rights of the Child; ILO International Labour Standards and the Millennium Development Goals.

The UN System in Malawi is elaborating two UN Joint Programmes on Gender and Private Sector Development which will seek to harmonise participating agencies’ approach to addressing Gender in Development and the prospect of private sector led development as a means for generating employment. The ILO is engaged in the development of both UN Joint Programmes.

### **2.3.2 Development Assistance Strategy (DAS) for Malawi**

The Paris Declaration embodies donor and developing countries’ resolve to improve aid effectiveness and monitoring for results. With its emphasis on the need for country ownership of development plans and processes, Malawi took advantage of the paradigm shift to develop the MGDS (2006 – 2011). However, there was need to develop an Aid Policy which would create a framework for the Malawi Government to solicit for, acquire, utilize, manage, report, monitor and evaluate assistance from cooperating partners. To this end, in its Development Assistance Strategy (DAS, 2007), the Malawi Government has made it clear that some aid delivery modalities are more preferable than others, based on the degree of flexibility and control they allow the Government. Furthermore, in 2008 the Government drafted a Debt and Aid Policy, which further elaborates the issues mentioned above. The policy is yet to be approved by the Cabinet. The Government’s hierarchy of preferred modalities includes Untied Budget Support (foreign aid delivered via the budget), followed by Sector-wide Approaches (which are a form of dedicated budget support) and Basket funds (where donors pool funding for use in a defined sector).

At the lower end, less favoured approaches include Trust Funds (where donors pool their resources into a fund to be drawn down and implemented against a set of criteria and through an agreed implementation system), project support to Government and NGOs, and technical assistance. The UN system (ILO inclusive) has traditionally used these three approaches, especially trust funds and projects, which the Malawi Government believes increase transaction costs by adding another layer of bureaucracy.

### **2.4 ILO Technical Support for Malawi and Lessons Learn to date**

ILO’s work in Malawi has concentrated mainly on elimination of child labour, particularly in its worst forms. The ILO has worked in collaboration with many



local and international organizations in the elimination of child labour including the Food and Agricultural Organization (FAO) and the World Food Programme (WFP) among others. ILO has particular expertise in employment and labour relations, and working through the employers' and workers' organizations has proven to be an effective entry point to reducing child labour. The Elimination of Child Labour in Tobacco (ECLT) foundation based in Geneva has also played a significant role in the fight against child labour and has mainly focused on a livelihoods approach to child labour.

The ILO works with a multitude of governmental and non governmental organizations which are active in the field of child labour either as its implementing partners or collaborating agencies.

Furthermore, ILO has been able to effectively implement its global expertise on HIV&AIDS in the workplace in Malawi. As a result, ILO is leading the HIV&AIDS workplace response within the UNDAF.

**Some of ILO's specific interventions include the following:**

- Since 2002 ILO/IPEC Malawi has been implementing child labour programmes mainly funded by the United States Department of Labor (USDOL). The most significant achievements of these programmes were the development of the policy and regulatory framework in the country: drafting of the National Action Plan which was launched in October 2010, support to the drafting of the list of hazardous labour for children, Child Labour Policy and the Labour Tenancy Bill; the development of a national database on child labour; and the inclusion of child labour issues in the Malawi Growth and Development Strategy. ILO/IPEC also supported the first National Child Labour Survey in 2002 and has since been conducting action oriented baseline surveys.
- On the downstream level, the major achievement has been the development of successful models of direct intervention for prevention and withdrawal from child labour, and models for the support of adult caregivers. The interventions have included among others provision of training and materials to selected vulnerable families of withdrawn and prevented children for starting Income Generation Activities so that they can support their children to remain in school; and provision of appropriate community based vocational skills to older children (aged 14-18), who may not return to school, to prepare them for their sustainable livelihoods with occupational safety and health mainstreamed in the programmes.
- In the area of HIV and AIDS in the workplace, the ILO through funding from the United States Department of Labor (USDOL) and the Swedish Development Agency (SIDA) continues to implement HIV and AIDS programs in various workplaces and in the transport sector. Through these projects the ILO has managed to build the capacity of the tripartite constituents (Government, Employers' Organization and Workers' Organizations) by providing training on HIV/AIDS policy

development and HIV/AIDS management in the workplaces. The ILO has also in collaboration with its constituents, assisted in the completion of drafting the National HIV/AIDS workplace policy which currently is awaiting cabinet submission after undergoing review of the tripartite Labour Advisory Council (TLAC). The HIV and AIDs Policy and Strategic Framework of action for the transport sector in Malawi was completed and launched in March 2009.

- With regard to labour administration, the ILO, through its Improving Labour Systems in Southern Africa (SLASA) project supported Malawi in improving its legal framework, labour inspectorate system and dispute resolution mechanisms and institutions. The major achievements in this regard include a comprehensive review of the Labour Relations Act of 1996 and the Employment Act of 2000, the amendment bills of which will be finalised this year; the training of all labour inspectors in contemporary labour inspection systems; training of all district labour officers, the Civil Service Negotiating Team (comprising management and workers representatives in government), the sugar and hotel industries bargaining teams in mutual gains bargaining; drafting of the Labour Inspection Policy Guidelines; provision of equipment to the Ministry of Labour, workers and employers organizations and the Industrial Relations Court; and development of the case database at the Industrial Relations Court.
- More recently, the ILO is supporting Malawi in the development of a comprehensive National Employment and Labour Policy (NELP). Key milestones achieved in this regard include the completion of the Diagnostic Study on Employment in June 2010, the preparation of the zero draft of the NELP and the setting up of the tripartite structures to oversee the finalisation of the NELP.

### **3.0 MALAWI DWCP COUNTRY PROGRAMMING PRIORITIES**

Consultations to identify the Malawi DWCP goal and priorities were held between the tripartite constituents and the ILO from 2007 to 2011. The Government and social partners reached consensus on the DWCP goal and priorities as follows:

#### **DWCP Goal**

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 general objectives of the Decent Work Agenda for Africa (2007-2015). At the national level, the DWCP goal contributes to the targets of the Malawi Growth and Development Strategy on creation of decent work for sustained growth and development and the UN Development Assistance Framework contributing to the national development agenda.

#### **DWCP Priorities**

1. Creating more and better employment and income generation opportunities, particularly for the vulnerable groups including the youth, women and people with disabilities, as well as ensuring the elimination of the worst forms of child labour;
2. Enhancing and extending the coverage of Social Protection;
3. Building the capacities of the Government and Social Partners to improve service delivery.

In addressing the above priority areas, due attention will be given to the informal economy, rural areas and the agricultural sector.

In order to ensure that the three DWCP priorities identified are effectively implemented and monitored, there is a need to sustain a continued cooperation of the tripartite constituents, cooperating partners and the ILO. The priorities will also have to be linked to the United Nations Development Assistance Framework, in line with the "Delivering as One UN" initiative and also for proper coordination. Furthermore, it is important for the priorities to be anchored in Vision 2020 and the MGDS, which will not only provide direction and coherent framework within which issues of work and employment can be addressed, but facilitate resource mobilization for the DWCP priorities for Malawi. This is particularly important, given the comprehensiveness of the Vision 2020 and the extent to which it already articulates the aspirations of the social partners. Since the DWCP priorities are presented to reflect the constituents' priorities, as well as to ensure consistency with national development priorities, the DWCP for Malawi provides specific focus to the three agreed priority areas, while at the same time taking into account other elements of the ILO's global Decent Work Agenda. In future, the Malawi

DWCP could be reviewed to address other emerging and pressing decent work deficits or changing circumstances and priorities.

The three DWCP priorities will contribute towards Malawi's efforts to achieve Millennium Development Goals (MDGs), especially the following: #1: Eradicate extreme poverty and hunger (which now has decent work included among its targets); #2: Achieve universal primary education; #3: Promote gender equality; #6: Combat HIV and AIDS, and #8 on partnerships for development, including a target on strategies for decent and productive work for youth. However, successful implementation of the DWCP requires not only a change in mind set and allocation of resources but also identifying and mobilising new resources. Resources will be mobilized for DWCP implementation through a number of channels: (i) applying and aligning existing and pipeline technical cooperation (project) resources; (ii) cost-sharing with Government, workers, employers and other stakeholders with respect to their budgetary allocations; (iii) ILO's resources as well as resources from the rest of the UN system in Malawi, particularly under the One UN Fund; and (iv) new engagements with cooperating partners in Malawi.

The DWCP for Malawi will additionally ensure that the following cross-cutting concerns are addressed throughout the planning, implementation, monitoring and evaluation processes:

- a. Promotion of gender equality and equity;
- b. Promoting good governance among implementing partners (such as the proposed Code of Ethics for Labour Inspectors);
- c. Mainstreaming issues of HIV and AIDS in the world of work (in addition to Country Priority III);

### **Gender Equality and Equity**

Malawi has made significant strides in policy and programmatic interventions towards reversing gender inequalities in the society and the world of work. At policy level, Malawi is a signatory to several international and regional instruments and commitments that promote gender equality, including the SADC protocol on Gender, the Convention on the Elimination of all forms of Discrimination against Women (CEDAW), the Protocol to the African Charter on Human and Peoples' Rights on the Rights of Women in Africa, among others. Malawi has a National Gender Policy, launched in 2000 (and currently under review), which was followed by the National Gender Programme in 2004. The provisions of the international instruments have been incorporated in the Policy as well as the Constitution. The Ministry of Women and Child Development has the mandate to promote gender equality. Gender mainstreaming is promoted in the public and private sectors as well as in the civil society through the creation of gender focal points and the gender networks.

The Malawi Millennium Development Goals (MDGs) Report 2010, indicate that there has been increase in women's representation in decision-making positions. For example, women's representation in the house of Parliament increased from previously 18% to the current, as of 2010, 27% .). In addition, the Malawi Gender and Development Index (GDI), (a measure of the gap of the status of women and men in the areas of long and healthy life, knowledge,

and a decent standard of living); boosted largely by reduced primary and secondary school enrolment gaps between boys and girls; indicates that Malawi is doing fairly well in gender equality performance; with an over-all Gender Status Index of 0.639 in 2010 as against 0.396 in 2005.

Other achievements include (a) increased enrollment of boys and girls in schools; (b) Gender Parity at the level of primary education; (c) Reduction in Maternal Mortality Rates (from 897/100,000 in 2007 to 807/100,000 in 2009); (d) increased access to Anti-Retroviral Drugs; (e) increased efforts in linking women farmers to income generating activities and implementing research activities to link gender and key agricultural activities; and (f) Review of a number of laws that were gender discriminatory and enacting new laws to protect women against violence.

In the world of work, Malawi has set targets to have a 30 per cent women representation in decision-making positions. There have been recent statements from the leadership of the country to target 50 per cent women representation in key positions. There is political will at the highest level to promote gender equality and increase women representation. However, despite these positive developments, inequalities still exist. At micro-level, Malawi recognises that women and youth comprise the most vulnerable groups that encounter gender-based discrimination on a day-to-day basis.

In terms of economic sectors, men and women are involved in the agricultural sector to the same extent, but women still have limited access to, and control over production factors such as land, agricultural inputs and technology. For this reason, women are particularly in subsistence agriculture, growing mainly food crops where earnings are low, whilst men are involved in cash crop production with high earnings.

With regards to entrepreneurship, the gender gap is wide: only 1 out of 10 women own and manage their own enterprises as compared to 16% of the men. In terms of access to finance, men have better access to loans than women.

With regard to formal employment, only 10 % of women compared to 18% of men are in wage employment (NSO, 2010b: Table 4.1a). Remuneration received from wage labour is low and again even less for women than men. The median daily wage for women is MK 78, as compared to MK 124 for men. One reason for the lower participation in wage employment among women is that very few women are educated and qualified. Only about half of the adult female population can read and write in their mother tongue or English, compared to three out of the four men, and many forms of wage employment normally require a minimum of skills. It is also important to note that in some cases men and women may possess the same qualification, but the women are paid less than men for the same work.

Malawi has ratified the two ILO Core Conventions against discrimination: Convention No. 100 (Equal Remuneration, 1951) and Convention 111 (Discrimination – Employment and Occupation, 1958). It is yet however to ratify Convention 156 (Workers with Family Responsibilities) and Convention 183 on Maternity Protection.

Both the MDG Report and the Gender Index point to major concerns with regards to some key Gender Equality issues in Malawi. All the three MDGs that are likely to be missed are gender related (MDG 2 – Universal Primary Education; MGD 3 – Promote Gender Equality and Empower Women and MDG 5- Maternal Health). Similarly, the Gender Index indicate women are doing poorly in economic and political power with significant disparities between men and women in the agricultural household enterprise; under-represented in paid employment as well as in senior positions in all sectors of life.

Furthermore, at the moment there are a few links between the MOGCCD and the Private Sector. In collaboration with relevant line ministries, the ministry deals with Private Sector issues such as terms and conditions of employment for women, limited access to credit and markets by women, unequal unemployment opportunities with regards to women, provision of goods and services that address women's needs. However there does not exist, a Private Sector Gender Coordination Network through which women's access and benefits from the private sector could be prioritized.

The foregoing analysis therefore shows that in spite of Malawi's ascension to various International Conventions, challenges still remain in addressing Gender disparities and inequalities such as political will at various levels and cultural bias that have resulted in the uneven adoption and implementation of internationally agreed policies and Conventions on gender and women's empowerment. Secondly, the data needed to understand gender differentiated access to productive and social resources and its impacts on human development and poverty reduction are scarce. Thirdly, although gender blindness in policies and programmes has decreased slightly, the capacity of policymakers and technical staff in most sectors remains a challenge, slowing progress and hindering the integration of gender equality issues in development programmes. Finally, where progress has been made, monitoring and evaluation of results and impact is often not followed through. If gender equality in Malawi is to be achieved, these gaps will need to be addressed.

Therefore, in complementing existing efforts in Malawi to address Gender disparities and inequalities, the implementation of the Malawi Decent Work Country programme will be guided by the resolutions of the 2009 International Labour Conference (ILC) on gender equality at the heart of decent work. The ILC clearly states what gender issues are to be considered when addressing the four strategic objectives of employment, social protection, rights at work and social dialogue that the ILO calls the Decent Work Agenda. Furthermore, the ILC outlines the roles that the ILO and its constituents are to play for the Decent Work Agenda to be a reality. Having said this, the DWCP will promote the rights and conditions of working women to contribute to economic empowerment and women's entrepreneurship development, as well as gender mainstreaming through the ILO's participatory Gender Audit tool, already introduced and being applied by the UN system in Malawi. The mainstreaming of gender will result among other things to the creation of a suitable environment through the development of gender sensitive policies and programmes that will empower women (through education and training,

access to credit, capital, land and decision making authority) in order for them to contribute to the economic growth of Malawi.

### **HIV and AIDS**

The impact of HIV and AIDS cuts across all sectors of the economy, with the employment sector being particularly hard hit. The recognition that HIV and AIDS is also a workplace issue provides credence to the fact that specific interventions are needed that will prevent and mitigate its adverse impacts in the world of work. However, interventions should not only be limited to the workplace but they should also be directed to the surrounding communities within which the enterprises are located. It is therefore important that these interventions are mainstreamed across employment issues, and that a multi-sectoral and all-inclusive approach on HIV and AIDS is adopted and put in place. Particular vulnerabilities of workers in the informal economy to HIV and AIDS require specifically tailored responses as stipulated in the ILO Code of Practice on HIV and AIDS in the world of work. To this end, the Government of Malawi, in collaboration with the social partners and other stakeholders has developed a National HIV and AIDS Workplace Policy which is due for cabinet approval. The National HIV and AIDS workplace policy has taken into consideration the recommendation 200 principle which encourages members to promote the retention in work and recruitment of People Living with HIV (PLHIV) as well as extension of support, including income generating opportunities or economic empowerment programs for persons living with or affected by HIV and AIDS. In general workers, their families and dependants should have access to and benefit from HIV prevention, treatment, care and support services and the workplace should play a role in facilitating this access.

### **Good Governance**

Transparency and accountability by the institutions of Government as well as the employers' and workers' organizations are vital, not only for managing the relations among themselves, but also in order for them to gain the confidence of their constituencies and hence deliver effectively on their expected mandates. Labour market governance, through labour inspections and bipartite workplace structures, is also a prerequisite for the success of the Decent Work Country Programme. Accountability and transparency will thus form an integral part of the institutional capacity building for key players involved in employment and labour such as the labour administration and social partners.

### **Malawi DWCP priority linkages with the Vision 2020**

In the long term, the DWCP goals will contribute to Malawi's achievement of its Vision 2020 through: (1) Good Governance: by making Malawians aware of their rights and responsibilities; and enhancing and sustaining the rule of law, promotion of social dialogue and respect for human rights, incl. workers' rights; (2) Sustainable Economic Growth and Development: by promoting skills development and entrepreneurial culture and value addition in the agro sector through inclusive market development; (3) Vibrant Culture: by ensuring positive work ethics; and reducing gender and all other forms of inequities and inequalities among social groups; (4) Social Sector

Development: by facilitating the development, deployment and effective utilisation of human resources; (5) Fair and Equitable Distribution of Income and Wealth: by seeking to reduce unemployment and underemployment, particularly in rural areas; by promoting enterprise development; by contributing to strategies to reduce poverty; and by supporting strategies on reducing gender inequalities; as well as (6) Food Security and Nutrition: by promoting non-farm income generating activities.

### **3.1 DWCP Country Programme Priorities and Outcomes**

**3.1.1 Country Priority I:** Creating more and better employment and income generation opportunities particularly for the vulnerable groups including the youth, women and people with disabilities, as well as ensuring the elimination of the worst forms of child labour

This Priority and its Outcomes contribute to the achievement of the MDG number 1 target on decent work, and MDG 3 on Gender. This priority answers to several priorities in the ILO's Programme and Budget for the biennium 2012-2013: promoting rural employment, upgrading the informal economy, supporting youth employment and reducing child labour, as well as advancing gender equality. It is also supported by the following Programme & Budget outcomes: employment promotion; skills development; and elimination of child labour. Furthermore, Priority I supports the achievement of in particular the following Decent Work Agenda for Africa (2007-2015) outcomes: investing in enterprises and decent work opportunities in Africa; decent work for Africa's youth; closing the skills gap and escaping the informal economy trap. At the national level, the Priority contributes in particular to the Malawi Growth and Development Strategy and well as the UNDAF supporting the national development agenda.

#### **Outcome I.1**

Conducive environment created and progress made towards increased, gainful and decent employment for men and women in the context of the MGDS

#### **Outcome Description**

This outcome aims at developing a conducive policy and legislative environment that supports the creation of decent and productive jobs for improved livelihoods in both the formal and informal economy

#### **Outcome Indicators:**

- A gender sensitive National Employment and Labour Policy and Action Plan prepared and adopted
- Government budgetary allocations and donor support to programmes and projects supporting the creation of decent and productive employment increased
- Number of jobs created in the economy disaggregated by sex, age and sector



## Strategies

Review the policy and regulatory environment as it relates to employment creation and seek greater policy coherence especially within MGDS; where necessary, advocate for the removal of discriminatory laws and policies that constrain the participation of the vulnerable groups including the youth, women and people with disabilities in all aspects of employment; mainstream their respective employment interests in policies, laws and programmes relating to business and employment and identify significant gaps in policy provision and implementation; ratify and implement the Employment Policy Convention, 1964 (No. 122); develop a gender sensitive National Employment and Labour Market Policy and mainstream its main tenets in the next generation of MGDS and UNDAF; promote high employment elasticity growth by focusing on employment-rich as well as rural sectors following the focus on rural employment as a key element of African Recovery Strategy in the Roadmap for the Implementation of the Global Jobs Pact in Africa (Ouagadougou Roadmap); advocate for increased budgetary allocations by the Government towards Decent Work targets as established in the Malawi DWCP; support the formulation of national productivity improvement policies and programmes; build upon the previous work by Government with support of the ILO on productivity improvement in Malawi. Given the importance of education and skills to improve labour productivity and entrepreneurship and enhance access to non-farm employment, education and training programmes within the DWCP will address rural specificities and needs. In this respect, alternative vocational and life-skills training will be considered, taking into account the lower education and literacy levels in rural areas, in collaboration with extension services and other development partners, particularly FAO.

## Outputs:

- A gender sensitive National Employment and Labour Policy and National Action Plan prepared and adopted
- Employment-related laws developed, reviewed and amended to take into account Decent Work concerns (Pensions Act, Employment and Labour relations Act, OSH, Welfare Act, Tenancy Act)
- Employment-rich sectors promoted as engines of economic growth in the context of the MGDS (Tourism, Agriculture, Mining)
- Policies improved and programmes put in place to facilitate growth of micro, small and medium enterprises.
- A National Productivity Policy developed and Centre established

## Outcome I.2

Enhanced employment and self-employment opportunities for vulnerable groups, including the Youth, Women and People with Disabilities

## Outcome Description

This outcome aims at promoting the creation of employment opportunities through enhancing access to appropriate skills, business development services and finance necessary for the target groups identified i.e. Youth, Women and Persons with disabilities.

**Outcome indicators:**

- Number of individuals belonging to vulnerable groups (youth, women and people with disabilities) attaining Skills development, including skills testing and certification.
- Number of individuals belonging to vulnerable groups (youth, women and people with disabilities) with access to Business Development and Microfinance Services
- Number of jobs created by sex, age and disability status

**Strategies**

Enhance the effectiveness of employment promotion by building alliances and networks for broad-based approaches to employment creation between Ministry of Labour, Ministry of Education, Science and Technology, Department of Public Service Management, TEVETA, Ministries of Youth Development and Sports, Industry and Trade, Women and Child Development, Elderly and People with Disabilities and other relevant ministries, as well as workers' and employers' organizations and other key stakeholders. Improve implementation of the Equal Remuneration Convention, 1951 (No. 100), the Discrimination (Employment and Occupation) Convention, 1958 (No. 111) and the Vocational Rehabilitation and Employment (Disabled Persons) Convention, 1983 (No. 159); enhance the capacity of associations and organizations for the vulnerable groups, including the youth, women and people with disabilities, as well as the capacities of providers of business development services and skills development (especially MEDI/SEDOM/DEMATT, technical colleges and TEVETA) to ensure greater access to employment and self-employment opportunities, skills training, employment-intensive investment programmes, including promoting creative/culture enterprises, business support, advocacy and career guidance; encourage the participation of men and women, particularly the vulnerable groups, including the youth, women and people with disabilities in entrepreneurship so that they have enhanced employment and self-employment opportunities, assisted by improved access to business development services, management and technical skills, and financing mechanisms, and supported by national budget and cooperating partners; encourage the participation of men and women, particularly the vulnerable groups, in skills development and entrepreneurship training so that they have enhanced management and technical skills supported by national budget and cooperating partners and guided by the Ouagadougou Roadmap; enhance the skills testing and certification system in order to improve access to and quality of skills; promote and support the establishment of effective linkages between financing and micro-finance institutions and youth, women and people with disabilities both as individuals and through their representative associations (e.g. following on lessons from MARDEF, I-Life or ILO's Social Finance Programme); enhance organization, representation and voice of informal economy actors; and develop approaches aimed at increasing the employment content of the economic growth.

**Outputs**

- Vulnerable groups, particularly the youth, women and people with disabilities, have more and better access to skills development and

- career guidance
- Vulnerable groups, particularly the youth, women and people with disabilities, have more and better access to business development services
- Increased quantity and quality of skills testing and certification relevant to the needs of the labour market
- Policy and legal framework developed for skills assessment and certification informed by a Skills Profile
- Access to micro-finance and other appropriate financing mechanisms promoted among the target groups
- Employment network comprising of relevant stakeholders established

### **Outcome I.3**

A conducive environment fostered for and steady progress made in the elimination of the worst forms of child labour

#### **Outcome Description**

This outcome aims at gradually eliminating the worst forms of child labour through necessary legislative and programmatic responses. Focus on creating Child Labour Free Zones through Area-Based approaches and the implementation of the National Action Plan as launched in October 2010 are necessary for the realisation of this outcome among other collaborative efforts.

#### **Outcome Indicators:**

- A National Child Labour Policy adopted
- Number of children prevented and withdrawn from child labour and provided with alternatives, disaggregated by sex (increased)
- Prevalence of child labour (reduced)

#### **Strategies**

The problem of child labour is multidimensional; hence a multi-pronged strategy will be adopted focusing on poverty alleviation, children's access to education, HIV and AIDS mitigation on one hand and strict enforcement of national and legal instruments on the other hand. In view of the foresaid, strategies under Outcome 1.1 and Outcome 1.2 will be promoted under outcome 1.3. This acknowledges the fact that many children work out of economic necessity, supplementing parent's or guardian's income to help meet the household's basic needs, and therefore, improving livelihoods of poor households is crucial to maintaining the sustainable withdrawal of children from child labour and breaking the poverty cycle. In addition, prevention and care programmes on HIV and AIDS will have to be implemented along with employment creation programmes to reduce the number of orphans, and this will in turn reduce child labour. It must be mentioned here that poverty alleviation and mitigation of HIV and AIDS as strategies to eliminate the worst forms of child labour are not comprehensive without national and legal instruments to protect human rights of a child. For this reason, strategies on national and legal instruments include the finalisation, adoption and launch of the National Action (NAP) on Child Labour (2010-2015) which is in line with the Global Action Plan on Child Labour; improve the implementation of the Minimum Age Convention, 1973

(No. 138) and Worst Forms of Child Labour Convention, 1999 (No. 182); and, in the context of MGDS, the adoption and launch of the Child Labour Policy as well as implementation of the relevant Conventions on Child Labour and the UN Convention on the Rights of the Child.

Other strategies will be to undertake initiatives aimed at building the knowledge base and national awareness on the Worst Forms of Child Labour; work with Government, social partners and UN system in supporting the preparation, implementation and enforcement of policies and legislation in line with Convention 182, mainstreaming and integrating child labour issues into other development initiatives and interventions and, in association with MoL and social partners, to support political advocacy campaigns on Child Labour at national and local levels; support the implementation of direct action and upstream strategies to combat Child Labour through time bound programmes; as well as engage the support of a wide range of UN agencies and cooperating partners. Innovative child labour prevention programmes that cover the agricultural and rural sector will be developed, promoting community and producers' organizations involvement, participatory assessment of risks and adapted awareness-raising and communication strategies. The development of school curricula and alternative vocational and life-skills trainings more relevant to rural settings and aiming at promoting rural youth employability will be developed in collaboration with national stakeholders as well as development partners such as FAO.

**Outputs:**

- A National Child Labour Policy adopted and implemented
- Legislation on the Worst Forms of Child Labour strengthened and developed (Employment Act, Human Trafficking Act)
- Child labour issues mainstreamed into the national development and legislative agenda
- Technical and institutional capacity of Ministry of Labour, social partners and other service providers enhanced for implementation of child labour elimination programmes
- Comprehensive social mobilization, awareness raising and advocacy on Child labour strategies and programmes developed and conducted

**Resources assured and/or available in support of Priority I:**

Women's Entrepreneurship Development Programme; IPEC/USDOL project on the Elimination of Child Labour; ILO/CEPOL support to the formulation of the National Employment and Labour Market Policy and One Fund Funds.

**Additional resource requirements to implement the outputs:**

Additional resources are needed for the review and formulation of the necessary policies, action plans and laws contributing to the creation of decent jobs and to the elimination of Child Labour. There is a need to develop and implement programmes to facilitate the growth of micro, small and medium enterprises and set up a National Productivity Centre. Programmes for the identified vulnerable groups – especially young people and people with disabilities - in the field of skills development, youth employment, business support, advocacy and career guidance are needed. Additionally, possibilities for access to micro-finance and other appropriate financing mechanisms for the vulnerable groups shall be created. Furthermore, there is a need to ensure

continuity of support to the objective of elimination of Child Labour in Malawi.

### **3.1.2 Country Priority II: Enhancing and extending the coverage of Social Protection**

This Country Priority works in particular towards the regional priority of improving social protection in the ILO's Programme and Budget for the biennium 2012-2013. Additionally, it supports the regional priority on increasing scope and capacity for a rights-based approach. Furthermore, the priority is supported by the following Programme & Budget outcomes: responding effectively to the HIV/AIDS epidemic in the World of Work; access to better managed and more gender equitable social security benefits; and improved safety and health conditions at work. In relation to the regional Decent Work Agenda for Africa, this Priority works towards outcomes on Investing in a basic social protection package for poverty reduction; Tackling the HIV/AIDS crisis through workplace action and Implementing labour standards at the workplace in particular. At the national level, the priority contributes to the overall Malawi Growth and Development Strategy, and the UNDAF supporting its objectives.

#### **Outcome II.1**

Enhanced Occupational Safety and Health (OSH)

#### **Outcome Description**

The main objective of this outcome is to contribute to more inclusive and productive societies through a reduction in occupational accidents and work-related diseases, the establishment of functional national dialogue processes on OSH as well as the adoption of national OSH programmes/action plans.

#### **Outcome indicators:**

- National OSH Profile, Policy, National Action Plan and National Programmes developed and adopted
- Reviewed legislation in place
- Incidence of occupational injuries and fatalities in key sectors of the economy reduced

#### **Strategies**

Develop national profile, policy, action plan and programmes consistent with the Occupational Safety and Health Convention, 1981 (No.155) and the Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187); Ratify and implement Occupational Safety and Health related Conventions; Put in place mechanisms that identify and manage risks at work, be it repetitive tasks, long hours, exposure to harmful substances, noise, psychological pressure, physical aggression and much more; facilitate the establishment of national systems for a preventative culture; Strengthen the information and research capacity as well as the human, financial and material capacity of the OSH services; Develop preventive measures and mechanisms addressed to reducing the impact of risk including safety education, skills development and integrating health and safety into vocational and professional training arrangements; carefully design of workflow, review and develop legislation to protect all workers including limiting the participation of vulnerable groups in hazardous work

(e.g., young workers); Promote awareness and training programmes and other promotional programmes for prevention of accidents and diseases at work including collection and analysis of data, provision of protective equipment and link OSH initiatives to national development agenda.

#### **Outputs:**

- National System on Occupational Safety and Health developed and implemented
- Labour inspection policy and labour laws reviewed with respect to OSH issues and in line with relevant International Labour Standards
- An OSH National Information and Documentation Centre strengthened
- Awareness campaigns on Occupational Safety and Health conducted
- A fully equipped OSH laboratory in place

#### **Outcome II.2**

Enhanced and extended Workers' Social Security Benefits

#### **Outcome Description**

This outcome aims at reviewing and developing a policy and legislative framework, followed by appropriate programme action, with a view to extending social security to all, and enhancing the benefits and the quality of service provision in the field of social security.

#### **Outcome Indicators**

- Laws and policies on Social Security adopted
- Period from the time of assessment of the injury to the pay-out to the beneficiary (decreased)
- A Workers' Compensation Fund established in line with Part VI of Convention, No. 102, 1952 on the minimum standards of Social Security

#### **Strategies**

Establish and operationalize the Workers' Compensation Fund; develop a comprehensive National Social Security System guided by the Convention No. 102 and the Ouagadougou Roadmap; ratify and implement the Social Security (Minimum Standards) Convention, 1952 (No. 102); develop programmes and activities that mitigate against the degree of job insecurity that stems from the contraction or disappearance of occupations, firms and industries; formulate policies and implement action plans intended to protect workers from bearing an unfair share of the economic risk inherent in economic activity or to assist them in a transition to new work in line with Global Jobs Pact; put in place frameworks and policies consistent with the Employment Injury Benefit Convention, 1964 (No.121), which establishes the principle of employer responsibility for insuring employees for occupational injury and also institutes action plans consistent with the Labour Inspection Convention, 1947 (No.81), which points to labour inspectorate as an important means of enforcement of the principles of national legislation and regulation; introduce forms of social protection against life contingencies (such as ill-health, old-age, maternity benefits, unemployment, disability, and death) as well as for poverty.

**Outputs**

- A National Social Security Action Plan (SSAP) developed for the improvement and extension of social security coverage for all
- Relevant laws and policies in the domain of work-related illness and injuries, pensions and general social protection reviewed and implemented (Workers Compensation Act, Pensions Act, Social Cash Transfers)
- Workers' Compensation Fund established
- National Pension Scheme established

**Outcome II.3**

HIV & AIDS, TB and STI's in the workplace (formal and informal economy) mitigated

**Outcome Description**

This outcome aims at developing the necessary policy and programme responses to mitigate and manage the effects of HIV&AIDS, TB and STI's in the workplace.

**Outcome indicators:**

- Number of workplaces implementing comprehensive HIV & AIDS, STI and TB policies and programmes on a sustained basis increased
- Rates of actual and perceived discrimination and stigmatization in the workplace reduced
- National HIV&AIDS workplace policy and legislative framework in place

**Strategies**

Build national consensus on and facilitate the development of an overarching strategy for the workplace HIV and AIDS response; strengthen the capacity of the Ministry of Labour to effectively assume its leadership role in coordinating the workplace response; advocate for the adoption of the national HIV&AIDS workplace policy by Cabinet and support its implementation thereafter; facilitate the development of a comprehensive legal framework on HIV and AIDS, including the Employment Chapter based on the International Labour Standards and ILO's Code of Practice within the proposed HIV and AIDS legislation; promote and support programmes that guarantee fair treatment in employment in terms of equality of opportunity, equal pay for work of equal value, eliminating discrimination of all kinds at work and in access to work, including HIV & AIDS, working without harassment or exposure to violence, and fair handling of grievances and conflict. Promote the establishment of workplace health and safety committees or structures, which take into account the workplace dimensions of HIV and AIDS, malaria, TB and other chronic diseases. Support the involvement and capacities of informal economy, producers' associations and other small business associations' on prevention and management of HIV and AIDS, STI and TB in the workplace.

**Outputs**

- National HIV and AIDS, STI and TB workplace policy and Action Plan adopted by the Government, the social partners, and other key stakeholders
- National overarching strategy on the workplace response to HIV&AIDS, TB and STI's developed and adopted
- Ministry of Labour capacity strengthened to fully assume its leadership and coordination role
- Workplace programmes and policies on HIV and AIDS, based on the ILO Code of Practice and recommendation 200 , developed and implemented by workers and employers
- Informal economy associations and small business associations' capacity strengthened on prevention and mitigation of HIV and AIDS, STI and TB in the workplace.

**Resources secured and/or available in support of Priority II:**

HIV and AIDS workplace education programme; HIV and AIDS in the transport sector; Resources secured through the National AIDS Commission, UNAIDS and One UN Fund.

**Additional resource requirements to implement the outputs:**

Additional resources are required for the design and setting up of the National System on Occupational Safety and Health, as well as for its effective implementation, incl. legislative reviews, and awareness raising on OSH issues. Furthermore, resources are required to develop a comprehensive social security system. Concerning the HIV and AIDS epidemic, more resources are needed to develop national and sector-wide HIV and AIDS workplace policies and programmes for the formal and informal economies, incl. capacity building for the constituents.

**3.1.3 Country Priority III: Building the capacities of the Government and Social Partners to improve service delivery**

This Priority and Outcomes contribute in particular to the regional priority of increasing scope and capacity for social dialogue and a rights-based approach in ILO's Programme and Budget for biennium 2012-2013. Furthermore, it is supported by the following Programme & Budget outcomes: effective provision of services by labour administrations; employment promotion; and strengthened social dialogue and industrial relations. In line with the Ouagadougou Roadmap this

Priority contributes to strengthening Social Dialogue as a Key Mechanism for African Recovery Strategies and wider sustainable development in the country. It also contributes to the Decent Work Agenda for Africa Priority on Tripartism as a key governance mechanism for inclusive poverty-reducing growth as well as the target on improving information for better policies. At the national level, this priority contributes to the Malawi Growth and Development Strategy particularly improving labour administration systems and the UNDAF supporting its objectives.

**Outcome III.1**

The Labour Administration System, including the Ministry of Labour and



Industrial Relations Court (Government), improved

### **Outcome Description**

The main objective of this outcome is to promote the development of a conducive policy, legal and regulatory environment for effective labour administration.

### **Outcome Indicators:**

- Conducive legal framework and effective enforcement put in place
- Number of labour law infringements at the workplace (reduced)
- Timeframe for dispute resolution through conciliation, arbitration and adjudication (reduced)
- Public employment Services strengthened to provide efficient services to the youth and the general population

### **Strategies**

Improve the implementation of the Labour Inspection Convention, 1947 (No. 81) and Labour Inspection (Agriculture) Convention, 1969 (No. 129) through the following: Support the strengthening of the institutional, human and financial capacity of an integrated labour inspectorate system to effectively and efficiently deliver client-oriented and balanced information and advisory services on the one hand and enforcement on the other; review relevant legislation and put in place advocacy measures to promote and realize voluntary compliance with the law; review the law and set up an institutional framework that ensures timely and effective dispute resolution; provide training in social dialogue to the tripartite partners and mobilise resources for the Tripartite Labour Advisory Council to improve on the quality of its decisions and their implementation; provide training in mutual gains collective bargaining to improve relations at the sectoral and enterprise levels and address the negative impact of new forms of the employment relationship; provide capacity building interventions to conciliators, arbitrators and Industrial Relations Court judges who will be administering the alternative dispute resolution system; lobby and negotiate for increased funding to the Ministry of Labour through normal budgetary allocation and development partners' support; mobilize resources for and hold regular meetings of the Tripartite Labour Advisory Council (target: at least once a quarter); mobilise resources for the annual social dialogue forums.

### **Outputs**

- Integrated labour inspection services developed and strengthened
- Effective and efficient alternative dispute resolution and adjudication system established and implemented
- Relevant laws reviewed and/or developed contributing to conducive labour relations
- National tripartite and bipartite social dialogue institutions and mechanisms strengthened

### **Outcome III.2**

Improved and conducive environment for informed policy and programme decision-making by the Government, social partners and other stakeholders

### **Outcome description**

This outcome aims at building the capacities of the Government as well as the \_\_\_\_\_

social partners in collecting and analyzing labour force data, and building up a functional Labour Market Information System with appropriate and regular reporting functions.

### **Outcome Indicators**

- LMIS with well defined actors and responsibilities established
- Knowledge-base within Government, social partners and related research institutions in LMIS (improved)

### **Strategies**

Strengthen the capacity of the Government to establish and run, in collaboration with social partners, a comprehensive labour market information system for policy making; hold consultative meetings with key stakeholders and call on ILO's expertise and experience in developing and using such systems; conduct a comprehensive Labour Force Survey to establish baseline information and mainstream labour market data questions in major surveys for periodic updates; set up a database and strengthen the capacity of the Government and social partners in the collection, analysis and dissemination of labour market information and in the maintenance and management of the database; engage the United Nations Country Team and the Cooperating Partners in supporting Labour Market Information Systems and Labour Force Surveys.

### **Outputs**

- Labour Force Survey undertaken and subsequently questions on labour and employment issues incorporated in the major and regular national surveys
- A functional labour market information system developed, involving the Government and social partners and other relevant stakeholders
- Consistent and timely publication of annual labour and employment reports or bulletins on subjects of relevance and importance to the Government and social partners
- Technical capacity of the Government and social partners to conduct research and analyse data for policy development enhanced

### **Outcome III.3**

Improved capacity and service delivery of MCTU, COMATU and ECAM for effective Social Dialogue

#### **Outcome description:**

This outcome aims at strengthening the capacity of the social partners to more effectively mobilize and recruit members and provide better services to the membership. Furthermore, the outcome aims at improving the delivery of core functions of the social partners in terms of representing their members in policy dialogue and development at different levels.

#### **Indicators:**

- Number of paid up members for both formal and informal economy (increased)
- Number of collective bargaining agreements concluded (increased)
- Research and policy analysis units established

- Number of national policies and programmes developed with an active involvement of social partners

### **Strategies**

Implement advocacy and communication measures to facilitate the inclusion and participation of social partners in matters of national development; support the Government and social partners to adopt and sign the Industrial Relations Charter; support governance and systematic human resource development and financial management for enhancing the technical capacity of MCTU, COMATU and ECAM in order to build and strengthen capacity for Social Dialogue as well as collective and mutual gains bargaining; strengthen the capacity for the social partners to undertake research to inform decision making; promote greater visibility of the work of the social partners, expose the membership of the workers' and employers' organisations to the latest methods of Social Dialogue; guide the work of the social partners in implementing demand driven services to the members; improve capacity of MCTU and COMATU to organize in the informal economy and ECAM to organize SMEs.

### **Outputs**

- Member mobilization and recruitment strategies for MCTU, COMATU and ECAM developed
- The service portfolios of MCTU, COMATU and ECAM strengthened
- Consistent and timely publication of periodic reports or bulletins by the social partners on subjects of relevance to socio-economic development
- Active involvement, engagement and commitment of constituents to national development programmes (e.g. MGDS, UNDAF), projects and supportive actions in relation to improved working conditions; HIV and AIDS; as well as rights and voice at work
- Active involvement and commitment of constituents in planning, implementation and monitoring of skills development programmes at national, provisional, institute level and in the work place

### **Resources secured and/or available in support of Priority III:**

ACTRAV and ACTEMP, Social Dialogue project support to the Utilities Sector.

### **Additional resource requirements to achieve these outputs:**

Additional resources are needed for the enhancement of the labour administration, in particular for the labour inspection services and for the improvement of the judicial system, incl. alternative dispute resolution. An essential requirement for a functioning labour market is also the development of a Labour Market Information System, where the initial step is to conduct a comprehensive Labour Force Survey. The social partners require further capacity building in a better service delivery for their members, as well as in Social Dialogue, and in finding sustainable ways of funding their activities. Most of the workforce in Malawi is active in the informal economy, which so far has been lacking representation – more resources are needed to support the efforts of the social partners to extend their membership to the informal economy. Support is also needed in the field of skills development, especially for the social partners.



## 4.0 IMPLEMENTATION AND MANAGEMENT

The implementation of the DWCP for Malawi will be spearheaded by the Government of Malawi, in close collaboration with the Social Partners and with the support of the ILO. The ILO Country Office for Zambia, Malawi and Mozambique will facilitate the process of implementation by drawing on the support and expertise from the Decent Work Team in Pretoria, and various technical and administrative units and departments in ILO Geneva so as to ensure the success of the Decent Work Country Programme in Malawi.

The ILO is in the process of aligning existing extra-budgetary and regular budget technical cooperation programmes, projects and activities in Malawi to optimize their contributions to ensure their consonance with DWCP priorities. Deliberate efforts will be made to ensure maximum synergies with the planning and implementation of the MGDS and the UNDAF in Malawi, including their next generation programmes. In order to facilitate resource mobilization for the DWCP in its entirety, as well as for its component parts, the Government and ILO will coordinate the development of a joint resource mobilization strategy, including presentation of project proposals for the attention of the United Nations Country Team and for submitting to prospective cooperating partners. The Government, the social partners and the ILO will be promoting a coherent DWCP approach in the resource mobilization efforts in Malawi.

A DWCP Implementation Committee comprising of technical experts from the Government, social partners and other stakeholders will be established to monitor and oversee the timely delivery of DWCP outputs. This Committee will be attached to the Tripartite Consultative Labour Council (TLAC) as a sub-committee, but its membership extends to other stakeholders over and above the TLAC members with a view to ensuring broad-based approaches in the implementation of the DWCP. As the umbrella body for the DWCP Implementation Committee, TLAC will have the responsibility of providing policy and strategic guidance to the DWCP implementation in the context of national development priorities (such as the MGDS and the proposed National Employment and Labour Policy). In order to enable TLAC to fully take charge of its responsibilities, capacity building programmes will be designed and conducted to increase its effectiveness as the main body for Social Dialogue in the country. Further, DWCP focal points will be established in the Ministry of Labour as well as Employers' and Workers' Organizations, and other stakeholders as appropriate, in order to ensure effective national leadership in the implementation of the DWCP.



## **5.0 PERFORMANCE MONITORING AND EVALUATION ARRANGEMENTS**

A performance monitoring and evaluation system is an integral part of this DWCP. 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 and aligning the DWCP M&E system to the MGDS II monitoring and evaluation system, as well as the UNDAF monitoring and evaluation framework. Monitoring and evaluation procedures seek to assess the achievements of the DWCP in both quantitative and qualitative terms, and it contains indicators that effectively reflect impact on the three cross-cutting concerns elaborated on in Section 3.0 above. The full participation of the Social Partners in the planning, implementation and monitoring of the process will be assured and, in order to make this more effective, capacity building support will be provided on performance monitoring and evaluation to enhance their full and meaningful engagement. Annual review meetings as well as a mid-term evaluation and a final evaluation of the Malawi DWCP will be conducted.





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**Annex 1: ILO Conventions Ratified by Malawi**

<b>Convention</b>	<b>Year Ratified</b>
C11 Right of Association (Agriculture) Convention, 1921	1965
C12 Workmen's Compensation (Agriculture) Convention, 1921	1965
C19 Equality of Treatment (Accident Compensation) Convention, 1925	1965
C26 Minimum Wage-Fixing Machinery Convention, 1928	1965
C29 Forced Labour Convention, 1930	1999
C45 Underground Work (Women) Convention, 1935	1965
C50 Recruiting of Indigenous Workers Convention, 1936	1966
C64 Contracts of Employment (Indigenous Workers) Convention, 1939	1966
C65 Penal Sanctions (Indigenous Workers) Convention, 1939	1965
C81 Labour Inspection Convention, 1947	1965
C86 Contracts of Employment (Indigenous Workers) Convention, 1947	1965
C87 Freedom of Association and Protection of the Right to Organise Convention, 1948	1999
C89 Night Work (Women) Convention (Revised), 1948	1965
C97 Migration for Employment Convention (Revised), 1949	1965
C98 Right to Organise and Collective Bargaining Convention, 1949	1965
C99 Minimum Wage Fixing Machinery (Agriculture) Convention, 1951	1965
C100 Equal Remuneration Convention, 1951	1965
C104 Abolition of Penal Sanctions (Indigenous Workers) Convention, 1955	1965
C105 Abolition of Forced Labour Convention, 1957	1999
C107 Indigenous and Tribal Populations Convention, 1957	1965
C111 Discrimination (Employment and Occupation) Convention, 1958	1965
C129 Labour Inspection (Agriculture) Convention, 1969	1971
C138 Minimum Age Convention, 1973	1999
C144 Tripartite Consultation (International Labour Standards) Convention, 1976	1986
C149 Nursing Personnel Convention, 1977	1986
C150 Labour Administration Convention, 1978	1999
C158 Termination of Employment Convention, 1982	1986

## Annex 2: Examples of ILO projects in Malawi (Past and Present)

### PAST

1. **Malawi Entrepreneurship Development Institute, 1983-1987**  
Objective: Consolidation and further expansion of facilities and services of the Vocational Training Institute; enhancement of the managerial and technical capabilities of the national personnel assigned to the project through continued job training.
2. **Development of Accountants, 1992-1995**  
Objective: to develop the capabilities of Malawi College of Accountancy to develop human resources in Accounting and Finance in line with the human resource requirements of the country.
3. **Entrepreneurship Development and Skills training, 1992-1997**  
Objective: To create an enabling environment for viable development of micro, small and medium enterprises that would expand opportunities for employment creation and private sector activities
4. **Enterprise Development and Employment Generation, 1997-2001**  
Objective: To strengthen the delivery of business and technical training and advisory services to existing and potential micro and small entrepreneurs, including persons with disabilities.
5. **Population policy implementation project, 1997-2000**  
Long term objective: To have established and/or strengthened the national and sub-national institutional capacities required for the implementation of the national population policy; and effectively coordinated the implementation of the policy making.
6. **Promotion of Tripartism and Social Dialogue in National Policies, 1996**  
Objective: To study the tripartism and Social Dialogue mechanisms in the formulation of social and economic policies.
7. **Improving Labour Systems in Southern Africa, 2001-2007**  
Objective: Building the capacities of the Labour Administration system in Malawi.

### PRESENT

1. Elimination of the Worst Forms of Child Labour, 2004-2008 (USA Department of Labour), 2009 (RBSA).
2. Prevention and Management of HIV and AIDS in the Transport sector (2007-2009)
3. HIV and AIDS and Workplace Education (2007-2009)
4. Women's Entrepreneurship Development, (2009-201)
5. UN Joint Programme on Youth Entrepreneurship and Empowerment (2009-2011)
6. One UN Fund Improved Social Protection through Reduced Child Labour (2009-2011)
7. One UN Fund HIV Prevention and Impact Mitigation in the Agriculture and Transport Sector Corridors for Malawi (2009-2011)

### **Annex 3: Relevant abstracts from Conclusions of the Africa Regional Meeting (ARM), 2007**

Conclusions of the 11th African regional meeting: the decent agenda in Africa 2007-15

4. In adopting these conclusions, the Decent Work Agenda in Africa 2007.15, the Regional Meeting commits the ILO's national tripartite constituents and the Office to a series of ambitious targets for the development of integrated Decent Work Country Programmes (DWCPs) and to increased collaboration with partner agencies to accelerate progress towards the agreed international development goals, including the Millennium Development Goals (MDGs).

5. The Decent Work Agenda in Africa 2007.15 also constitutes a consolidation of the actions undertaken by the ILO and its constituents to follow up on the conclusions of the Ouagadougou Summit of 2004 which adopted a Declaration, Plan of Action and Follow-up Mechanism on Employment and Poverty Alleviation in Africa. The Ouagadougou Summit marked a major step forward in the development of continent-wide action on the agreed priority of placing employment creation for poverty alleviation as an explicit and central objective of economic and social policies at national, regional and continental levels.

#### **Mainstreaming decent work into national, regional and international development strategies.**

Three-quarters of member States mainstream assessment of the impact on the generation and maintenance of decent work opportunities into poverty-reducing development strategies and adopt national targets for the creation of sufficient decent jobs to absorb new labour market entrants and reduce by half the numbers of working poor.

#### **Investing in enterprises and decent work opportunities in Africa**

Three-quarters of African countries adopt integrated strategies for sustainable enterprise development and the generation of decent work opportunities, with a special focus on assisting women entrepreneurs. Such strategies should include targets for the registration of at least half of all enterprises currently operating informally.

#### **Decent work for Africa's youth**

The adoption by three-quarters of African countries of national policies and programmes to respond to the rapid and large rise in the numbers of young jobseekers and aimed at ensuring that sufficient decent work opportunities are available to bring a fall in the numbers of young unemployed workers and the working poor. Adopted policies and programmes should lead to a significant reduction in the current youth unemployment rate for Africa of nearly 20 per cent.

#### **Closing the skills gap**

Three-quarters of a African member states critically review and implement, with involvement of the social partners, national policies and strategies for all to facilitate their (re) integration into the labour market, as well as establish mechanism for their implementation at national, regional, local and sectoral

and enterprises levels. Such strategies should include annual targets for the provision of free universal primary education, and (re)training opportunities for the working poor, especially young people and women, with the aim of ensuring that half of Africa's workforce has obtained new or improved skills by 2015.

### **Social inclusion through job creation for conflict prevention and reconstruction**

All reconstruction and recovery programmes are discussed among the constituents and incorporate local economic development and employment-intensive investment approaches with a strong emphasis on building effective and accountable institutions for world of work and for economic and social governance in general.

### **Investing in a basic social protection for poverty reduction**

All African countries adopt coherent national security strategies, including for the introduction or extension of a basic social security package that includes essential health care, maternity protection, child support for school-age children, disability protection and a minimum pension.

### **Tacking the HIV/AIDS crisis through workplace action**

All countries in African have national HIV/AIDS strategies to ensure that the workplace contributes to the overall objective of achieving universal access to prevention, treatment, care and support.

### **Implementing labour standard at the workplace**

Three-quarters of all African member states develop programmers for the improvement of working conditions, with specific national targets for reducing non-compliance with laws concerning hours of work and minimum pay, the reduction for occupational accidents, diseases and days lost to illness and accidents per worker, and a progressive increase in the number of labour inspectors in relation to workers.

### **Tripartism as a key governance mechanism for inclusive poverty-reducing growth**

All African states and RECs establish or further develop tripartite social dialogue institutions. New or existing mechanism for tripartite social dialogue are fully utilized by governments in the preparation and implementation of DWCPs and national development strategies.

### **Freedom of association: Lifeblood of the ILO and a foundation for democracy**

All countries in the region adopt legislation to guarantee the rights to freedom of associational and collective bargaining through effective and speedy administrative and judicial appeals and procedures.

### **Effective implementation for fundamental principles and rights at work**

Universal continent- wide ratification, better implementation of ratified Conventions and greater effective respect for fundamental principles and rights at work.

**Getting Africa's children into school and out of work**

All African states prepare by 2008 time-bound national action plans for the elimination of the worst forms of child labour by 2015. Such action plans should form an integral part of national development strategies in order to ensure close coordination between education programmers, measures to combat HIV/AIDS and its economic and social impacts, and the implementation of labour laws on the minimum age for employment. They should be supported by the ILO's DWCPs.

**Rooting out the remnants of slavery**

All African states adopt national action plans as a matter of urgency to eradicate all forms of forced labour by 2015 as part of DWCPs and their development plans.

**Eliminating discrimination in employment: Unlocking Africa's potential**

All African state have anti-discrimination legislation in place and have adopted policies to promote equality of opportunity and treatment in respect of employment and occupation. Such policies should target an increase by 10per cent in the labour market participation rate of women and a 25 per cent reduction in wage differentials.

**Escaping the informal economy trap**

Three-quarters African states adopt strategies to formalize the informal economy and extend protection to informal economy workers. Such strategies should integrate, among other things, policies for the increased registration of informal businesses, skills development, improved and safer working conditions, the extension of social protection coverage and the encouragement of freely chosen associations of informal economy workers and employers.

**A fair deal for Africa's migrant workers**

Three-quarters of all African states have policies to ensure that migrant workers have regular, authorized status and are fully protected by the labour legislation of the host country and granted equal treatment and opportunities by 2015.

**Improving information for better policies**

By 2015 all member States are able to generate basic annual data on the size and composition of the workforce. At least half of all African member states have mechanism in place by 2010 to produce labour market information and statistics for monitoring of progress on the core dimensions of the Decent Work Agenda.

**Implementing the Decent work Agenda in Africa 2007-15**

34. The decent Work agenda in Africa 2007.15 sets ambitious objectives for all ILO constituents and the Office. Implementing the targets for DWCPs will requires a major mobilization of tripartism on the continent. We believe that a systematic and step-by-step approach will yield the results we hope for and to which African working women and men aspire. As an ILO contribution to the Ouagadougou follow-up mechanism, which calls for a general evaluation of the Summit decisions in 2009 and 2014, the ILO together with its constituents



will regularly prepare and review progress on the road to 2015 in order to identify and share best practices and remedy shortcomings.

35. The Regional Meeting welcomes the African Decent Work policy portfolio set out in the director-general's Decent work Agenda in Africa 2007.15. It provides a comprehensive package of policy instruments and tools for discussion with ILO's tripartite constituents in each country.

36. The meeting further calls on the office to develop its partnerships with other international agencies making full use of the Decent Work Toolkit. The meeting urges all constituents and the Office to participate fully in the .one UN. pilot country initiative, and to review progress at regular intervals.

37. The meeting welcomes the call by Africa's social partners for a Second Social Partners Forum in 2008. The meeting endorses the forum as providing a good opportunity for African employers. and workers, organizations to contribute to the promotion of good governance as a means for effective and fair management for States and enterprises, as well as their own organizations. The forum will also promote respect for the fundamental principles and rights at work.

38. The meeting calls on the Office, working with the African Union (AU) Commission, the United Nations Economic Commission for Africa (UNECA), the African Development Bank (AFDB), RECs, the United Nations Development Programme (UNDP) and the ILOs tripartite constituents to operationalize the decision of the 39th Conference of African Ministers of Finance, Planning and Economic Development (Ouagadougou, 2006) to establish a regional employment forum. The forum would provide a meeting place for all networks of unions, employers. organizations, researchers and governments to share and develop best practice solutions to Africa's employment challenges.

39. The meeting request the ILO, as its contribution to the networking process envisaged for the forum, to organize an annual African decent work symposium bringing together independent researchers, constituents, ILO field staff and partner agencies to review knowledge in selected aspects of the Decent Work Agenda with a view to ensuring that its policy portfolio stays up to date.

40. The meeting calls on the ILO to develop a significant programme of support for the Decent Work Agenda in Africa 2007.15. Realizing the Agenda targets requires a strengthening of institutions from the local to the continental level in order to create conditions conducive to achieving the goal of full and productive employment and decent work for all. The ILO will therefore work with its African and international partners to develop a comprehensive approach with a special focus on improving governance of labour markets and strengthening the capacity of labour administrations and the social partners. The programme of support should also bolster the capacity of regional and continental structures such as the RECs, the AU, including the Pan African Parliament as well as the ILO itself.

41. The Meeting calls on the Office to assist African members states in overcoming all obstacles to progress towards the achievement of the Decent Work Agenda, including those which could derive from bilateral or multilateral economic agreements.

42. The meeting calls on the ILO to report on the implementation and achievement of these targets at the next African Regional Meeting.

## **Annex 4: Ouagadougou road map on the Implementation of the Global Jobs Pact in Africa**

### **Recovering from the Crisis**

A Roadmap for the Implementation of the Global Jobs Pact in Africa

Crisis started in world's financial centres and spread to Africa through several channels:

- Export earnings down, commodity prices fell;
- Remittances down, fewer tourists;
- Drop in FDI and ODA promises slipping;
- Most recently, government budgets have been squeezed by fall in export tax revenues; threatening core spending on basic needs, including education and health.

### **Crisis Spreads to Africa**

- Growth down, falling in per capita terms in most countries. Recovery prospects fragile with risk that jobs pickup will lag well behind output.
- Setback to poverty reduction and creation of decent work opportunities with serious long term consequences for social development/political stability.
- Youth and women and other vulnerable groups are being hit hardest.

### **Weak growth hits jobs**

- Current crisis adds to deeper long-standing structural crisis in African development.
- National policy and fiscal space constrained in most countries by budget deficits, foreign debt, dependence on narrow commodities export base, and national capacities for effective policy implementation.
- Recovery strategies should be first step towards new approach to sustainable, resilient and balanced development.

### **Structural Constraints to African Recovery and Development**

- One of main resources for recovery is political commitment of government, employers and unions to social dialogue to develop and follow through on national action for recovery; drawing on the tripartite approach of the ILO Global Jobs Pact.
- National resource mobilization must be given higher priority by:
  - i) Broadening tax base to finance essential public support for development; and
  - ii) Financing policies that secure and channel savings and channel investment to real economy and jobs.

### **Escaping Dependence, Building New Approach to Sustainable Development**

- Africa must be a partner in a truly global effort to stimulate and sustain job-driven recovery. In the future, developing countries' growth must be the main driver of sustainable world development.
- Reversing African recession urgently requires a fresh round of debt cancellation and relief alongside major increase in long-term low-cost finance. Genuine policy dialogue over development strategies must replace previous conditionalities.

### **International Partnerships for African Recovery Strategies**

- Crisis calls for increased vigilance to ensure that fundamental principles and rights at work are not compromised.
- Promotion of ratification and implementation of international labour standards should be intensified, especially Conventions of particular relevance in crisis conditions.
- International labour standards are an important component of a rights based approach to development and should be integrated into Decent Work Country Programmes.
- Strategies for the transformation of the informal economy should include measures to assure implementation of international labour standards.

### **Increased Vigilance on Fundamental Principles and Rights at Work**

- The importance of social dialogue is reinforced in times of crisis when social tensions increase.
- Inclusive dialogue to develop and implement a pact or plan of action is key for an effective and sustainable response to the crisis.
- Enhanced internal dialogue within unions and employers' organizations is vital to the preparation of effective tripartite dialogue.
- Social dialogue should be developed within regional economic communities.

### **Social Dialogue: Key mechanism for African Recovery Strategies**

#### **Promotion of strengthened policy and regulatory environment for:**

- Employment intensive infrastructure investment (roads, irrigation etc.);
- Improved access to finance for farmers and rural MSMEs;
- Promotion of agro-processing;
- Support to member-based organizations (coops, farmers' unions etc.); and
- Decentralized and participatory local governance.

### **Key Elements of African Recovery Strategy: Rural Employment**

MSMEs are engines of employment generation and thus potential motors for recovery and decent work, but face many barriers to sustainability. Priorities in creating favourable environment for sustainable enterprises, especially MSMEs are:

- Improved access to finance on terms that meet their special needs;
- Public procurement policies that ensure MSMEs can bid and win contracts;

- Women entrepreneurs face additional barriers which call for policies to overcome discrimination (e.g. in asset ownership);
- Enterprise development services should be widely available on attractive terms providing advice, training and other support;
- Government policies should facilitate the entry of MSMEs into the formal economy by reducing unnecessary regulatory burdens and offering quality public services.

### **Key Elements of African Recovery Strategy: Micro, Small & Medium Enterprises**

Continuous upgrading of skills vital to poverty-reducing development and job-intensive recovery. Key issues:

- Integrated national strategies steered by a tripartite oversight council on human resource development;
- Public/private partnerships to deliver skills training;
- Good labour market information on skill gaps;
- Systems to recognize informally acquired skills;
- Strong universal education equipping young women and men with core competencies for working life.

### **Key Elements of African Recovery Strategy: Skills**

Most African countries have underinvested in public employment services and labour market information systems. Effective recovery strategies require these weaknesses be addressed and supported by regional and international cooperation. Priorities are:

- More and better equipped employment centres to support employers and workers in filling job opportunities;
- Stronger labour market information services undertaking /analysing regular labour force surveys.

### **Key Elements of African Recovery Strategy: Services and Information**

- Social Protection Floor is a global and coherent social policy concept that promotes national strategies for minimum level of access to essential services and income transfers for all.
- Political will is required to either use or extend existing fiscal space to accommodate the financing of components of the social protection floor.
- National consensus for the creation of sustainable national social floors can only be achieved in inclusive and transparent social dialogues processes.
- Donor support (including budget support) can help, but in the long run all programmes have to be financed by national means which include innovative resource mobilization.
- Promote co-ordination, synergies and policy coherence within a 'delivering as One UN' approach to 'bundle' donor support for social protection.

Key Elements of African Recovery Strategy: Building a Social Protection Floor  
Social protection, particularly for women and youth alleviates poverty and harsh realities of the crisis. Systems should be strengthened through:

- Graduated social protection provided and extended to the informal economy;

- Improved and strengthened management systems;
- Enhanced tripartite governance to improve transparency, accountability and effectiveness of benefit delivery.

### **Key Elements of African Recovery Strategy: Sustaining Social Security Systems**

Minimum wages can protect vulnerable workers and discourage wage deflation during the crisis. Existing systems need to be improved and where they do not exist, consideration should be given to their introduction. Key issues for review through social dialogue are:

- Protecting vulnerable workers;
- Extending the coverage of minimum wages;
- Securing policy coherence with collective bargaining, public sector pay, social security, and other income policies; and
- Improved compliance.

### **Key Elements of African Recovery Strategy: Minimum Wages**

Migrant working women and men are in frontline of the crisis. This calls for reinforced efforts to build national and international strategies to protect their rights and ensure that mobility of labour is economically and socially sustainable. Measures include:

- Strengthened international cooperation to protect migrant workers rights, especially women, and, where necessary, regularize their status;
- Re-enforcing capacity of employers and workers organizations and social dialogue in respect of migrant workers;
- Support the productive use of remittances;
- Address problems caused by the migration of highly skilled workers particularly in the health sector; and
- Collect better statistics on international labour migration.

### **Key Elements of African Recovery: Migration Policies**

- ILO's constituents will follow-up this Ouagadougou Symposium on the Global Jobs Pact with national dialogues on strategies for recovery. Dialogues should include Economic and Social Councils and parliaments. They should identify resource gaps, domestic potential and partnerships.
- Constituents, supported by Office (e.g. with Mainstreaming Decent Work Toolkit), will integrate recovery priorities into international mechanisms, e.g. UN Development Assistance Frameworks, ADB and World Bank, bilateral cooperation.

### **The Ouagadougou Process: Building National Recovery Strategies**

- ILO's Regional Office will collect and share information from constituents on recovery strategies, including estimates of resource gaps for their implementation.
- The Office will facilitate the development by constituents of employment generating infrastructure investments to strengthen regional integration.
- ILO will present results of the Ouagadougou Symposium and of the national dialogues to the African Union, the Pan-African Parliament, the AU/ECOSOC, the ADB, the UNECA and regional economic communities.

- ILO will aim to further strengthen support for promotion of decent work in continental recovery efforts.

#### **The Ouagadougou process: Continental Coordination**

- A report on the symposium and follow-up action will be presented to the next ILO Governing Body Meeting and the 12th African Regional Meeting.
- Constituents will work to ensure that African decent work recovery packages are prioritized in policy dialogues with the Bretton Woods institutions and other development partners.
- The results of the Symposium and its follow-up will feed into ILO's input to the 2010 UN General Assembly reviewing the Millennium Development Goals.

#### **The Ouagadougou Process: Africa's Voice on the World Stage**

- We applaud African social partners commitment expressed in the Declaration of their 2nd Forum to concerted mobilization for the ILO Global Jobs Pact.
- There can be no recovery without increased employment. Full productive employment and decent work is central to Africa's recovery and its sustainable and balanced development in the future.
- Decent work is the main route to the eradication of poverty. Sustainable enterprises generate decent work. Effective systems for social protection are essential foundation for productive economies and social justice.
- Social partnership, based on full respect for fundamental principles and rights at work, offers a vital impulse to inclusive and sustainable recovery and development.

#### **Mobilizing Social Partnership for Inclusive and Sustainable Globalization**

- We applaud African social partners commitment expressed in the Declaration of their 2nd Forum to concerted mobilization for the ILO Global Jobs Pact.
- There can be no recovery without increased employment. Full productive employment and decent work is central to Africa's recovery and its sustainable and balanced development in the future.
- Decent work is the main route to the eradication of poverty. Sustainable enterprises generate decent work. Effective systems for social protection are essential foundation for productive economies and social justice.
- Social partnership, based on full respect for fundamental principles and rights at work, offers a vital impulse to inclusive and sustainable recovery and development.

## **Annex 5: Terms of Reference for the Malawi DWCP Advisory/Implementation Committee**

**June 2011**

### **1. BACKGROUND**

The concept of Decent Work was first developed by the International Labour Organisation (ILO) with a view that productive employment and decent work were key elements for achieving equitable, inclusive and sustainable development. Decent Work implies the provision of work in conditions of freedom, equity, security and human dignity. Decent Work is captured in four main strategic objectives namely:

- I. Fundamental principles and rights at work and international labour standards;
- II. Employment and Income opportunities;
- III. Social Protection and Social Security; and
- IV. Social Dialogue.

The above objectives hold for workers in both formal and informal economies, in wage employment or working on their own account, in the fields, factories and offices, in their home or in the community. The various dimensions of decent work reflect the concerns of Governments, workers and employers, who together provide the ILO with its unique tripartite identity.

At the United Nations (UN) World Summit held in September 2005, one hundred and fifty (150) world leaders agreed to place full and productive employment as well as Decent Work as a central objective of relevant national and international policies. To date, this concept has been transformed at national levels with a number of ILO member states operationalising and implementing Decent Work as a country programme.

Accordingly, the focus of the Malawi DWCP encompasses both the formal and the informal economy players in the labour market and places emphasis on the creation of decent and productive employment as a means for poverty reduction. In the spirit of tripartism, the implementation of DWCP will require the involvement of many stakeholders and particularly key stakeholders representing Government, Employers, Workers, various Cooperating Partners, Civil Society and Non Governmental Organizations playing different roles and representing the interests of the different social groups like women, the youth and the disabled. The Ministry of Labour as the Ministry responsible for all labour related matters in the country has a key role in coordinating the Malawi Decent Work Country Programme - MWI-DWCP.

In order to effectively implement the programme and in accordance with the implementation and management strategy outlined in the Malawi DWCP 2011-2016 document, it has been proposed that a DWCP Implementation/Advisory Committee be put in place to steer the implementation of the programme. The Committee should have representation from all the key stakeholders to ensure that all stakeholder interests are taken into consideration and represented during programme implementation.

## **2. RESPONSIBILITIES OF THE DWCP IMPLEMENTATION/ADVISORY COMMITTEE**

1. To provide policy and strategic guidance in the context of national development priorities (such as the MGDS, Vision 2020, UNDAF and the NELP etc);
2. To coordinate the implementation of Malawi DWCP activities by various stakeholders and service providers;
3. To facilitate the Monitoring and Evaluation of DWCP programmes and activities including quarterly reporting;
4. To facilitate the implementation of base line surveys and studies on DWCP;
5. To advocate for ratification and domestication of ILO Conventions on Decent Work;
6. To ensure the promotion of decent non exploitative employment with particular attention directed towards vulnerable groups i.e., the youths, women, persons with disabilities, and HIV and AIDS infected and affected;
7. To facilitate the promotion of Decent Work awareness in various industries including among SMEs and the informal sector;
8. To facilitate the acquisition of financial and technical support for DWCP activities from both internal and external sources.

## **3. MEMBERSHIP**

It is proposed that membership to such a Committee is drawn from the following key stakeholder Institutions:

### **Government**

- 1) Ministry of Development Planning and Corporation
- 2) Ministry of Information
- 3) Ministry of Labour (Secretariat)
- 4) Department of Public Service
- 5) OPC, Policy Department
- 6) Ministry of Youth
- 7) Ministry of Gender, Children and Community Development
- 8) Ministry of Industry and Trade
- 9) Ministry of Agriculture
- 10) Ministry of Education
- 11) Ministry of Finance
- 12) Ministry of Disabilities
- 13) Ministry of Justice

### **Employers**

- 14) ECAM
- 15) Chamber of Commerce and Industry

### **Workers**

- 16) MCTU



### **NGOs and Civil Society**

- 17) CONGOMA
- 18) Malawi Human Rights Commission
- 19) University of Malawi
- 20) Representative of Chiefs

### **Development Partners**

- 21) UNCT Malawi
- 22) CABS (includes World Bank and AfDB)
- 23) IMF
- 24) ILO IPEC Malawi

### **4. SECRETARIAT**

The relevant Unit under the Ministry of Labour shall be the Secretariat for the Malawi DWCP Implementation/Advisory Committee.

### **5. FREQUENCY OF MEETINGS**

The Malawi DWCP Implementation/Advisory Committee shall meet quarterly and as and when necessary.





