



# Malawi Covid-19 Incidence and Resource Management Report



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# *Preface*

This is a final report of a research study entitled; "Malawi COVID-19 Incidence and Resource Management Report". COVID-19 Transparency and Accountability in Africa Project (CTAP) commissioned the research project and it was executed by Follow the Money Malawi Chapter (FTM-M).

Follow the money Malawi would like to acknowledge the contributions made by the following:

Winnie Botha, Chisomo Liwimbi, Emily Phiri, The Office of the Ombudsman and so many others who prefer anonymity.

We would also like to extend our gratitude to other individuals whose input also contributed immensely to the draft and review of this report.

# *List of Acronyms*

CTAP:	COVID-19 Transparency and Accountability in Africa
FTM-M:	Follow the Money Malawi Chapter
CSOs:	Civil Society Organisations
DoDMA:	Department of Disaster Management Affairs
MoH:	Ministry of Health
OPC:	Office of President and Cabinet
GoM:	Government of Malawi
WHO:	World Health Organisation
WB:	World Bank
IMF:	International Monetary Funds
QECH:	Queen Elizabeth Central Hospital
KCH:	Kamuzu Central Hospital
ICU:	Intensive Care Unit
NGOs:	Non-Governmental Organisations
MEC:	Malawi Electoral Commission
HRDC:	Human Rights Defenders Coalition
PPE:	Personal Protection Equipment
MARDEF:	Malawi Rural Development Fund
MSMSE:	Micro, Small and Medium Scale Enterprises
RBM:	Reserve Bank of Malawi
UNDS:	United Nations Development Systems
UNSD	United Nations Sustainable Development Cooperation Framework
CHAM:	Christian Hospitals Association of Malawi



# *Executive Summary*

Malawi COVID-19 Incidence and Resource Management Research Study conducted a situation analysis on COVID-19 financial revenue and expenditure, focusing on donations, utilization of funds and the overall impact of the government's response to the social, health and education sectors in Malawi. The study was conducted from January to February 2021.

In Malawi, COVID-19 emergency financial allocation and utilization has been marred by incidences of abuse, maladministration, fraud and misplaced priorities. Government sectors, district, city and town councils could not provide expenditure reports on how the COVID-19 financial resources meant for preparedness and mitigation was spent. This is coming at a time when the general public is demanding answers as to why Government has been failing to purchase some simple but important COVID-19 treatment materials, leading to loss of lives, and outcries from frontline health service providers, appealing to the general public for support, hence the release of billions of kwachas (Malawi currency) to carter for the same purposes.

Up to this point, little research has been conducted to investigate the gross mismanagement of COVID-19 finances and its implication on citizens who are the supposed beneficiaries. During the course of the study, a cross section of participants which includes; frontline health workers, teachers, opinion leaders, and prospective beneficiaries of Covid-19 emergency social cash transfer program were interviewed.



# Chapter 1

**CTA**  
COVID-19 TRANSPARENCY  
ACCOUNTABILITY IN AFRICA

#FollowCOVID19  
in Malawi

WIDE  
development.org

budget

# ***Introduction***

This chapter focuses on the background of COVID-19 incidence, detailing the response policy and actions of the Malawian Government and its development partners in containing the virus while examining the response plans and the capacity of the country's health system. It also captures information of the Covid-19 index case in Malawi, how it revved up in cases, the state of emergency declaration, appeal for funds, and the institutionalization of the National task force to handle the pandemic.

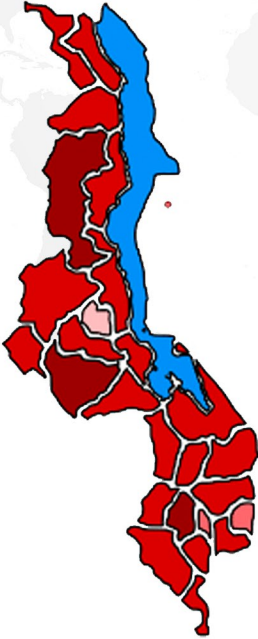
# ***Background***

On 31st December 2019, the first case of new pneumonia corona virus was registered in Wuhan, Hubei province in China. The virus now referred to as COVID-19 is caused by Severe Acute Respiratory Syndrome Coronavirus 2 (SARS-CoV2). Symptoms include cough, fever and shortness of breath. COVID-19 is a kind of zoonotic pathogens that is able to be transmitted through both animal and human contacts.

On 11th March 2020, the World Health Organization (WHO) declared the virus as a global pandemic, since then COVID-19 cases have been increasing rapidly up to 102,733,540 confirmed cases, out of which 2,218,443 deaths have been recorded in over 221 countries as at 30 January, 2021.

As a global pandemic, many countries have taken necessary measures in its prevention and control, to reduce mortality rate and its impact across developmental sectors both within and beyond the borders of their economy

# *Present Status in Malawi*



Malawi is a landlocked country located in Southeastern Africa with an estimated population of 19.4 million people as at January 2021 and a GDP of 7 billion USD, representing 0.01 per cent of the world's total GDP which also ranks it as one of the poor countries in the world. Being in the Southern African region where a significant number of its citizens work and reside, at the beginning of the pandemic, the majority of new cases were discovered among Malawian

workers returning from South Africa, while recently almost all the new cases are the result of local transmission.

The COVID-19 pandemic has been developing at a rapid pace since mid-December, 2019.

Currently, Malawi has registered a second wave of COVID-19 and there is a very high probability that the mutated variant 500Y.V2, identified in South Africa late 2020, is responsible for this second wave. According to present scientific knowledge, this variant is 50 per cent more transmissible than the original strain, leading to a quick surge in the number of people needing hospitalization. This number has since doubled weekly since January. There was fear that if the epidemic imitates the same pattern as in the case of South Africa (where the peak of the second wave was reached after nine weeks), the number of severe patients in need of immediate care would increase unabated by mid-February.

The epicentre of the outbreak were the two main cities in the country, Lilongwe in the center and Blantyre in the south, which account for around 4 million people.

For example, the number of severe COVID-19 patients hospitalized at QECH, one of the COVID-19 treatment centers in Blantyre, increased from 12 to 107 between 1st and 21st of January, exceeding its maximum capacity of 80 patients. The situation stretched thin the resources of the medical facility. The situation remains the same and is even worse in some treatment centers across the country.

# *Malawi Health System Status*



Malawi health system is under the Ministry of Health (MOH) which is saddled with the responsibility of overseeing the activities of other health related agencies in the country. Health services in Malawi are provided by the public and private sector under the Ministry of Health. The private sector is grouped into two, private for profit and private not for profit like mission hospitals, having high expertise and specialists' attention, after that comes the District hospitals. The District hospitals have some level of referral but not as compared to that of the central hospitals. Then lastly health centres, dispensaries and other community clinics that attend to small issues. COVID-19 treatment centers have so far been set in government Central hospitals, district

hospitals and few health centers across the country. Recently some other centers have been established to ease the congestion being experienced in the primary treatment centers. Some of the new treatment centers include the Bingu International Stadium in Lilongwe, the Blantyre Youth center in Blantyre and the Zomba State House in Zomba.



# *Political Status*

Malawi experienced a political exposition last year soon after the announcement of the COVID-19 pandemic. It started with the protest of opposition political parties against the declaration of the Electoral Commission that the then President, Peter Mutharika of the ruling party, Democratic Progressive Party had won the country's presidential election. The opposition followers held a mass protest, and the main opposition parties challenged the ruling in court. The High court sitting as Constitutional court later nullified the presidential elections after 8 Months legal battle and ordered fresh elections to be held within specified days. The electoral body announced 22nd June, 2020 as the new date for re-elections of the presidential polls.

While Malawi was preparing to hold the fresh presidential election, COVID-19 hit the country. The first COVID-19 positive cases in Malawi were confirmed on 2nd April 2020. Even before these cases were registered, the Malawi government had already declared a state of national disaster on 20th March 2020. Following the declaration, the government introduced several measures aimed at curbing the spread of the virus. The measures included compulsory screening of all travelers coming into the country at the port of entry, a ban on all travelers from highly affected countries, restrictions on public gatherings to a maximum of 100 people and closure of all schools. Additionally, the government implored Malawians to practice social distancing and other preventive measures such as regular



handwashing with soap and water, avoiding handshakes, touching of eyes, nose and mouths and covering of the mouth and nose with tissue or sleeve or flexed elbow when coughing or sneezing. Individuals who showed symptoms of COVID-19 were encouraged to seek medical care without delay.

Despite the introduction of these preventative measures, Malawi still recorded her first COVID-19 cases on 2nd April 2020 when three people in the country's capital, Lilongwe, tested positive. In the weeks that followed, additional cases were recorded, compelling the government to attempt the introduction of a national lockdown in mid-May 2020. However, this attempt was halted by massive national protest by the people across the country, demanding that the government should put social protection and sustenance measures in place first before the lock down. The court injunction obtained by civil society organisations, reinforced the people's demands and stopped the lockdown.

The declaration of the state of disaster by the then government was also viewed as a political move put in place to frustrate; first, the presidential campaigns, and second, the presidential re-election polls.

As the number of COVID-19 cases increased, there were calls from various quarters of the country asking for a postponement of the elections (Brown and Chinele 2020; Cooper 2020; Mohamed 2020). Among those advocating for the postponement of the election were public health experts and the DPP administration officials led by President Peter Mutharika. Both the health experts and Mutharika reasoned that holding elections would undercut the battle against coronavirus.

The arguments for postponing the elections were consistent with expert advice which suggested that the highly infectious nature of COVID-19 (Jain and Yuan 2020; Yang et al. 2020) implied that people were at a higher risk of contracting the virus if they participated in election campaigns and went out to vote on election day. The emergence of the disease and the requirement to vote thus placed Malawians at a crossroad: whether to risk increasing the possibility of contracting the coronavirus by attending campaign meetings and turning up to cast their votes or stay safe by avoiding the election processes altogether.

Political leaders from both government and opposition defied these concerns and held mass political rallies across the country, despite the ongoing COVID-19 outbreak. Preventive measures such as maintaining social distance, limitation of large groups of people, wearing of facemask, sanitizing and washing of hands with soap and water were not adhered to during the campaign.

The Malawi Electoral Commission (MEC) previously advised political parties to avoid campaign rallies amid the ongoing pandemic. Against the background of rising COVID-19 cases, Malawians still went to the polls to choose a new president.

By the end of July 2020, the number of confirmed COVID-19 cases in Malawi had increased to 3302, with a total of 76 deaths, according to the Public Health Institute of Malawi. (Public Health Institute of Malawi 2020b).

# *Economic Context*



## *Resistance to Lockdown in the Early Days of the Epidemic*

In April 2020, former President of Malawi, Peter Mutharika announced a 21-day nationwide lockdown effective from 18th April through 9th May, 2020 to prevent and contain further spread of the COVID-19 virus. At the time of its announcement on 14th April, Malawi had registered 16 confirmed cases and two deaths, of which Blantyre city had eight cases and one death, followed by the capital city Lilongwe with six cases, as the second most infected place in the country.

The measures provoked discontent among many social groups including traders, religious communities and civil society organisations. Demonstrations erupted in the country's major townships, including Blantyre, during which informal vendors held placards asserting that President Mutharika was taking action without considering the well-being of

the people. The demonstrators demanded upkeep money from the government to survive the lockdown period.

Following the outcry, the civil rights group; Human Rights Defenders Coalition (HRDC) challenged the implementation of the lockdown, claiming it would result in 'starvation and collapse of businesses. The court granted the injunction the same day to stop the lockdown, which pending a judicial review also marked the end of it.

## Measures Taken by the Government

Firstly, the Malawi government responded by appointing a Special Cabinet Committee on Corona virus which started operation on 7th March 2020 with an aim of providing policy guidance and overseeing government response to the threat posed by coronavirus in the country. The Special Cabinet Committee started with declaring a State of Disaster on 20th March, 2020 which included containment measures like closure of schools, colleges and universities; closure of borders; and suspension of non-essential air transport services. After the first four cases were identified in early April, the government suspended all public sector meetings and restricted numbers in social gatherings like weddings and funerals. By mid-April, the Government declared a national lockdown but it did not take effect as it was challenged in court because the government had not put in place mechanisms for supporting the most vulnerable.

The measures that were sustained focused on maintaining social distance and personal hygiene to limit transmission of the virus. In the health sector, the number of testing facilities was increased and spread across all regions. The Government also opened institutional isolation and treatment centers in Blantyre, Lilongwe and Mzuzu. Likewise, protection of health workers was improved with the procurement of Personal Protection Equipment (PPEs) and gradual recruitment of additional health care workers.

Other measures that were put in place were;

Restriction of street vending, public gatherings including religious gatherings, wedding ceremony, pubs etc.

The closure of all schools, colleges in both the public and private sector.

The closure of land borders and restriction of air flights, including the suspension of all international flights starting from 1st April 2020 thereby allowing only transportations of essential goods and services

The announcement of preventive and control measures like the use of masks, washing of hands with soap and water, use of sanitizer and reporting to the nearest hospitals if they have any unusual symptoms

Also, self-quarantine measures have been put in place to all visitors that may arrive from high risk areas.





## Mitigation of Possible Effects of Containment Measures

The Government also instituted some fiscal and monetary measures to cushion the effects of the pandemic on its citizens. These included reduction of fuel prices, waiving of fees and charges on electronic payments and money transfers and tourism levy to support the tourism industry, an MRA six-month voluntary tax compliance window to allow taxpayers with arrears to settle their tax obligations in instalments without penalty. The Government further increased loan funds to Malawi Rural Development Fund (MARDEF) by MK2 billion to support affected Micro, Small and Medium Scale Enterprises (MSMEs). Likewise, the Reserve Bank of Malawi (RBM) announced agreements with commercial banks and Micro-Finance Institutions regarding a three-month moratorium on interest and principal repayments for all loans contracted by MSMEs. Similarly, the Reserve Bank of Malawi (RBM) resolved to cut the Liquidity Reserve Requirement (LRR) on domestic deposits to 3.75% from 5.0% to release primary liquidity of about MK12 billion to the banking system thereby increasing availability of loanable funds to cushion liquidity constraints in the economy. RBM also put in place measures to ensure availability of enough foreign exchange to cushion businesses from foreign exchange rate volatility.

These measures were over and above what the government together with development partners and civil society organisation outlined in the National COVID-19 Preparedness and Response Plan (NC19PRP)

The total budget of the plan was \$213 million and is for 267 activities in ten clusters. The bulk of this budget (58%) was for the protection and social

support cluster. Distantly following are food security (10%) and health (10%) clusters. The plan, which was launched in April 2020, had a financing gap of 91%. However, according to the UN Malawi (2020), there were attempts to fill the gap by the IMF (\$91 million), World Bank (\$37 million), US Government (\$4.5 million), DFID (\$2.2 million) and Ireland (\$1.1 million). Some cursory analysis of the plan shows that the top ten activities in terms of amount and money allocated accounts for up to 69% of the entire budget. Further, seven of the ten are cash transfer-related and these seven take up 62% of the budget. This leads to the conclusion that the planners considered the need to cushion the most vulnerable population from the negative effects of the pandemic.

The objective of the protection and social support cluster was to support economically vulnerable households affected by COVID-19 (GOM, 2020). According to the experts who were interviewed, the Government, in collaboration with the funders of the Malawi Social Cash Transfers, developed an emergency cash transfer program which had two elements; vertical expansion and stand-alone urban cash transfer program. As part of the vertical expansion, each of the current 292,518 MSCTP beneficiary households would get a top up of MK 5,000 for four months. This translates to MK6 billion. For the urban cash transfer program, the plan was to provide MK 35,000 per month (current minimum wage) for four months to 185,246 affected small-scale traders in the cities of Blantyre (39%), Zomba (5%), Lilongwe (46%) and Mzuzu (10%). This translates to MK26 billion in transfers alone.



## Humanitarian Country Team

The Humanitarian Country Team in Malawi launched an Emergency Appeal that urgently sought \$139.2 million emergency funding for UN agencies and NGOs to complement the Malawi Government's plan. The objective of the Emergency Appeal for Malawi was to limit the secondary impact of COVID-19 on vulnerable groups by, among other channels of support, providing cash transfers for those who lost income due to the public health measures or were unable to access adequate food and water.

The United Nations Development System (UNDS) also switched to emergency mode for 12 to 18 months following the declaration of the pandemic. In this mode, the UNDS would use the UN COVID-19 socio-economic framework, designed to help countries 'shore up health systems, prevent a breakdown of food systems, restore and build back better their basic social services and other measures to minimize the impact of the pandemic on the most vulnerable populations' (UN Malawi, 2020:20).

In Malawi, the proposed COVID-19 Socio-Economic Response has a total of 24 priority areas in five pillars namely health first, protecting people, economic recovery, macroeconomic response and multilateral collaboration and social cohesion and community resilience. Another way the UN agencies in Malawi used was to undertake a review of the 2020 United Nations Sustainable Development Cooperation Framework (UNSCDF) annual work plans. The objective was to determine their relevance in the current COVID-19 context in consultation with Malawi Government counterparts.



# Chapter 2

# *The Pattern of COVID-19 Revenue and Expenditure*

## **Patterns of COVID-19 Donations in the Country**

Malawi has been receiving financial help from different development partners since the confirmation of COVID-19 cases. Although most donors publicize their donations, some do not.

The declaration of the State of Disaster by President Muthalika on 20th March 2020 was followed by the government's appeal for support towards the fight against the pandemic. Even though some donations were never publicized the following donations were made publicly:

- **Corporate Donations**
- **Cash Donations**

Local companies have been coming through with donations both in cash and in kind. Some of the cash donations were deposited in the Department of Disaster Management Affairs-DoDMA directly while other companies donated directly to the Ministry of Health specifying what should be purchased with their cash donations.

In total, DoDMA received K13, 651,961.00 cash donations channeled through its donations account. In this cash donation was K10, 000,000.00 from the Malawi Gaming Board and K3, 651,961.00 from the COMESA Competition Commission.

Apart from this, Airtel Malawi donated K104, 962,000.00 directly to the Ministry of Health for the purchase of ventilators and oxygen concentrators. (source; DoDMA summary report on COVID-19 funding)

## **In-kind Donations**

There have been a number of publicized in-kind donations from the corporate world, which include;

- 300 metric tons of maize flour (for distribution to people with disabilities) by the Muslim World League. (DoDMA summary report on COVID-19 funding)
- Fuel worth K5 million by Total Malawi. The fuel was donated to the Ministry of Health to ease the mobility of health care staff involved in testing suspected cases. (DoDMA summary report on COVID-19 funding)

## **Bilateral and Multilateral Agencies**

Following the declaration of state of disaster and the call for help by both Former President, Peter Mutharika and incumbent, Lazarus Chakwera, a number of donations from bilateral and multilateral agencies have been made, mostly non-cash.

- The People's Republic of China donated; 1,000 protective face masks, 500 disposable medical protective clothing, 300 infrared thermometers, 480 protective medical goggles, 500 pairs of sterilized surgical gloves and 500 pairs of medical isolation shoes. (DoDMA summary report on Covid-19 funding)
- Malawi Red Cross Society donated assorted COVID-19 preventive materials worth K1.6 billion, directly to the Ministry of Health. (DoDMA summary report on COVID-19 funding)

- Nyasa Manufacturing Company donated 50,000 surgical masks worth K25 million, directly to the Ministry of Health. (DoDMA summary report on COVID-19 funding)
- World Bank approved \$37 Million Support for COVID-19 Response in Malawi. (World Bank release, April-2020)
- The United States Government committed \$4.5 million in global health resources to mitigate the spread of the COVID-19 outbreak in Malawi. (US Malawi mission release, April 2020)
- The German Government committed 13.25 million euros (about K11.3 billion) to support Malawi's National Covid-19 Preparedness and Response Plan. (July 2020, NPL News)
- The European Union-EU allocated almost K3.4 billion humanitarian support to boost Malawi Government's preparedness and response plan to coronavirus. (October 2020, NPL News)

## Government Budget Allocations

As at 30th June, 2020, the contributions channelled through Dodma amounted to Mk11.456 billion. The Malawi government allocated the funds in two tranches, namely Mk5 billion for a general response plan activity and Mk238 million for facilitating the reception of returning Malawian citizens from South Africa.

Table 1 Below Shows Sources of The Funds Mobilised Through Dodma. (The Ombudsman Report-2020)

Table 1 Below Shows Sources of The Funds Mobilised Through Dodma. (The Ombudsman Report-2020)  
COVID-19 Funding Through DoDMA (Source Ombudsman Reports)

INSTITUTION	AMOUNT (MK)
1. Reserve Bank of Malawi	6,200,000,000.00
2. Malawi Government	5,238,000,000.00
3. Malawi Gaming Board	10,000,000.00
4. Total Malawi	5,000,000.00
5. SADC Competition Commission	3,651,196.00
<b>Total</b>	<b>11,456,651,196.00</b>

On 26th March 2020, following executive decisions, the Corona Virus Relief Response Account was opened by the Ministry of finance. The account had a total amount of MK6, 352,533,000.00 deposited into the account. The total amount included the donations from the cabinet through salary cuts, the Reserve Bank of Malawi and other donations from different partners.

Table 3 Shows Details of the Donations (Source: Ministry of Finance and Ombudsman)

INSTITUTION	AMOUNT (MK)
1. Reserve Bank of Malawi	6,200,000,000.00
2. Airtel Malawi	104,962,000.00
3. FDH Bank	25,000,000.00
4. 10% Cabinet Deduction	13,671,000.00
5. 100% Salary for Vice President	6,000,000.00
6. Oxfam	2,000,000.00
7. 10% Salary for Former President	900,000.00
<b>Total</b>	<b>6,352,533,000.00</b>

### Specific Government Programs Initiated to Cushion the Effects of COVID-19

The Government of Malawi, following the declaration of State of Disaster by President Peter Mutharika on March 20th, 2020, developed a National COVID-19 Preparedness and Response Plan. Government wanted to fulfill its primary role of protecting the lives of its vulnerable citizens during disasters and reducing their exposure to risk through preparedness.

The plan developed by the Ministry of Disaster Management Affairs and Public Events and the Ministry of Health focused on 10 operational clusters in the plan namely: Health, Inter-cluster coordination Protection and Social Support, Water, Sanitation and Hygiene (WASH), Education, Food Security and Transport and Logistics. The following have been included as ad hoc clusters: Communication Cluster, Economic Empowerment Cluster and Enforcement Cluster. The Government of Malawi (GoM) through the Ministry of Disaster Management Affairs and Public Events is responsible for the overall coordination while the Ministry of Health is the technical lead for implementation of the plan.

The Malawi government saw the need to cushion the effects of Covid-19 since there has been substantial loss of income due to loss of jobs and business, and inaccessibility of agricultural markets. The loss of income across the different groups of people pointed to a need for a comprehensive social protection system that worked for all who may be affected by various shocks. Government also noted from other reports that the slow progression of Covid-19 cases dashed hopes of a short-lived pandemic and therefore required some adjustments in the containment and recovery strategies. Of particular importance is the delayed human development associated with the school closures. Likewise, the development of the recovery plan then and starting its implementation was more likely to shorten the recovery period.

The Government set up a number of measures to cushion its citizens from the COVID-19 effects which included; reduction of fuel prices, wavering of fees and charges on electronic payments and money transfers and tourism levy. Government also introduced an MRA six-month voluntary tax compliance window to allow taxpayers with arrears to settle



their tax obligations in installments without penalty. In addition, the Government increased loan funds to Malawi Rural Development Fund (MARDEF) by MK2 billion to support affected Micro, Small and Medium Scale Enterprises (MSMSEs). The Reserve Bank of Malawi (RBM) too, announced agreements with commercial banks and Micro-Finance Institutions regarding a three-month moratorium on interest and principal repayments for all loans contracted by MSMEs.

Further to this, RBM resolved to cut the Liquidity Reserve Requirement (LRR) on domestic deposits to 3.75% from 5.0% to release primary liquidity of about MK12 billion to the banking system thereby increasing availability of loanable funds to cushion liquidity constraints in the economy. RBM also put in place measures to ensure availability of enough foreign exchange to cushion businesses from foreign exchange rate volatility.

The measures as announced by the government, were beyond what both the government and its partners had planned. The total budget of the plan for 267 activities was USD213million. The plan had a financing gap of 91%. However, according to the UN Malawi (2020), there were attempts to fill the gap by IMF (US\$91 million), World Bank (US\$37 million), US Government (US\$4.5 million), DFID (US\$2.2 million) and Ireland (US\$1.1 million).

Although the government's aim was to mitigate the effects of the pandemic on the whole Malawi population, the UN Malawi (2020) concludes that the planners considered the need to cushion the most vulnerable population from the negative effects of the pandemic.

The UN Malawi (2020) reports that, according to the experts who were

interviewed, the Government, in collaboration with the funders of the Malawi Social Cash Transfers, developed an emergency cash transfer program, which had two elements; vertical expansion and stand-alone urban cash transfer program. As part of the vertical expansion, each of the current 292,518 MSCTP beneficiary households would get a top up of MK 5,000 for four months. This translates to MK6 billion. For the urban cash transfer program, the plan was to provide MK 35,000 per month (current minimum wage) for four months to 185,246 affected small-scale traders in the cities of Blantyre (39%), Zomba (5%), Lilongwe (46%) and Mzuzu (10%). This translates to MK26 billion in transfers alone.

The United Nations agencies available in the country have played a critical role in financial support. Apart from providing technical expertise, the UN agencies received US\$139.2 million emergency funds through the Humanitarian Country Team in Malawi to complement the Malawi Government's plan. Further to this, the United Nations Development System (UNDS) also switched to emergency mode for 12 to 18 months following the declaration of the pandemic. In this mode, the UNDS would use the UN COVID-19 socio-economic framework, designed to help countries 'shore up health systems, prevent a breakdown of food systems, restore and build back better their basic social services and other measures to minimize the impact of the pandemic on the most vulnerable populations' (UN Malawi, 2020:20).

Furthermore, Malawi received USD45.07Million from the African Development Bank to finance the government's response to the health, social and economic impacts of the COVID-19 pandemic. The package

consisted of a loan of USD24.48 million, and a grant of USD20.59 million as direct budget support.

In addition, the National COVID-19 Preparedness and Response Plan and the announced Government measures on the support of the private sector do not include a business bailout plan, although there were calls from different analysts, that more palliative measures be put in place to protect the poor and vulnerable to cushion the impact of COVID-19. The response plan, for example, provides for workers on protecting jobs, workers compensation fund, skill, retrain and up skill the would-be laid off workers in immediate, medium- and long-term plans. However, there was nothing on ground months after they were laid off. For farmers, there was a need to facilitate agricultural produce markets. The situation was the same with small-scale traders and producers of goods and services who needed immediate assistance to support their families and capital post-COVID-19 to rebuild their livelihoods. Again, the government has been urged to disburse loans through MARDEF at the recovery stage to cover all those affected. The Response Plan provides for two separate social cash transfer programs even covering the recovery period; one rural and another urban. The Government announced measures include a top-up for current beneficiaries and monthly wage for the affected urban traders but leaves out affected people in the rural areas

## Patterns of COVID-19 Expenditure

With no financial reports available, patterns of Covid-19 expenditure remain sketchy. However, the published Ombudsman's report shows how the Ministry of Finance distributed the MK6, 352, 533,000.00 which was credited into the account under the Ministry. The report indicates that MK2, 268,087,012.00 was spent on receiving Malawian returnees and deportees from the Republic of South Africa, on Presidential Task Force Meetings, and on funding MDAs, including local councils. This was done between 17th July 2020 and 12th August 2020.

Of the MK11, 456,651,196.00 channeled through DoDMA, the MK6.2 billion donated by the Reserve Bank of Malawi was transferred to the Ministry of the Finance at the Ministry's advice while fuel worth MK5 million donated by Total Malawi was disbursed to Lilongwe, Blantyre, Mzuzu and Zomba City Councils.

The information reported by the office of the Ombudsman show that as at 30th June, 2020, the Cluster had received MK322, 651,196.00 and 79.8% was spent on various allowances. In terms of activities, out of MK322, 651,196.00, MK242, 978,009.77 was spent on receiving returnees from abroad, the rest was spent on other technical meetings and on logistics. In turn, of the funds spent on receiving the returnees, MK31, 804,104.50 was spent on the Task Force Meetings.

## Reception of Returnees Expenditure Report as at 30th June 2020 (source; office of Ombudsman)

ITEM	FUNDING	EXPENDITURE	BALANCE
1. Allowance and fuel refunds for presidential task force meetings on Coronavirus	31,804,104.50	31,804,104.50	0
2. Accommodation and conference facility for presidential task force	4,112,986.00	4,112,986.00	0
3. Communication for presidential task force	40,000.00	40,000.00	0
4. Allowance for reception of returnees	166,751,381.27	166,751,381.27	0
5. Fuel for reception of returnees	21,161,914.00	21,161,914.00	0
6. Conference facility for returnees meeting	637,252.00	637,252.00	0
7. Communication for reception of returnees	2,400,000.00	2,400,000.00	0
8. Maintenances of reception centers	2,600,000.00	2,600,000.00	0
9. Catering services	13,470,372.00	13,470,372.00	0
<b>Total</b>	<b>242,978,009.77</b>	<b>242,978,009.77</b>	<b>0</b>

The above table shows that MK242, 978,009.77, MK198, 555,485.77 (82%) was spent on allowances for receiving returnees and on fuel refunds. The allowances were issued to teams from the Department of Immigration, the Malawi Revenue Authority, the Police, the District Health Office/Hospitals, media houses, the Malawi Defense Force and the Public Health Institute of Malawi/National Coordination team which either coordinating, supervising or implementing sub-activities of the activity

### Funds Mismanagement

It has been reported that prices of some of the commodities which were purchased by DoDMA were questionable. For instance, DoDMA bought Butex tablets of an undisclosed size at MK995 each alongside 10 mops at MK2,500.00 each and 5 bales of toilet tissue paper of undisclosed type and quantity per bale at MK8,950.00 from PS Enterprise and General Dealers.

Further to this, it was observed that some reported purchases were made in suspicious ways. The Zomba District Health office and Machinga District Hospital, for example, bought from REF General Dealers 1kg Omo soap at MK2,

580.00 each, 250ml JIK at MK1, 225.00 each, 250ml Salvon at MK3, 800.00 each, Lifebuoy at MK315.00 each, and plastic shopping bags at MK90.00 and MK60.00 respectively. However, the two purchases were issued two different receipts bearing the same Receipt Number, 0153 and bore the same date of 17th June, 2020. The total cost of items bought was MK500, 000.00 for Zomba District Health Office and MK459, 000.00 for Machinga District Hospital.

Apart from this, the Presidential task force, as earlier indicated, was getting allowances like the ad hoc committees.

ALLOWANCE	DESIGNATION/DESCRIPTION	AMOUNT
1. TnT	Members Outside Public Service	MK 414.3 per KM
2. Professional Allowance	Chairperson Member Secretariat	MK 50,000. MK 45,000. MK 30,000.
3. Meal Allowance where accommodation is provided	Chairperson Member Secretariat	MK 10,000. MK 10,000. MK 10,000.
4. Airtime	Chairperson Member Secretariat	MK 40,000. MK 20,000. MK 15,000.
5. Duty Allowance	Secretariat/Support Staff	MK 7,000
6. Honoraria as per government existing rates	All	MK 300,000

The reports indicate that a one-day Presidential Task Force Meeting costs about MK2 million in allowances, with the majority of the expenses being incurred through professional allowances and airtime allowances for Taskforce members and the Secretariat. For instance, a meeting held on 16th May, 2020 at BICC cost MK 2,142,000.00 for allowances. Out of the MK 2,142,000.00; MK1, 360,000.00 was professional allowances (MK820, 000.00 for members and MK540, 000.00 for secretariat and “officials”), MK670, 000.00 for airtime allowance (MK400, 000.00 for members and MK270, 000.00 for secretariat and “officials”) and MK112, 000.00 duty allowances for support staff.

## Coordination Expenditure

- MK5 billion that was channeled to DoDMA
- MK66 million was spent on coordination
- MK12.767 million on monitoring health facilities by Special Cabinet committee
- MK1.610 million on airtime
- MK1.080 million on procurement of PPEs
- MK28 million on visits to health centers and border districts for funds utilization assessment; and
- MK22.437 million on other activities.

## Availability of Covid-19 Budget and Expenditure Data

Just like other data in Malawi, COVID-19 financial statements are never available. The available information was mainly sourced from the office of the Ombudsman which had an investigation on the abuse of Covid-19 funds. The media reported that the government was never coming forward with the required information on funding. Those responsible to give out information never responded to funding questions as expected.

## Plans of Government in Acquiring Vaccination. What is Being Said About it and What Commitment is Being Made?

Government, through the Ministry of Health, announced that it is in contact with different partners on COVID-19 vaccine. Malawi submitted the COVID Vaccine Request to GAVI in early December. Once the National Deployment and Vaccination Plans (NDVPs) is approved, the rollout of the first vaccines in Malawi is expected to start in April 2021[10]. The Ministry of Health has prioritized the targeted groups identified for vaccination in order of priority as per WHO guidelines.

### Support from Private Sector and International Agencies

- With the Health Services Joint Fund (HSJF), World Bank (WB), GAVI, and FCDO / UK Aid funding, UNICEF has procured Personal Protective Equipment (PPE), medical supplies and medicines worth about 14 million USD from HSJF- 2,470,035 USD, GAVI- 4,039,062 USD, FCDO- 4,755,656.42 USD, WB PEF- 1,143,727 USD, WB IDA- 1,600,000 USD. The PPEs include coveralls and protective aprons, protective headgear, safety boots, goggles, gloves, respirators and masks. The last consignment was expected in the country by March 2021.

The government of Chakwera – a retired pastor who was a relative political newcomer when he was elected in June – has already spent more than 38 million USD in tackling the pandemic. Last month, he ordered the finance minister to release another 22.6 million USD as soon as possible to meet the demands of the crisis. A nighttime curfew is being enforced and all gatherings are restricted to no more than 50 people.

“

*“The situation is quite desperate,” Chakwera said in a recent address, referring to the shortage of health infrastructure. “Although in my six months in office we set up 400 national treatment units, the current wave of infections has completely overwhelmed these facilities.”*

Malawi has secured enough doses of the AstraZeneca vaccine to vaccinate 20% of its people, with the first consignment set to arrive at the end of February, he said. Front-line workers, the elderly, and those with underlying conditions will be prioritized, Chakwera told the nation, appealing for outside help to combat the pandemic.

In December 2020, the GENEVA (AP) – A U.N.-backed program announced that it will deploy COVID-19 vaccines to the most vulnerable people worldwide, especially in poor countries. It announced plans for an initial distribution of 100 million doses by the end of March and 200 million more by July – hoping to catch up with rich countries that are already deep into rollouts.

Leaders of the COVAX Facility, which seeks a fair distribution of vaccines at a time of short supply, said nearly all of the doses expected for the initial-phase rollout are to come from British-Swedish drug maker AstraZeneca and its partner, the Serum Institute of India.

By the numbers, India is expected to get the lion's share of the 240 million AstraZeneca doses that the Serum Institute is producing for the first phase. Pakistan is to receive over 17 million, while impoverished Malawi is to get nearly 1.5 million doses and Haiti some 876,000.



## Malawi opts for the cheapest COVID-19 Vaccination

COMPANY	TYPE	DOSES	HOW EFFECTIVE	COST PER DOSE
Oxford University AstraZeneca	Viral vector (genetically modified virus)	X2	62-90%	\$4
Moderna	RNA (part of virus genetic code)	X2	95%	\$33
Pfizer-BioNTech	RNA	X2	95%	\$20
Gamaleya (Sputnik V)	Viral vector	X2	92%	\$10

## Funding for COVID-19



A few weeks after I came into office, my Administration released 6.2 billion kwacha for use by the COVID-19 Taskforce in combating the pandemic.

In the months between then and now, these monies have been used by the various clusters of the Taskforce as follows:

- 60 million has been used by the Coordination Cluster to facilitate planning meetings and monitoring and evaluation visits countrywide;
- 535 million has been used by the Department of Disaster Management Affairs to facilitate screening, testing, feeding, sanitation, security, transportation, and lodging of 19,858 Malawians who have thus far come back home from South Africa;
- 185 million has been used by the Public Communication Cluster to raise public awareness about COVID-19 on all media platforms;
- 580 million has been used by the Security and Enforcement Cluster for joint border patrols and the enforcement of border preventive measures by the Malawi Police Service, Immigration, Malawi Prison Service, National Intelligence Service, Malawi Revenue Authority, and the Judiciary;
- 72 million has been used by the Protection and Social Support Cluster to sensitize the public on the increased risks and evils of gender-based violence during the pandemic, as well as to support

victims and their families with materials and cash transfers;

- 100 million has been used by the Education Cluster to procure protective and disinfection supplies for schools;
- 50 million has been used by the Employment and Labour Force Protection Cluster for efforts to monitor and enforce Covid-19 protocols in the workplace, while another
- 50 million has been used by the Shelter and Camp Management Cluster for activities to map the strategic places for establishing isolation centers.
- The lion's share of the funds was used by the Health and the Local Government Clusters, which spent 3 billion and 1.4 billion Kwacha respectively. This was used to purchase personal protective equipment (PPEs), set up emergency treatment units, procure oxygen and medical supplies for treatment, maintain district isolation centers, and enforce contact tracing protocols in councils.
- The 30 million that was allocated to the Agriculture Cluster was not spent, nor was the remaining 3 million which was not allocated.

This is how COVID-19 funds have been spent so far.

All these clusters need additional funding to respond effectively to the new wave of infections. I have therefore directed the Minister of Finance to allocate 17.52 billion Kwacha as soon as possible to the Covid-19 Taskforce for distribution to nine clusters to meet the demands of the current disaster.

I have also approved the allocation of 100 million Kwacha to the Christian Hospitals Association of Malawi (CHAM) to supplement the efforts of public hospitals in fighting the pandemic, in addition to the support that Government is giving in the form of wages for CHAM healthcare workers and an additional 150 medical personnel for CHAM facilities.

I want to make it clear that I expect no excuses and delays from the Treasury in availing these funds as a matter of urgency. I will entertain no bureaucratic or administrative justifications for delaying the release of these funds to save lives.

DoDMA is failing to submit an expenditure report detailing how it has spent the 6.2 Billion Kwacha allocated towards the fight against the Covid-19 pandemic.

The statement says it has been reliably informed that DoDMA appealed for more time and was sent back, despite the 580 million Kwacha allocation for border patrols, some border posts like Songwe and others, are not being patrolled.



## The Public Show of Mistrust towards the government

When Malawians learned that 6.2 billion had been released to different sectors to fight or mitigate gaps in the prevention, treatment and management of covid-19, there was an SOS call from one of the Malawian hospitals. The outcry about lack of medication, equipment and space were all over from hospitalized Covid-19 patients. Appeals from both patients and the general public to the government for urgent action went unheeded. Zero urgency was demonstrated by the government.

The most heartrending SOS was from the late Dr Paul Msoma on 13th January, four months after the 6.2 billion kwacha was reportedly released;

### His Appeal;

"SOS! I am in the hospital, diagnosed with COVID-19. The hospital staff are so wonderful, and I can see the pain in their eyes. Yes, they have oxygen cylinders, but in my case, they cannot connect me to the much-needed oxygen because the whole Kamuzu Central Hospital has no Oxygen Flowmeter. My situation is getting worse, and I desperately need oxygen. Anyone who can urgently help out there please, please help by donating this very gadget.

Noting the inaction, despite the urgency, private citizens and ordinary Malawians led by Onjezani Kenani initiated a private contribution fund to buy the supplies and equipment that patients were frantically requesting from their sickbeds in Intensive Care Units.

In an unprecedented demonstration of goodwill, one by one, individuals and organisations, local and diaspora, have been donating to the effort.

Then the President came forth to announce how the 6.2 Billion was spent. The report left a lot to be desired. So many gaps that the public questioned;

- What kind of planning needs an expenditure of 60 million kwacha?
- 185 million for public awareness when we already have information dissemination structures all over the country, on the ground, in print, air and social media, with a lot more work being covered by NGOs and international organisations.
- 585 million used to repatriate Malawians from South Africa. The alleged beneficiaries are vehemently denying receiving government assistance that would justify the expenditure of such a huge sum of money. If anything, they claim to have paid for their transportation. Ian Gumba, a returnee wondered how the whole 585 million was used, "now I understand that the whole amount was used just for facilitation, we bought tickets from Munorurama at 850 Rands, and also we paid individually another 850 Rands at Beitbridge. Then how did the money that the government paid get used? And where? Is this not another returnee gate?"
- More over, when contacted by Idriss Ali Nassah for a detailed report on the expenditure of 6.2 billion, the DODMA said they could not release the detailed report before the audit is done.

Although the government has tried to ask donors for financial support, Malawians are almost unanimously refusing to trust the government with any money and are happily channeling the little they have to The Onjezani Kenani Initiative.

So far the biggest boost to government towards the Covid-19 cause has come from, among others;

- Malawi Red Cross - 1.6 billion Kwacha
- Press Trust - 90 million Kwacha
- MERA - 50 million kwacha
- First Capital Bank - 50 million kwacha
- Nyasa manufacturing - 25 million kwacha
- Lilongwe water board - 15 million kwacha
- Oxfam - 22 million kwacha
- Anonymous donor - 15.5 million kwacha



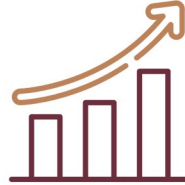


# Chapter 3



# *The Impact of COVID-19 Spending in Social Sectors*

This chapter discusses the findings of the research study aimed at assessing the impact of COVID-19 funds and resource management in health, education and social cash transfer initiatives.



## **Sample Size**

We interviewed 39 frontline health service providers in 11 districts, 36 teachers in 10 districts and 41 households in 6 districts in Malawi. The respondents who were randomly selected consisted of male and female individuals aged between 24 and 49.

## **Financial Allocation to Different Sectors**

The Government of Malawi, through the Department of Disaster Management Affairs released 6.2 billion kwacha and 17 billion kwacha respectively to different sectors and departments to be used to finance initiatives designed to fight the Covid-19 pandemic.

The following was allocated to the health sector above the other amounts that were allocated to districts, town and city councils;

## **Health Sector**

In January and February, 2020, the Malawi Emergency and Critical Care (MECC) Survey assessed public



hospital capacity at all four central (tertiary) hospitals in Malawi and a simple random sample of nine of the country's 23 district (secondary) hospitals. The MECC Survey combined the WHO Hospital Emergency Unit Assessment Tool with additional questions on emergency and critical care capacity in hospitals in low-income countries.

	District hospitals			Central hospitals			All hospitals		
	Outpatient or emergency department (n=9)	General ward (n=9)	Intensive care or high dependency unit (n=3)	Outpatient or emergency department (n=4)	General ward (n=4)	Intensive care or high dependency unit (n=5)	Outpatient or emergency department (n=13)	General ward (n=13)	Intensive or high dependency unit (n=8)
<b>Infection control and PPE</b>									
Isolation room	0	6 (67%)*	0	1 (25%)	1 (25%)	0	1 (8%)	7 (54%)	0
Handwashing facilities	2 (22%)	0*	2 (67%)	4 (100%)	3 (75%)	4 (80%)	6 (46%)	3 (23%)	6 (75%)
Eye protection	1 (11%)	0	0	1 (25%)	1 (25%)	1 (20%)	2 (15%)	1 (8%)	1 (13%)
N95 masks	4 (44.4%)	7 (78%)	0	3 (75%)	3 (75%)	4 (80%)	7 (54%)	10 (77%)	4 (50%)
Gowns	2 (22%)	8 (89%)	2 (67%)	2 (50%)	2 (50%)	5 (100%)	4 (31%)	10 (77%)	7 (88%)
Gloves	9 (100%)	9 (100%)	3 (100%)	4 (100%)	4 (100%)	5 (100%)	13 (100%)	13 (100%)	8 (100%)
<b>Diagnostics</b>									
Pulse oximetry (continuous or intermittent)	2 (22%)	7 (78%)	3 (100%)	4 (100%)	4 (100%)	5 (100%)	6 (46%)	11 (85%)	8 (100%)
Arterial blood gas	0	0	0	1 (25%)	0	1 (20%)	1 (8%)	0	1 (13%)
Chest x-ray (portable or stationary)	8 (89%)	8 (89%)*	3 (100%)	4 (100%)	3 (75%)	4 (80%)	12 (92%)	11 (85%)	7 (88%)
Ultrasound	0	2 (22%)	1 (33%)	1 (25%)	2 (50%)	4 (80%)	1 (8%)	4 (31%)	5 (63%)
<b>Treatment</b>									
Oxygen	1 (11%)	7 (78%)	2 (67%)	4 (100%)	3 (75%)	5 (100%)	5 (38%)	10 (77%)	7 (88%)

Data are n (%). Number of facilities reporting adequate access to each item needed for the SARS-CoV-2 response. Facility-level data reflect average responses from individual respondents within each unit. Questions were not asked about access to SARS-CoV-2 testing because the survey was developed before the start of the pandemic. For oxygen, invasive mechanical ventilation, handwashing facilities, and isolation rooms was "adequately available" at an area of the hospital if the average score was more than 2.5 (out of 3). For the remaining yes or no questions, a unit was considered to have access to an individual item if at least staff members reported availability. PPE=personal protective equipment. SARS-CoV-2=severe acute respiratory syndrome coronavirus 2. \*Data missing for this question from one respondent at one hospital.

**Table:** Number of wards with adequate access to resources relevant to SARS-CoV-2 response

Using data collected during the first months of the COVID-19 pandemic, this analysis showed crucial gaps in resources needed to treat patients with SARS-CoV-2 infection in Malawi. Expanding and strengthening the health system capacity was supposed to be prioritized to address this need. The restricted availability of oxygen in medical wards was a particular cause for concern that could result in avoidable mortality in the event of a widespread outbreak.

The lack of PPE poses a substantial risk to health-care workers and could also be addressed. Globally, thousands of health-care workers have already been infected with SARS-CoV-2 and many have died.

Finally, the findings highlighted the crucial importance of early containment in Malawi through widespread testing, outpatient treatment, contact tracing, isolation, and physical distancing. These efforts must be multisectoral and tailored to the local context. Effective isolation and quarantine will probably require additional social support, such as food and water distribution.

## Government Response to Address the Needs

As soon as the new government was sworn in, it released 6.2 billion through the Department of Disaster Management Affairs to different ministries, city councils, district councils and central hospitals to be used to fill in the gaps in regard to Covid-19 prevention, treatment and management. The figure below shows how the funds were allocated;



	MK	USDs
Budget	3,982,000,000.00	\$5,381,081.08
Funding	3,982,000,000.00	\$5,381,081.08
Expenditure	3,463,708,210.00	\$4,680,686.77
Cash Balance	518,291,785	\$700,394.30
Commitments	482,336,321.00	\$651,805.84
Funding Balance	35,955,464.00	\$48,588.46

Source; Misplaced Priorities Report by Office of Ombudsman

Random interviews with frontline health service providers revealed serious gaps in resource funds disbursements and resource allocation. 89% of 46 frontline health service providers interviewed expressed dissatisfaction with their expectations on the utilization of funds as far as COVID-19 is concerned.

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*“We are facing a lot of challenges. We do not have enough human resources to meet the present need. We do not have adequate PPE as well as equipment to help in treating patients. Oxygen and oxygen cylinders are far from being enough to cover the present needs, we do not have enough face shields, face masks, body bags, overalls, scrub suits and clogs just to mention a few. Patient monitors are also needed to cover up for the few human resources but we have only had 2 at the moment. Power back up is also another big problem we are facing at the moment. We only have a few oxygen cylinders; the use of oxygen concentrators needs electricity to function. However, with the intermittent power supply it is challenging. We have had cases where power went out and we couldn't plug in a patient to an oxygen concentrator though it was readily available. It is not easy for us to see our patients die when we know that only if we had the resources, we could have saved their lives”*

said one hospital official from a district hospital.

This also resonates very well with what one COVID-19 patient wrote on the social media page, sending an SOS to well-wishers to come in and assist in buying oxygen regulators that will make it possible for the patients to be connected. The most heartrending SOS was from the late Dr Paul Msoma on 13th January, four months after the 6.2 billion kwacha was reportedly released; His Appeal;

“

*“SOS! I am in the hospital, diagnosed with COVID-19. The hospital staff are so wonderful, and I can see the pain in their eyes. Yes, they have oxygen cylinders, but in my case, they can't connect me to the much-needed oxygen because the whole Kamuzu Central Hospital has no Oxygen Flowmeter. My situation is getting worse, and I desperately need oxygen. Anyone who can urgently help out there please, please help by donating this very gadget.”*

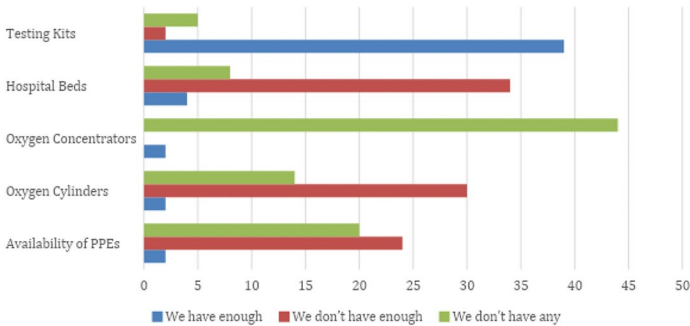
The lack of capacity and resources to fight the pandemic also made the general public lose trust in the health system that some resorted not to seek medical assistance when they had COVID-19 like symptoms. Lack of test kits took its toll in the months of

December and January 2021 and saw testing only being done on severe cases that showed likelihood of developing COVID-19. One Blantyre resident had this to say;

“

*“I have been feeling all the symptoms of COVID-19, and thrice I have been sent back from the testing center, they always say there is less likely that I could have the virus because I haven’t been in contact with anyone who could have it, imagine! It doesn’t make sense. They told me that they don’t have enough testing kits so they are prioritizing those with severe symptoms.”*

This and more made most people start shunning the public hospital isolation centers even when they developed obvious symptoms of COVID-19. Herbal remedies became so popular for both urban and rural people alike.



This shows that most hospitals, especially health centers and rural hospitals were inadequately equipped to test and treat COVID-19 patients, let alone the health service providers in these facilities did not have enough protective wear to examine and refer a COVID-19 patient.

When asked about the availability of materials needed to test and treat COVID-19 patients, the frontline health service providers gave the following responses;

## Education Sector

Despite increasing Covid-19 cases in 2020, Government in June, announced plans to reopen schools by early September. The process of reopening learning institutions was carried out in two phases, with examination classes at all levels opening first on 7 September 2020, five weeks before all other classes reopened on 12 October.

Before the reopening, the Presidential Task Force, instituted by former President Peter Mutharika, after declaring Covid-19 a national disaster, engaged with concerned stakeholders including the Teachers Union of Malawi (TUM) and the Independent School Owners of Malawi (ISAMA) to outline measures schools must adhere to in order to prevent the rapid transmission of the virus. Only schools that met the government's safety standards would be allowed to reopen. Schools had to ensure buckets of water and soap were present at their main entrances and doors to classrooms, and that students both wore masks and adhered to the social distance. During a press conference in capital city Lilongwe, education minister Agnes Nyalonje announced that the government allocated two billion Kwacha to its schools to purchase materials like buckets and sanitisers in readiness for the schools' reopening.

Other measures put in place in preparation for schools reopening were the training of teachers, mother group committees, parents-teacher associations and other stakeholders on Covid-19 preventive measures and management within and outside schools. The trainings which purportedly were supposed to be of the duration of two weeks, were supposed to be conducted in all schools across the country.

Teachers will need training on new practical class practices that are in line with Covid-19 measures.

Teachers will need training on new practical class practices that are in line with Covid-19 measures.

- Teachers will be trained in delivery of remedial lessons to the learners.
- Teachers will need support on how they can best provide education programmes within the new guidelines.
- Teachers need to be oriented to providing psychosocial support to learners and support children on protection issues.

## Number of Students in Malawi Schools

GRADE	NUMBER OF SCHOOLS	POPULATION
1. Early Child Development	N/A	2,014,820
2. Primary Schools	6,361	5,303,188
3. Secondary Schools	1,452	379,025
4. Higher Education	N/A	34,924



## Teacher population:

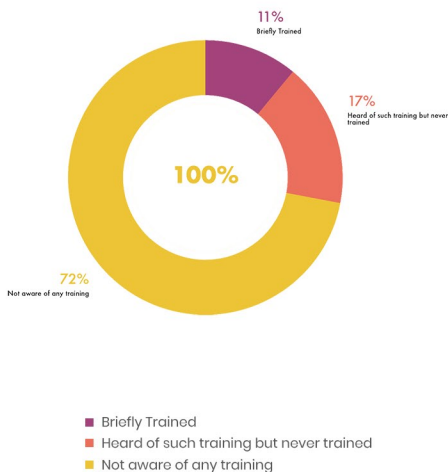
Primary 66, 350.

Secondary 14, 398.



Random interviews conducted across 10 districts in Malawi, the study interviewed 36 teachers from Primary, secondary and few technical colleges to understand the utilization of funds allocated for training and purchase of Covid-19 preventive materials like buckets, soap and disinfectants.

73% of the teachers interviewed reported they were never trained on the purported Covid-19 training. 17% said that they heard about the training taking place and know one or two of their colleagues who were trained for a day. 11% percent said they were invited and briefed about Covid-19 preventive measures.



The quantitative findings resonated perfectly with the quantitative findings of the survey as most teachers interviewed expressed dissatisfaction on how COVID-19 funds and resources are being distributed and utilised in their schools.

As one teacher in Chiradzulu district had this to say

“

*“we just seen a certain report presentation for our district mentioning that they trained our school and gave us K15,000 kwacha allowance for each day of the training last for 3 days, no such training happened and, if we have any information about COVID-19 is from other sources like the radio and social media, that's what is guiding us, and that's what we are teaching in our classes, some information is true but some isn't because, as you know it's hard to verify social media information.”*

Another teacher in Zomba rural had this to say,

“

*“I don't know what is happening with Covid-19 materials, imagine we share a single tablet of Butex soap among 3 classes, we cut it in 3 parts and we are supposed to use it for a week. Each of those classes has more than 60 children. How do you expect to enforce hand washing in such circumstances, the soap only lasts for a few hours. Sometimes we are forced to buy from our own pocket.”*

Human rights defenders, through their whistle blowing initiative to follow up on Covid-19 Money wrote about the incident that happened on 2nd February, 2021 in Nkhotakota. It was learned that the Ministry of Education officials conducted a Covid-19 training scheduled to last for 3 days and only lasted for 2 hours. And both facilitators and participants allegedly pocketed full Daily Subsistence Allowances amounting to K90,000 each – meant for the 3 days. On the same day, the facilitators proceeded to Salima and conducted yet another 3-day training in another record 2 hours. Also, in Salima, both facilitators and participants allegedly pocketed allowances for 3 days. It means the Ministry of Education officials pocketed allowances for six days for the workshops they conducted in 4 hours.

The findings above show that, despite allocation of huge sums of money through the Ministry of Education and District Councils, there was less to show as to what the funds have been used for. This is a public health concern as Covid-19 prevention relies so much on correct and up to date information, preventive materials like soap and hand washing water buckets, sanitizers, disinfectants, social distancing and decongesting of classroom blocks. This has not been realized in most schools in the country as the most touted training was just on paper, and most of the materials bought did not reach the intended beneficiaries.

## Social Security

One of the measures put in place by the government to cushion the economic effects of Covid-19 pandemic on small scale businesses and most vulnerable households in Malawi was the social cash transfer program

Malawi launched the emergency cash transfer programme targeting about 1 million people and small businesses affected by the coronavirus pandemic in May, 2020. The emergency program was expected to run for 6 months. Eligible households across the country were expected to receive a 35,000 Malawi kwacha (\$40) monthly payment in urban areas, and, matching the country's minimum wage, through mobile cash transfer.

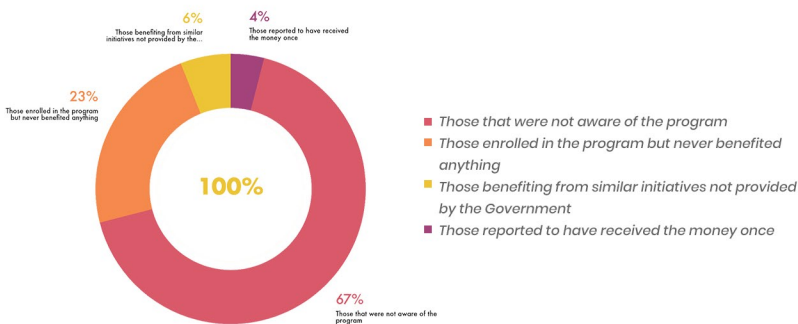
The study interviewed 41 households of the targeted beneficiaries and local Chiefs in 6 districts in Malawi to find out about the impact COVID-19 social cash transfer has had on the lives and that of their families and communities.

Out of the 41 households' members

and Chiefs interviewed, 66.7% expressed surprise at the initiative, saying they were not aware of such a programme being implemented elsewhere. While 23% of the respondents said they were enrolled to benefit from the program but up to now nothing had been heard from the authorities, while 6% said they have been benefiting from the initiative being provided by UNICEF and it started way back before Covid-19 and 4% reported to have received the money once, and the amount was way lower than the stipulated amount given to them during the community sensitization meetings.

The Chart below outlines the responses of the 41 households interviewed about the existence of Covid-19 Emergency Social Cash Transfer Programme. The 41 respondents consisted of men from men headed households, women from women headed households, children from child headed households, business persons and local leaders.

COVID-19 Social Cash Transfer Disbursement	
Those that were not aware of the program	67%
Those enrolled in the program but never benefited anything	23%
Those benefiting from similar initiatives not provided by the Government	6%
Those reported to have received the money once	4%



The quantitative findings confirm the qualitative findings of the study that most household representatives interviewed have so far lost hope, some lost trust of government and government officials handling the Social Cash Transfer Funds.

Several anomalies were also reported during the study. One community in Zomba reported that the officials from the Government just came one day, told the Local Chief that they have come to disburse social safety nets to the most vulnerable households and they are going to do the selection themselves. They went house to house disbursing K2,500 to each household, without documentation or anything. When they finished, they went, never to hear from them again.

“

*“It was so surprising because all along we heard each household will be receiving 35,000 Malawi Kwacha and 9,000 Malawi kwacha respectively each month for 6 months, but when they came, they gave us 2,500 Malawi kwacha, only once and they never come again the following month up to now.”*

Said a Local Chief from Zomba.

## Where is the money?

Tembo and Longwe, who are among the first beneficiaries listed for the cash transfers, doing their trade at Limbe Market in Blantyre are yet to receive the money. And they have not been informed why

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*“Whenever we ask the authorities about when will we start receiving the money, they always say they are putting everything in place first, we strongly doubt if the money is still there, there is too much plundering of public money among government officials, this money must have been shared amongst themselves already, I wish we were never promised about it, because all our plans were revolving so much around it.”*

Said Mondine from Mbulimbuzi Market.

It seems that there are huge discrepancies surrounding the Covid-19 Emergency Social Cash Transfer Program. Government is failing in accountability, especially to the people that were enrolled and were expecting to start receiving the assistance. Whether the suspicions by the intended beneficiaries are true that the money must have found their way in wrong pockets, or not – the expectations created must have had adverse effects on the beneficiaries that were waiting for the assistance, because instead of leaning all their hope on the Emergency Cash Transfer, they could have been devising other ways to cope with the adverse effects of Covid-19 pandemic.



# *Chapter 4*





# *Conclusion*

In this chapter, we present the conclusion and implications of the study on: “COVID-19 Emergency Financial Utilization and its Effects on Social Services in Malawi” This is a ground-breaking study which endeavored to interrogate the effects of emergency initiatives, the funds raised and how it was spent to different social sectors. It makes recommendations on what could have been done. Lastly, this study call to action the citizens of Malawi to start demanding transparency and accountability from duty bearers, because what has been discovered about the misallocation, abuse and poor planning and implementation of COVID-19 funds, is just a tip of the iceberg, it speaks volumes about how public money is being spent in different government sectors in the country.

This chapter has the following divisions: (a) summary of findings, (b) contributions of the study, and (c) a proposed call to action with tentative roles and responsibilities, of relevant stakeholders for the advancement of fiscal discipline, transparency, involvement and accountability of public resources.

## *Summary of Findings*

The study has revealed discrepancies in the planning, utilization, transparency and accountability of COVID-19 emergency funds sourced through the government, donations from private sector and international organisations. Different reports of abuse derived from The Office of the Ombudsman’s groundbreaking report “Misplaced priorities”, media reports from national and international platforms, the heartbreaking report from Department of Disaster Management Affairs and the Report from UNICEF that highlighted that over 80% of Covid-19 Emergency Response Funding have been utilised as meeting allowances leaves a lot to be desired as far as national pride, ethics, Umunthu and expression of social capital is concerned.

A sample size of 116 respondents comprising 39 frontline health workers in 11 districts, 36 teachers in 10 districts and 41 households in 6 districts of Malawi were interviewed during the study. The respondents who were randomly selected consisted of male and female individuals aged between 24 and 49.

The study has revealed that most funding that were reported to have been allocated to different government sectors to achieve specific goals have not been able to due to irresponsibility of the controlling officers, fraud, misplaced priorities and incompetence and lack of capacity of the system to handle emergency situation as in the case of the COVID-19 pandemic.

For instance, most frontline health service providers, operated and in some places continue operating without sufficient personal protective equipment while in the same period, funding for such that was allocated to district councils was mainly spent on meetings and allowances, purportedly convened to discuss about the purchasing of the said equipment day in day out, with some district councils spending not even a single kwacha in regard to the said PPEs.

The study further discovered the prerequisite of setting proper structures and systems that observe transparency and accountability principles, manned by individuals that uphold integrity and values to achieve significant change. The study acknowledges the difficulty experienced by authorities in constituting individuals of such nature, but is of the view that systematic check and balances, regular reporting and proper internal controls, publishing of steps and milestones being achieved by government departments, district and town councils, going up to the national task force, and consolidated by the department of disaster and management affairs could go a long way in achieving the desired results.

## *Recommendations*

- 1** The Department of Disaster Management affairs should start acting as a fiscal manager if the implementation of mitigating activities for an emergency has been delegated to other government departments, district, town and city councils. All procedures of needs assessment, proposal writing and justification of proposed budgets should be scrutinised thoroughly before the requested amount is disbursed. Such disbursements should also be made public in the respective councils and the DoDMA website. Each budget line should be strictly utilised as requested, any changes to the budget should be demanded through writing, stating reasons necessitating such changes, and the changes should only be implemented after approval.
- 2** Government should not overlook or delay addressing suspected cases of abuse. Also, public funds abuse should not be handled as the only case of fraud, deliberate misallocation, misplaced priorities and procrastination in releasing public funds especially in emergency situations should be treated in a similar manner. Emergency situations bring about life and death circumstances that always need to be addressed with urgency and competency.
- 3** The study strongly recommends that the government review the procedures involved in the appointment of public officials, especially those on contracts. It seems like some government officials are being protected by their contracts, hence their negligence in matters that would be beneficial to Malawians, and the appointing authorities are unable to terminate such contracts because of legal implications. Malawians deserve better. The concerned authorities have the responsibility to provide nothing short of the best to Malawians. It is high time we start talking about solutions, not spending so much time on conversations about how grave our problems are.
- 4** The study also strongly recommends that public financial expenditure, especially in emergency situations, should be steadily dictated by the needs and priorities to save lives and to prevent the escalation of the emergency at hand. The conduct of public officials in the evacuation of our brother and sisters from South Africa left a lot to be desired. It is sad to note that over 500 million kwacha was allocated for the activity, the returnees bought their own tickets and paid for their own exiting cost at Beitbridge, the least we could have done here in Malawi was to ensure that they were quarantined in safe and good places, and provided for with all the necessary amenities until the quarantine period lapses, knowingly of the new variant from the

country they were coming from. But we chose to use the money for whatever reasons and kept the returnees in deplorable places with inhuman conditions, they ended up escaping quarantine, and for those who were positively exposed to their families and villages.

- 5 The study recommends the reconstitution of the Department of Disaster Management Affairs. It should be given a new and clear mandate, with new officers geared with the knowledge, competence and technicality on how best to manage and respond to emergency situations.

## ***Contribution of the Study***

The study has contributed to the existing body of knowledge in three ways. First, it is a ground-breaking study on the topic COVID-19 Pandemic Emergency Financial Utilization in Malawi, that has revealed so many gaps in government sectors and councils, and the management of public finances. Some previous studies conducted on a similar topic failed to engage with the endline community to capture their experiences and impressions of the Covid-19 Emergency Response. Hence, they fail to bring a holistic picture of the real-life situation of endline social service providers in Malawi. On the contrary, this study put the local Malawian at the centre and this influenced the entire process of the study from its conceptualisation, implementation, and conclusion. Therefore, this study will enable future researchers on the topic of Emergency Response in Malawi to have a solid reference in constructing their respective studies.

## ***Critical Messages for Public Awareness, Citizen Participation and Advocacy to Government and Donor Agencies/Entities***

In view of the major findings of the study, we make the following recommendations that could inform the Malawi Citizens on the best way of enforcing transparency and accountability of public funds in time of emergency and all times.

- 1 Malawian citizens should realize that what affects one, affects all and that everyone is a potential Covid-19 patient. If citizens do not speak about the social ills and misallocation of Covid-19 funding, it might be difficult to rise up and speak against it at the other end of the table, being patients quarantined or hospitalized in poor and less resourced hospital environments. The best time to start speaking and demanding accountability from the government is now.
- 2 Malawian citizens should start supporting organisations that are fighting for transparency and accountability like CTAP project, Human Rights Defenders and other organisations that are in the forefront holding the government accountable on the utilization of public funds. Supporting these organisations could take many

forms like providing information of mismanagement to the given numbers, attending calls to action to pressurize the government to align its priorities and asking for ethics and Umunthu to be our guiding principles among duty bearers.

3 Malawian citizens should start following their money, take interest in public budgets, and local projects from their inception to completion. Making sure that the spending claims that are being touted are reflecting. They should start realizing that public funding belongs to every individual. It is the people's money and citizens should demand accountability, honesty and prudence in how the funds are being spent.

*Thank You*