LESSONS LEARNT FROM MALAWI'S IMPLEMENTATION OF THE AU-AIP AU-AIP MULTI-COUNTRY GCF READINESS PROJECT



Malawi is one of the 15 countries that implemented the AU-AIP Multicounty Green Climate Fund Readiness Project to accelerate & enhance investment into gender-responsive climate resilience in Africa, by advancing Direct Access and developing country-level strategic frameworks and investment programmes for climate-resilient water resources management.

The country faces significant challenges, including limited capacity for accessing climate finance because of insufficient technical expertise, slow progress in accreditation of GCF Direct Access Entities and insufficient strategic frameworks for investment in climate-resilient projects in the water sector. Malawi has no GCF-accredited entity but has nominated institutions to pursue accreditation.

This learning brief shares lessons learnt on the process of strengthening the capacities of nominated Direct Access Entities and development of the Water Investment Programme, which the country was pursuing through a World Bank funded project.

The focus of the project in Malawi was to:

- **Strengthen the capacities of nominated Direct Access Entities**
- **Train water stakeholders in climate finance programming**
- **Advance its existing project pipeline**
- **Develop a Water Investment Programme**

Lesson Learnt: Identification and Advancement of a Direct Access Entity (DAE)

1. **The need for strong coordination:** A key lesson learned from the Direct Access Entity (DAE) identification process was the importance of strong coordination between the National Designated Authority (NDA), potential candidate institutions, and technical partners in advancing national access to climate finance opportunities. Through a structured assessment and engagement process, the NDA successfully identified and recommended potential DAEs with the institutional capacity and commitment to meet Green Climate Fund (GCF) accreditation requirements. The identification process fully involved the participation of potential DAEs that populated a capacity gap assessment framework, from which a Capacity Development Plan was developed.

2. **Capacity development for informed decision making:** GWPSA facilitated trainings for the identified Direct Access Entities (DAEs), which helped enhance the institutions' understanding of Green Climate Fund (GCF) fundamentals, accreditation requirements, application processes, and project development. This improved knowledge enabled DAEs to make informed decisions regarding their readiness and suitability to pursue GCF accreditation, resulting in some institutions voluntarily withdrawing from the process at an early stage. A key lesson is that capacity-building interventions help institutions realistically assess their capabilities, thereby saving time and resources.

3. **The value of targeted support and preparedness in advancing accreditation efforts:** An encouraging outcome of the process was that one institution, Malawi's NBS Bank, which was recommended by the National Designated Authority (NDA) successfully passed the GCF pre-screening stage and has initiated the online GCF accreditation application process, demonstrating the value of targeted support and preparedness in advancing accreditation efforts. This achievement demonstrates the value of early capacity assessments, continuous stakeholder engagement, and targeted technical support in preparing national institutions for accreditation. The process also highlighted the importance of maintaining close communication with candidate institutions to help them understand accreditation requirements, strengthen internal systems, and address identified gaps.

4. **Regular engagement increases institutional ownership of the accreditation process:** Having a clear action plan and regular follow-up discussions with prospective DAEs increases momentum and institutional commitment throughout the accreditation journey. Follow up clinics with technical experts provided a platform where the DAEs ably asked for clarity and advice on issues that affected the planning and application processes.

Overall Learning on Identification of DAEs

The experience shows that investing time and resources in identifying suitable national institutions and supporting them through the initial accreditation stages can yield positive results. The advancement of the recommended institution into the GCF accreditation application process represents a significant step toward strengthening national ownership of climate finance and enhancing direct access to GCF resources.

Lesson Learnt: Effective Collaboration in the Development of the National Water Supply Investment Plan and Strategy (Also known at the Water Investment Programme)

Malawi is in the process of developing its National Water Supply Investment Plan and Strategy (2026-2036) under a World Bank funded Blantyre Water Board Programme. Malawi's National Water Supply Investment Plan and Strategy is similar to the Water Investment Programme (WIP) that AU Member States are developing under the AU-AIP Multicounty Green Climate Fund Readiness Project. The Project has therefore focused on supporting the existing process instead of initiating a parallel process. The support has therefore included providing technical support in aligning the National Water Supply Investment Plan and Strategy to the AU-AIP guidelines for the development of the Water Investment Programme.

Below are some of the key lessons learnt:

1. **The value of continuous collaboration:** A key lesson learned during the development of the National Water Supply Investment Plan and Strategy (2026-2036) and the Guidelines and Criteria for Investment Planning and Decision Making for the Water Supply, Sanitation and Hygiene (WASH) Subsector was the importance of continuous collaboration, capacity building, and feedback mechanisms among stakeholders. The strong partnership between the Ministry of Agriculture, Irrigation and

Water Development, the Ministry of Health and Sanitation, and the Global Water Partnership Southern Africa (GWPSA) contributed to the quality, co-ownership, and successful completion of the documents which aligned with the AU-AIP guidelines for the development of Water Investment Programmes.

2. **The value of targeted capacity development initiatives:** GWPSA facilitated training of key Ministry of Agriculture, Irrigation and Water Development staff on the guidelines and processes for developing WIPs strengthened technical capacity and created a common understanding of investment planning principles. The staff that were trained were from the planning department being key to the development of the Malawi WIP. The planning department is responsible for coordination in the ministry. This enabled ministry teams to contribute informed inputs throughout the development of the strategies and guidelines.
3. **Frequent progress meetings helped sustain progress:** Planned progress review meetings with the GCF Focal person, the Principal Secretary within the ministry provided a valuable platform for stakeholders to discuss progress and agree on practical ways to collaborate more effectively. These meetings fostered transparency, strengthened coordination between institutions, and ensured that all parties remained aligned with the objectives and timelines.
4. **Involvement of GWP technical persons in the drafting process proved critical:** Another positive lesson was the value of timely sharing of draft documents before final submission to the relevant authorities and the structured feedback process. Draft versions prepared by the Ministry of Agriculture, Irrigation and Water Development were circulated among GWP technical staff, allowing for comprehensive review and constructive feedback. This iterative process enhanced the technical quality, relevance, and practicality of the final documents.

Overall Learning on Effective Collaboration in the Development of WIPs

The experience highlighted that investing in stakeholder capacity, maintaining regular communication, encouraging open feedback, and fostering collaborative partnerships are critical success factors for developing high-quality sector strategies and investment plans. These approaches not only improve the final outputs but also strengthen institutional ownership and commitment to implementation.