



Scottish Malawi Foundation

## Comment on the Scottish Government's International Development Policy

### Scottish Malawi Foundation

The Scottish Malawi Foundation was launched in the Scottish Parliament as Scotland's national appeal for Malawi and subsequently incorporated on 23<sup>rd</sup> September 2005. In our Accounts for the period to 31<sup>st</sup> December 2006 we reported incoming funds of £322,412, which were entirely raised by public subscription.

"The Objects of the Trust are to relieve poverty and to promote both commonwealth and sustainable development in Malawi, principally (but not exclusively) through community-based organisations and, in furtherance thereof, the Trust specifically shall seek:

- (a) To work with and arrange to distribute funds through charities, community groups and faith-based organisations working in Malawi;
- (b) To support local philanthropy within Malawi through the development of Community Foundations there;
- (c) To promote microfinance to poor and disadvantaged people within Malawi as an effective instrument for sustainable development there and to build support in Scotland for microfinance outlets within Malawi;
- (d) To develop and support Scottish philanthropy for Malawi by managing donations and providing relevant advice; and
- (e) To provide and support training for organisations within Malawi to promote transparency, best practice and good governance."

At the end of 2006 we focused on our role in developing responsible philanthropy within and for Malawi. Within Malawi we are achieving this through the development of local community foundations, and within Scotland we are advising and supporting philanthropists and donors on how to become effective supporters of local initiatives.

The Foundation invests in leadership training for Malawian NGOs in order to build their capacity to generate local support for their work and deal with their international donors more robustly and effectively. The people of Malawi need a fairer share of global wealth. They don't really need our ideas and our project driven approach.

### Summary of key points

1. The focus on Malawi has provided a useful opportunity for Scotland to broaden participation in international development.
2. The policy should support the building of local capacity to raise and manage philanthropic funds.
3. More support for business development should be provided and encouraged
4. Scotland's pre-eminence in finance should be drawn on and used to make support for pro-poor financial services the cornerstone of SG policy.
5. Tourism is another area where relevant Scottish expertise could be applied.
6. The development of Malawian volunteering should take precedence over sending Scottish volunteers to Malawi.

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Trustees: Robert Anderson, Allison Elliot, Anne Gloag, Helen Mackie

**Guarantee Company SC290776 Scottish Charity number SC036814**



## Scottish Malawi Foundation

### Thematic Priorities

- *Invest in the poor*

We suggest narrowing the focus within Malawi. We believe a focus on “support for financial services for the poor” would be more appropriate and would build on Scotland’s internationally recognised skill base. This would complement DfID policy and be a distinctively Scottish contribution.

The Scottish Malawi Foundation is working with **Opportunity International** to provide an important range of financial services (loans, savings and insurance) for the peri-urban and rural poor in the north of Malawi with a £1.2m project. One third of the funding is already in place from the European union and we are working to raise the rest from Scottish donors.

If the focus on financial services were found to be too restrictive then we suggest drawing on Scotland’s considerable experience in tourism to support this important segment of the Malawian economy.

### Geographic Principles

- *Should we continue to focus resources on Sub-Saharan Africa?*

The focus on Malawi has been helpful in broadening participation in international development. Schools, faith communities, businesses and individuals have been invited to take part and have responded enthusiastically. The Police and Prison services have been engaged. This would not have been achieved with a broader geographic remit.

If the focus is to broaden beyond Malawi then we suggest this should be done in a manner which complements the work done to date and encourages peer support through direct bilateral links between Malawi and the additional sub-Saharan countries to be included within the policy. Facilitating this south-south linkage of African partners should be a cornerstone of the new SG policy.

- *Should work be supported elsewhere in the world?*

We do not think it is wise to try to do too much and end up achieving less. Support for work in other areas of the world can be achieved by SG support for events in Scotland and for capacity building courses delivered in Scotland.

### IDF Fund and Process

- We are committed to building the **Malawi Community Foundation (MCF)**, as a vehicle to encourage local philanthropy. The MCF will also build the capacity to manage international philanthropy. We are proposing to match local donations with funds from Scotland and thereby encourage local philanthropy and fund distribution.
- We believe Malawian organisations (both Government and civil society organisations) should be free to apply for a proportion of the IDF, and that this could be managed through the Malawi Community Foundation or other instruments. If necessary, and to maintain the Scottish link, applicants could be required to have a reference from a Scottish partner organisation registered with OSCR.
- The Policy should strive to reduce the number of expatriate international development workers and volunteers within Malawi and instead work to increase the number of Malawians in responsible posts.

**Robert S. Anderson**

**Chairperson, Scottish Malawi Foundation**

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