



**United States Department of State
and the Broadcasting Board of Governors
Office of Inspector General**

Inspection of Embassy Lilongwe, Malawi



Embassy Lilongwe

Office of Inspector General determined that Embassy Lilongwe has serious staffing gaps that began with the departure of the Ambassador in May 2004 and include absences of five to 11 months in the political section, general services office, and information management section. Despite these gaps, and high staff turnover in the past 12 months, the interagency team at Embassy Lilongwe has worked with skill and commitment to implement mission goals.

The embassy is led by a competent chargé d'affaires who has identified Malawi's qualification for a threshold program under the Millennium Challenge Account (MCA) and galvanized his interagency economic reform and democracy and governance teams to help Malawi turn a corner in its development. The reward for Malawi could be an allocation of up to \$20 million under the MCA. Embassy Lilongwe is reviewing staffing implications of such substantial funding.

This year, Malawi began participating in the President's Emergency Plan for AIDS Relief (PEPFAR), and this will require robust direction by the embassy leadership. However, the embassy's executive office has exercised minimal oversight of the global health agenda that has dominated the work of the technical agencies at this post for years.

State Department has committed to a \$10 million renovation program of the embassy chancery, anticipated in FY 2006. Plans are incomplete, but problems stemming from the location of an administrative annex and several other buildings on the compound perimeter are expected to remain. OBO should look seriously at directing these resources to renovations that will help solve these concerns.

Embassy Lilongwe is implementing shared services between the Department and the U.S. Agency for International Development (USAID). The two share the motor pool, with USAID as the service provider, and will combine their warehouses. The requirement for staffing adjustments at USAID will abet the consolidation.

OIG Report ISP-I-05-36A, Inspection of Embassy Lilongwe, Malawi

The fieldwork for this report was conducted by the Office of Inspections in Lilongwe between May 31 and June 10, 2005. This is an unclassified summary of a full report, which receives limited official distribution. This report summary, and the inspection report, reflects the conditions at post during the period of the fieldwork.

Background



Map of Malawi

Malawi is one of the world's poorest and least developed countries. Agriculture is a mainstay of the economy, but development is restricted by limited natural resources, a landlocked location, high transportation costs, inadequate infrastructure, poor education, and endemic health problems. Compounding these challenges was the suspension in 2003 of disbursements by the International Monetary Fund (IMF) and the withdrawal of budgetary support by major donor nations. However, the elections of 2004 brought to power a president committed to reform. Under this new leadership, Malawi is poised for positive change.

The short-term economic policy goal of Malawi's government will be securing resumption of IMF disbursements, which has the new administration engaged in macroeconomic reform and fighting corruption. Working under a 12-month, staff-monitored program agreed upon with the IMF, the government has met its targets. Tightening of fiscal discipline is reflected in the country's current budget and has prompted a resumption of budgetary support by bilateral donors and the release of a substantial World Bank credit. The government's drive against corruption is equally determined, as reflected in the arrests of several former government officials on corruption charges.

The United States has a strong, productive, and growing relationship with Malawi that focuses on alleviating the country's alarming health situation, fostering economic growth within the current reformist environment, and strengthening democratic institutions, including support for the government's anticorruption efforts. USAID, Peace Corps, and the Centers for Disease Control and Prevention join the Department in furthering these goals.

Underpinning all reform efforts in Malawi is the stark fact that the country faces enormous health problems. There is a longstanding U.S. government-supported HIV/AIDS program that involves the Malawi government, international donors, nongovernmental organizations, and faith-based organizations. The program emphasizes voluntary counseling and testing, and the delivery of antiretroviral therapy throughout the country. This effort will accelerate with the recent inclusion of Malawi in PEPFAR as an associated country. The mission also focuses on eradicating tuberculosis, malaria, and measles, on preventing childhood diseases, and on combating Malawi's high rate of maternal mortality.

Office of Inspector General

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