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Malawi: Poverty Reduction Strategy Paper—Growth and Development Strategy

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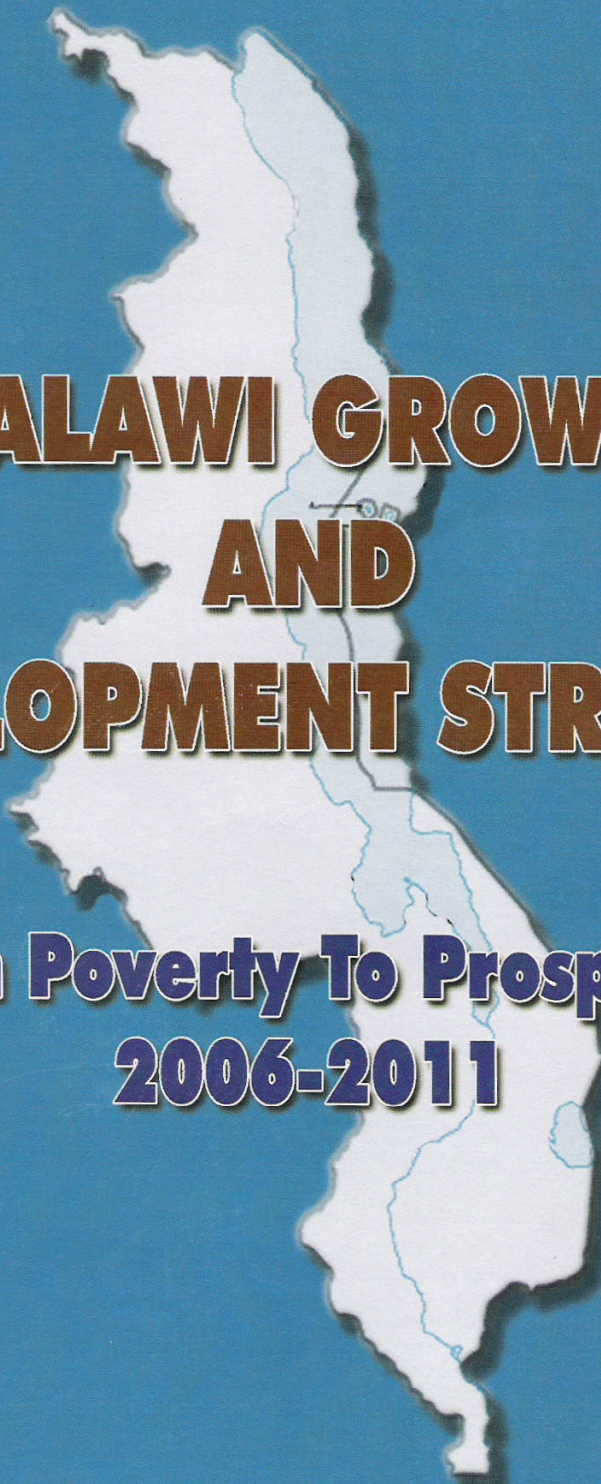
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GOVERNMENT OF MALAWI

A white map of Malawi is centered in the background, showing the country's outline and major rivers. The title text is overlaid on this map.

MALAWI GROWTH AND DEVELOPMENT STRATEGY

**From Poverty To Prosperity
2006-2011**



**DR BINGU WA MUTHARIKA
HIS EXCELLENCY THE STATE PRESIDENT OF THE
REPUBLIC OF MALAWI**

“The overall objective of the Malawi Growth and Development Strategy is to reduce poverty through sustained economic growth and infrastructure development.”

Presidential Statement

The Malawi Growth and Development Strategy (MGDS) is the overarching operational medium-term strategy for Malawi designed to attain the nation's Vision 2020. The main thrust of the MGDS is to create wealth through sustainable economic growth and infrastructure development as a means of achieving poverty reduction. This is expected to transform the country from being a predominantly importing and consuming economy to a predominantly manufacturing and exporting economy.

The MGDS represents a policy shift from social consumption to sustainable economic growth and infrastructure development. To ascertain immediate economic benefits for the people of Malawi arising from this strategic shift, the MGDS will in the next five years place emphasis on six key priority areas of agriculture and food security; irrigation and water development; transport infrastructure development; energy generation and supply; integrated rural development; and prevention and management of nutrition disorders, and HIV/AIDS. These six key priority areas are also expected to accelerate the attainment of the Millennium Development Goals (MDGs) in the areas of health, education, gender, environment, and governance. The integrated rural development in particular will among other things entail the establishment of rural growth centres. This is expected to rejuvenate the rural economies and transform them into potential engines for economic growth that translate to increased redistribution of wealth countrywide.

The MGDS builds on the Malawi Economic Growth Strategy (MEGS) that emphasized the need to create a conducive environment for private sector investment to stimulate production of goods and services hence creating employment opportunities. The MGDS also incorporates lessons learnt from the implementation of the Malawi Poverty Reduction Strategy. These have informed the choice of MGDS interventions, the six key priority areas, and the other important MDGs related social focus areas.

Government will spearhead the implementation of the MGDS. However, the strategy calls for active participation of all stakeholders in the implementation process. Political-will, change of mindset, and cooperation among the stakeholders will be paramount for the successful implementation of the strategy. While Government will ensure the creation of an enabling environment for private sector participation, all Malawians are urged to aggressively take up the challenge to invest and spearhead industrial development to create wealth and employment. It is my sincere hope that the cooperation that prevailed during the development of the MGDS will continue in its implementation in order to make Malawi a better nation for our people.

May God bless our country, Malawi.



Dr. Bingu Wa Mutharika
STATE PRESIDENT OF THE REPUBLIC OF MALAWI

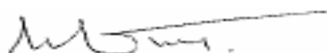
FOREWORD

The Malawi Growth and Development Strategy (MGDS) represents a detailed articulation by the Government of Malawi of the strategy it intends to follow in achieving the goal set for us by His Excellency the State President, Dr Bingu Wa Mutharika of transforming Malawi from relative poverty into being a middle income industrial nation. It also represents an essential tool for the Government to assist in turning his vision into reality. The philosophy that underlies the MGDS is one of permanent poverty reduction through sustainable economic growth and infrastructure development. The key to translating that philosophy into a strategy that will deliver success is effective prioritization in the allocation of effort and resources. The MGDS identifies six key priority areas, which taken together will define the direction of Government economic policies over the coming five years. Progress in these priority areas will be critical in bringing about greater economic wellbeing for the people of Malawi.

The MGDS also identifies five thematic areas in which progress must be made if our overall strategy is to be successful. These thematic components of the MGDS are sustainable economic growth, social protection, social development, infrastructure development, and improved governance. The importance of all these areas is fully reflected in the Strategy, which maintains a focus on accelerated and sustainable growth, while also outlining steps to ensure social development, good governance and environmental sustainability. Progress in all of these areas will increase prosperity, reduce poverty and assist in the achievement of the Millennium Development Goals. Beyond identifying key themes the strategy establishes priorities within the overall MGDS envelope. This prioritization reflects widespread consultations with stakeholders in the development process. While fully reflecting the contributions of cooperating partners the process of developing the MGDS and establishing the prioritization it contains has been led by Malawians based on our understanding of the issues we face. As such this is a document developed from within the nation for the purpose of achieving of the nation's aspirations.

Implementation of the MGDS will take place through the Government Budget, in line with the Medium Term Expenditure Framework. Implementing the ambitious agenda outlined by the MGDS over the next 5 years, within the resource envelope that is available to us, represents a major and challenging task. Success can only be achieved if there is fully cooperation amongst all the various stakeholders with a part to play in implementing the strategy. Government will spearhead the implementation process, but stakeholders will have to compliment its efforts by aligning and harmonizing their own programmes and activities to bring these into line with the priorities the MGDS sets out. This will be a challenge for those stakeholders themselves, but I am confident that the same goodwill that has contributed to development of the strategy will assist in ensuring its effective implementation.

Lastly, I would like to thank His Excellency the State President, Dr Bingu Wa Mutharika, for his vision, direction and commitment to transform this country for a better future.



Goodall E. Gondwe, MP
MINISTER OF FINANCE

ACKNOWLEDGEMENTS

His Excellency the State President, Dr Bingu Wa Mutharika, and the Government of Malawi would like to accord special thanks to all those who worked tirelessly and contributed to the development of the Malawi Growth and Development Strategy. The process of developing this strategy involved all key stakeholders in Malawi. These include the three arms of Government: the Executive, Parliament, and Judiciary; and also involved the Private sector, Civil Society Organisations, Donors and Co-operating partners and the general public. Special acknowledgements are also extended to the Steering Committee and the Technical Working Group that worked for over a year to develop this strategy.

ACRONYMS

ACB	Anti-Corruption Bureau
ADMARC	Agricultural Development and Marketing Corporation
AIDS	Acquired Immune Deficiency Syndrome
ART	Anti-retroviral therapy
ARV	Anti-retroviral
CAMA	Consumer Association of Malawi
CBO	Community Based Organizations
CDSS	Community Day Secondary School
CISANET	Civil Society Agriculture Network
CM	Collaborative Management
COMESA	Common Market for Eastern and Southern Africa
DA	District Assembly
DEC	Distance Education Centres
DEMIS	District Education Management Information System
DfID	Department for International Development
DHS	Demographic and Health Survey
DISTMIS	Department of Information, Systems and Technology Management Systems
DPDMA	Department of Poverty and Disaster Management Affairs
ESCOM	Electricity Supply Corporation of Malawi
EU	European Union
FAO	Food and Agricultural Organization
FBO	Faith Based Organizations
FDI	Foreign Direct Investment
FNSIS	Food and Nutrition Security Information System
GDP	Gross Domestic Product
GTZ	German Technical Co-operation
GWAN	Government Wide Area Network
HIPC	Highly Indebted Poor Country
HIV	Human Immunodeficiency Virus
ICT	Information, Communication and Technology
IHS	Integrated Household Survey
IMF	International Monetary Fund
IMR	Infant Mortality Rate
IQ	Intelligent Quotient
ISO	International Standards Organization
IT	Information Technology
ITN	Insecticide Bed Treated Net
IWRM	Integrated Water Resource Management
JICA	Japanese International Cooperation Agency
Km	Kilometres
LA	Local Assembly
M&E	Monitoring and Evaluation
MACRA	Malawi Communication Regulatory Authority
MARDEF	Malawi Rural Development Fund
MAREP	Malawi Rural Electrification Programme
MASTA	Malawi Award for Scientific and Technological Achievement
MBC	Malawi Broadcasting Corporation

MBS	Malawi Bureau of Standards
MCCCI	Malawi Confederation of Chambers of Commerce and Industry
MDGs	Millennium Development Goals
MDHS	Malawi Demographic and Health Survey
MEGS	Malawi Economic Growth Strategy
MEJN	Malawi Economic Justice Network
MEPD	Ministry of Economic Planning and Development
MFI	Micro Finance Institutions
MGDS	Malawi Growth and Development Strategy
MIPA	Malawi Investment Promotion Agency
MIRTDC	Malawi Industrial Research and Technology Development Centre
MIS	Management Information System
MITS	Most Innovative Technology Stand
MK	Malawi Kwacha
MLGRD	Ministry of Local Government and Rural Development
MLHS	Ministry of Lands, Housing and Surveys
MMNRE	Ministry of Mining, Natural Resource and Energy
MMR	Maternal Mortality Rate
MOA	Ministry of Agriculture
MOF	Ministry of Finance
MOH	Ministry of Health
MOTPW	Ministry of Transport and Public Works
MP	Member of Parliament
MPRS	Malawi Poverty Reduction Strategy
MTEF	Medium Term Expenditure Framework
MTPSD	Ministry of Trade and Private Sector Development
MW	Mega watts
NABW	National Association of Business Women
NAC	National AIDS Commission
NAG	National Action Group
NASFAM	National Smallholder Farmers Association of Malawi
NDF	Northern Dark Fired tobacco
NEEP	National Economic Empowerment Policy
NFRA	National Food Reserve Agency
NGO	Non-Governmental Organizations
NRA	National Roads Authority
NRC	National Research Council
NRM	Natural Resource Management
NSO	National Statistical Office
OPC	Office of the President and Cabinet
OVC	Orphans and other Vulnerable Children
PA	Protected Area
PAC	Problem Animal Control
PEM	Protein Energy Malnutrition
PFMA	Public Finance and Management Act
PLHA	People Living with HIV and AIDS
PMCT	Preventive Mother to Child Transmission
PPA	Public Procurement Act
PPP	Public Private Partnerships
PRGF	Poverty Reduction and Growth Facility
PS	Principal Secretary

PSIP	Public Sector Investment Programme
PVA	Poverty Vulnerability Assessment
PWP	Public Works Programme
RBM	Reserve Bank of Malawi
SADC	Southern African Development Community
SAPP	Southern African Power Pool
SGR	Strategic Grain Reserve
SME	Small and Medium Enterprises
SMP	Staff Monitored Programme
SNE	Special Needs Education
SOCAM	Society for Chartered Accountants of Malawi
SSAJ	Safety, Security and Access to Justice
SSM	Small Scale Miners
SWAp	Sector Wide Approach
TA	Traditional Authority
TB	Tuberculosis
TEVET	Technical, Entrepreneurial, Vocational Education and Training
TWG	Technical Working Group
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund Agency
UNICEF	United Nations Children's Fund
US\$	United States Dollar
USAID	United States Agency for International Development
VCT	Voluntary Counselling and Testing
VIP	Ventilated Improved Pit Latrine
WB	World Bank
WFP	World Food Programme
WHO	World Health Organization

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Executive Summary

The Malawi Growth and Development Strategy

The Malawi Growth and Development Strategy (MGDS) is the overarching strategy for Malawi for the next five years, from 2006/07 to 2010/2011 fiscal years. The purpose of the MGDS is to serve as a single reference document for policy makers in Government; the Private Sector; Civil Society Organizations; Donors and Cooperating Partners and the general public on socio-economic growth and development priorities for Malawi.

The overriding philosophy of the MGDS is poverty reduction through sustainable economic growth and infrastructure development. The MGDS identifies six key priority areas which define the direction the country intends to take in the next five years to achieve economic growth and wealth creation which are critical for immediate improvement in the economic well-being of Malawians. These are agriculture and food security; irrigation and water development; transport infrastructure development; energy generation and supply; integrated rural development; prevention and management of nutrition disorders, HIV and AIDS.

These six key priority areas will accelerate the attainment of the Millennium Development Goals (MDGs), thereby recognizing the importance of sectors of health, education, gender, environment and governance. In this regard, the MGDS maintains a balance between the economic and social sectors of the economy. In the medium-term, this is expected to bring about prosperity, reduce poverty and achieve the MDGs in order to make life better for all Malawians.

In order to support the six key priority areas, the development framework of the MGDS is built around five broad thematic areas namely sustainable economic growth; social protection; social development; infrastructure development; and improved governance. The activities in the themes have been systematically prioritized and realistically costed taking into account the limited resource envelope. The MGDS builds on the Malawi Economic Growth Strategy (MEGS) that emphasizes the need to create a conducive environment for private sector investment to stimulate economic growth. As such it recognizes the important role of the private sector in promoting economic growth. It also incorporates lessons from the implementation of the Malawi Poverty Reduction Strategy (MPRS). Hence, the MGDS recognizes the need to invest in social development through education, health, good governance and the need to protect the most vulnerable.

The process of developing the MGDS has been participatory involving all key stakeholders including Government, Parliament, Private Sector, Civil Society, Donors, Co-operating Partners and the General Public. More importantly the preparation of the MGDS has been country led and owned, therefore, making it a document for the nation.

Malawi Economic Growth Strategy

The Malawi Economic Growth Strategy (MEGS) was inspired from a joint realisation by Government and the private sector that the economy had been registering negative growth and that remedial measures had to be put in place to reverse the trend. This was in recognition of the fact that the MPRS could not adequately stimulate sustainable economic growth. There was therefore need for rapid broad-based growth to expand the sectoral sources of growth. This would deepen and sustain the gains from agriculture, achieve food security and make the economy less susceptible to external shocks like weather, changes in terms of trade, political developments in the region, and fluctuations in external aid flows.

The MEGS focused on strategies and actions that did not require substantial additional spending by Government and instead could be achieved through refocusing of existing resources by developing a more conducive set of policies that would stimulate private sector investment and trade. It was envisaged, in the medium term, that Government would create the enabling environment through policy reforms with financial and technical support from donors. In this regard, the MGDS could not reinvent the wheel but rather consolidate the economic growth policies and strategies from the MEGS and lessons from the MPRS to inform the new policy direction articulated in this document.

Malawi Poverty Reduction Strategy Implementation Review

Poverty has not changed significantly for the past seven years. According to the Integrated Household Survey 2004/05, the current status of poverty shows that 52.4 percent of the population lives below the poverty line¹, i.e. about 6.3 million Malawians are poor, with the poorest people in the Southern Region, and rural areas being poorer than urban areas (where poverty rates are at 25%). The poor still have poor socio-economic indicators with food security being a continuing threat to better life. Female headed households are worse off and income inequality persists in Malawi with the richest 10 percent of the population having a median per capita income that is eight times higher (MK50,373 per person per annum) than the median per capita income of the poorest 10% (K6,370 per person per annum). Approximately 30% of the poor moved out of poverty during the period, while 30% of the non-poor moved into poverty. This suggests that there is continued economic vulnerability in Malawi.

On the economic front, the main macroeconomic indicators remained unsatisfactory with the increase of domestic debt stock as a major setback. Lack of fiscal discipline has in the past contributed to unsustainable increase in the domestic debt. The combination of high interest rates and large stock of short-term domestic debt exacerbated pressure in the operation of the budget as most resources went into debt servicing.

The MGDS incorporates lessons learnt from this review while taking into consideration the current political, economic and social developments in the country. It has also been aligned with existing key sectoral strategies and policies from both

¹ The data from the IHS2 is not directly comparable to the past poverty levels. A change in survey instruments and methodology, required an effort to compute the poverty rates for the previous IHS using the current methodology. In this exercise, poverty estimates from IHS1 were estimated using regression models to impute expenditure per capita based on comparably measured household characteristics. The IHS1 poverty rates were calculated at 54%

private and public stakeholder institutions. Government will spearhead the implementation of the MGDS. However, all stakeholders have varying responsibilities in the implementation process to ensure the attainment of the set goals.

MGDS Resource Envelope and Budget Framework

The successful implementation of the MGDS will depend on the resource envelope that will be revised from time to time. The total revenue and grants is currently programmed to average 38.5 percent of GDP for the next five years. Tax revenue is expected to remain at about 21 percent of the GDP in the medium term.

The total government expenditure is expected to average about 39 percent of the GDP in the current MGDS macroeconomic framework. However, capital expenditure still remains low but it is the intention of Government to increase it during the period of the MGDS. In the previous strategies, resource allocations were tilted towards general administration and social services. The emphasis of the MGDS is to balance between economic and social sectors. The overall fiscal balance is expected to average 1.0 percent of the GDP. The MGDS budget framework is supposed to create an enabling environment for private sector development and improve economic infrastructure such as road networks, energy, water systems and telecommunication.

In addition, Government will implement a number of structural reforms to strengthen public expenditure management, tax system and administration, parastatal reform, civil service reform, decentralization, and good governance.

Key Priority Areas of the MGDS

The MGDS contains six key priority areas identified as necessary to achieve its overall objective. Implementation of these key priority areas is expected to enable Malawi to achieve immediate economic growth and wealth creation which are critical for immediate improvement in the economic well-being of Malawians. As outlined above, the key priority areas are agriculture and food security; irrigation and water development; transport infrastructure development; energy generation and supply; integrated rural development; and prevention and management of nutrition disorders, HIV and AIDS.

The key priority area on agriculture and food security has been chosen from theme one on sustainable economic growth. Transport infrastructure development; energy generation and supply; and irrigation and water development; have been taken from theme four on infrastructure development. This emphasizes Government's commitment to achieving immediate economic benefits that would translate into the socio-economic well-being of Malawians in the medium-term. The key priority area on integrated rural development comprises elements of all the five themes of the MGDS. The choice of this key priority area reflects Government's commitment to improving lives of the rural poor through infrastructure development and economic empowerment. Lastly, the key priority area on the prevention and management of nutrition disorders, HIV and AIDS has been isolated from theme three on social development emphasizing Government's commitment to achieving the MDGs. The

six key priority areas are therefore within the five thematic areas and are summarized below:

1. Agriculture and Food Security

Agriculture is the single most important sector of the economy as it employs about 80 per cent of the workforce, and contributes over 80 per cent of foreign exchange earnings. Above all it also contributes significantly to national and household food security. However, agriculture in Malawi is characterized by low and stagnant yields, over dependence on rain-fed farming which increases vulnerability to weather related shocks, low level of irrigation development, and low uptake of improved farm inputs among others. Consequently, Malawi continues to suffer from chronic food insecurity with many of the problems being structural and economic in nature. The goal is therefore to increase agriculture's contribution to economic growth, by not only increasing production for food security, but also for agro-processing and manufacturing for both domestic and export markets.

Agricultural Productivity: It is expected that value adding and smallholder productivity will be increased while orienting smallholders to greater commercialization and international competitiveness. The strategy also envisages increased livestock production to meet domestic demand. Key strategies include: contract farming, strengthening linkages of farmers to markets, creating a balance between domestic and export oriented markets and provide effective extension services.

Agro-processing: The medium term expected outcomes for agro-processing are focused on tea, tobacco, sugar, cotton and wheat.

- **Tea:** Tea production will be increased, especially clonal tea varieties that are competitive at the world market. Focus will be on increasing estate and smallholder profitability and re-investment by uprooting the old varieties and replacing them with the new clonal tea varieties. Tea processing will also be promoted to increase value added and the private sector will take a leading role.
- **Tobacco:** Malawi will maintain a position of market leader in burley tobacco, ensure quality and add value to tobacco through processing and manufacturing. Malawi will also increase production of flue cured and Northern Dark Fired tobaccos by rationalization of fees, creating a more efficient and fair system between farmers and auction floors, strengthening contract farming, and exploring additional markets for tobacco, including tobacco products. Common strategies for smallholder farmers include establishing cooperatives, providing farmers with inputs and better extension services, and irrigation.
- **Sugar:** In the medium term, sugar production will increase by 23 percent. The industry also expects to continue to move up the value chain. The main strategy is to promote out-grower schemes in the sugar industry.
- **Integrated Cotton Industry:** The medium term outcome for the sector is increased production of garments made from locally woven cotton cloth as opposed to imported synthetic fabrics. Key strategies include focusing efforts

on identifying and negotiating trade opportunities at the global level. Due to the highly competitive nature of the industry, it will look for opportunities where it has a comparative advantage and not attempt to replicate all steps in the value chain.

- **Wheat:** There is need to increase wheat production in the country. Since 1991/92 season, annual wheat production has remained below 2000 metric tonnes which is far short of the estimated consumption of 60,000 metric tonnes. The medium term expected outcome is increased production of wheat from the current hectareage of 2000 to 30,000 hectares. The key strategies include encouraging production of improved varieties of wheat, irrigation, processing and marketing.

Food Security

Food will be available for all Malawians in sufficient quantities and qualities at affordable prices. Key strategies will include improving agricultural productivity and increase the variety of food available at household, community and national levels; implementing policies to improve the functioning of the maize markets; improving the ability to import and distribute food through better domestic and regional connectivity; providing means for Malawian's to gain income and put in place effective social protection programs with improved targeting and implement a nutrition strategy while improving coordination and management of food aid.

2. Irrigation and Water Development

Irrigation and water development is key to Malawi due to its direct linkages with agriculture and energy. Irrigation will contribute towards reduction of the over dependence on rain-fed agriculture while proper conservation of water will also contribute towards the generation of electricity. Key strategies include construction and promotion of small and medium scale irrigation schemes to enhance food and cash crop production.

3. Transport Infrastructure Development

Better domestic and regional connectivity entails improving the current state of transport infrastructure. However, the state of Malawi's transport infrastructure is characterized by poor road network, poor and limited access to ports, limited air links, inadequate freight and rail capacity. The inadequacy of the transportation infrastructure results in high costs of production, where transportation represents 55 percent of costs, compared to 17 percent in other less developed countries. With the new policy direction, it is expected that improved transportation will contribute to reduced lead times on export, decreased cost of domestic trucking, lower costs of cross-border and transit trade with neighbouring countries, lower cost to reach domestic, regional and international markets (supply and distribution) and improved mobility and connectivity of rural producing communities to markets.

- **Roads:** In the medium term, efforts will be on improving mobility and accessibility of the population to key road corridors within Malawi and out of Malawi while facilitating the improved mobility and accessibility of rural communities to goods and services at low cost.

- **Water transport:** The key medium term outcome for water transport is improved inland shipping network that is active in local and international shipping, trade and tourism in a safe manner while protecting the environment. Efforts will be directed towards plans to navigate the Shire so that the country could have direct access by water to the ports along the Indian Ocean through the Shire-Zambezi Waterway.

4. Energy Generation and Supply

Energy is a crucial input into any industrial processing and serves as the life-blood for any economy. Malawi is relatively well endowed with a wide variety of energy resources but a full potential of the energy sub-sector remains far from being realized owing to a number of structural, operational and institutional challenges. The provision of energy in Malawi is inadequate, unreliable and inaccessible to all who need it largely on account of lack of competition in the sector, non-functioning power plants and inability to generate sufficient amounts of energy. The objective of the MGDS is to reduce the number and duration of blackouts, increase access to reliable, affordable electricity in rural areas and other targeted areas, improve coordination and the balance between the needs for energy and those of other high growth sectors such as tourism and mining.

5. Integrated Rural Development

The MGDS recognizes that broad based economic growth and development cannot be achieved if rural areas with potential for growth are sidelined. In this context, Government will strive to promote the growth of rural growth centers. The objective is to re-distribute wealth to all citizens while also mitigating the negative consequences of rural-urban migration. The long-term goal is to develop rural growth centers to contribute effectively to economic growth through the creation of employment opportunities thereby enhance the redistribution of wealth to all citizens and reduce rural-urban migration. In the medium-term it is expected that developed rural growth centers will create employment that will enhance incomes for rural communities and in-turn reduce rural-urban migration trends. Emphasis will be placed on infrastructure development such as roads and communications, energy supply, agro-processing and manufacturing. This is envisaged to promote private sector investment that will create employment and improve incomes of the rural people.

6: Prevention and Management of Nutrition Disorders, HIV and AIDS.

HIV and AIDS: The MGDS incorporates strategies of the National Action Framework on AIDS and the UNAIDS three-ones principles – one agreed action framework, one national AIDS coordinating authority, and one agreed country level monitoring and evaluation system. It seeks to not only halt and reverse the spread of HIV and AIDS, but also to decrease the negative impact of the epidemic on people living with AIDS and reduce the economic and social consequences for those who care for people living with HIV and AIDS.

Malawi like many other Sub-Saharan African countries has been severely affected by HIV and AIDS. Its impact remains devastating and the country's efforts are inadequate given the pace of the spread of HIV and AIDS. Poverty and HIV and AIDS are reciprocally influenced. The national adult HIV prevalence in the reproductive age group of 15-49 years has slightly declined from 14.4percent in 2003

to 14.0 percent in 2005. The country still faces a number of challenges in containing the spread and impact of HIV and AIDS on development. Key constraints in containing the HIV and AIDS scourge are: hunger and poverty which make individuals more vulnerable to infection; inadequate supply of Anti-retrovirals (ARVs) and access to nutritious diets.

The long-term goal is to prevent further spread of HIV and AIDS and mitigate its impact on the socio-economic and psychosocial status of the general population and high risk groups. It is expected that in the medium-term there will be behaviour change of people particularly the high risk groups, increased number of people accessing voluntary counselling and testing (VCT), improved health status or extended life of the infected people through increased uptake of ARVs and nutrition therapy.

Nutrition: In the medium term, efforts will focus on ensuring effective utilization of quality food and the biological utilization of nutrients in the body; reduced levels of malnutrition among all Malawians; reduced incidences and cases of dietary related non-communicable diseases and micro-nutrient disorders; and increased productivity and availability of food crops. Key strategies include enhancing coordination of nutrition programmes, building capacity for nutritionists and dieticians, and community nutrition workers.

Interaction of Nutrition, HIV and AIDS: The HIV and AIDS pandemic has compounded the dual burden of malnutrition and disease. It increases the body's need for micronutrients, calories and protein while simultaneously decreasing the body's ability to work. This means that as more nutritious food is needed within a household, less labour is available with which to produce or obtain it. This leads to less nutritious food for everyone else in the household and inadequate diet for the person living with HIV and AIDS. The long-term goal is to improve the nutritional status and support services for people living with and affected by HIV and AIDS. In the medium-term, It is expected that there will be increased knowledge of the interaction between nutrition and HIV and AIDS; improved and diversified dietary practices for people living with HIV and AIDS; and increased provision of HIV and AIDS-related nutrition interventions.

Other Focus Areas of the MGDS

In addition to the six key priority areas described above, the MGDS also focuses on areas of health, education, gender, environment, governance and protection of the vulnerable among others. The MGDS recognizes that a healthy and educated population is necessary if Malawi is to achieve sustainable development. In this regard, the MGDS also seeks to achieve and sustain Millennium Development Goals (MDGs). Areas of focus include the provision of the essential health package, and development of health infrastructure. In education, emphasis is on providing adequate learning and teaching materials, rehabilitation and construction of modern schools at all levels. The MGDS also focuses on good governance as it is a prerequisite for achieving sustainable economic growth and development. Furthermore, the MGDS recognizes that equal participation in economic activities and sustainable management of the environment are critical for the development of the country.

It is also a fact that while most may benefit from economic growth and development, some may be left out due to their inability to actively participate in the development

process. Government has put up plans to provide social protection to these marginalized groups of people. These include the elderly, women, people with disabilities and children. Social protection programmes will be developed in line with human capital needs to transform these groups to access social basic needs.

Malawi Growth and Development Strategy Framework

The five broad themes are: sustainable economic growth; social protection; social development; infrastructure development and improving governance. The rest of the focus areas are within these themes as outlined below:

Theme One: Sustainable Economic Growth

The achievement of sustainable economic growth is necessary if the vision of creating wealth and employment, transforming the country from a predominantly consumption-based economy to a predominantly production-based economy, and turning it into a middle-income economy is to be achieved. To this end, Malawi will seek to increase domestic and foreign private investment in productive sectors. It will also seek to promote exports by addressing supply-side constraints, to diversify the economy and ensure that this growth is shared among all Malawians. The strategy for sustainable economic growth requires action on multiple fronts. In order to generate immediate economic benefits for the people, Government will in the short to medium term prioritise agricultural productivity of key crops such as maize, tobacco, tea, sugar and cotton to improve the food security situation and agro-processing for export. As such issues of agriculture and food security have been isolated as a key priority area as outlined above. The rest of the other focus areas are as below:

Sub-Theme One: Maximizing the contribution to economic growth through the potential sectors of growth

High growth sectors will be positioned to realize economic growth in the longer term (by taking away constraints to growth) and increase employment in the medium term.

- **Tourism:** Malawi will be established as a principal and leading eco-tourism destination in Africa and domestic tourism will be increased. Strategies to be pursued include: increasing capacity to service additional tourists in international competitive accommodations; improving transportation links to tourism destinations; increasing attractiveness of national parks for tourism and eco-tourism and improving tourism marketing regionally and internationally.
- **Mining:** In the medium term, production will be increased and efforts geared towards value adding by all miners. The main strategies for mining include: developing a functioning institutional setting to promote mining, ensuring compliance by small, medium and large scale miners with environmental and safety standards; supporting small scale miners by integrating them in the minerals market and increasing their value added; and increasing investment by private sector companies in medium and large scale mining.
- **Manufacturing:** The medium term outcome is to lay the foundation for manufacturing to take off. Key strategies include: improving the quality of products and productivity of both labour and capital; enhancing skills through better integration of science and technology into vocational training;

improving standard certification capacity; developing additional incentives for investment including redefining the roles and responsibilities of support institutions.

Sub-Theme Two: Enabling environment for private sector led growth

The private sector is a recognized engine of growth. It is expected that in the medium term, there will be: an increase in the number of firms that are producing goods that are competitive in regional and international markets, in terms of both product quality and price; and that the number of Malawian firms which are contributing to exports will increase as will the supply of goods for the domestic market.

The key strategies include: addressing the infrastructure constraints; ensuring sustained macro-economic growth; improving vocational training through the current educational system; and updating equipment to meet international certification standards; implementing tax reforms as defined by the tax review; and improving coordination for domestic and international investors to resolve problems in accessing information.

Sub Theme Three: Export Led Growth

Malawi continues to be a member of both SADC and COMESA. The national export strategy will include promoting production of goods and services where Malawi has comparative advantage to take advantage of the existing regional markets. Key strategies include: reducing the cost of reaching external markets by focusing on linkages to Mozambique through the Shire Zambezi waterway, reduced restrictions on air transport; reducing lead times on export and improve efficiency of customs operations, improve marketability of export products through improved certification, trade network and information for export.

Sub Theme Four: Conserving the Natural Resource Base

This strategy recognizes that sustainable use of natural resources contributes to many of the goals in the MGDS. This includes fisheries, forestry, and the environment.

(a) Fisheries: Malawi will ensure sustained fish availability for food as well as income generation. Key strategies include: increasing and sustaining the productivity of small and large scale fisheries for both domestic and export markets; enforcing legislation to ensure sustainable production of fish; promoting the use of modern techniques of fishing; capacity building through community training; and development of small scale fish farming and deep-water fishing.

(b) Forestry: The country will ensure sustainable use and management of forestry resources. Key strategies include: improving productivity and value added by the industrial forestry sector; increasing reforestation efforts for key areas; improving enforcement of regulations for forestry management; initiation of reforestation and environmental rehabilitation programmes in priority areas; and introducing incentives for private sector participation.

c) Environmental Protection: Efforts for environmental protection will focus on improving compliance with environment and natural resource management laws. Key strategies include: improving enforcement of environmental policies, legislation and cooperation in environmental, natural resource management and development; raising awareness of issues of protecting the environment; and incorporating

environmental concerns in school curricula and establishment of an environmental management information system.

(d) **Wildlife:** The overall goal is to conserve and manage protected areas and wildlife. In the medium term, the sub-sector is expected to conserve, manage and develop wildlife resources to effectively contribute towards sustainable development of biodiversity and the tourism industry in Malawi.

Sub Theme Five: Economic Empowerment

The productivity of rural communities and businesses will increase to enhance employment and income especially by increasing number of women and youths who actively participate in economic activities. Key strategies include: targeting infrastructure development to ensure that rural communities are linked to markets; developing rural cooperatives to lower transaction costs and helping communities with collective bargaining; strengthening the policy environment for micro-finance, including improved coordination of donor programs; offering vocational and other training for small businesses; and targeting women's participation in economic growth activities.

Sub Theme Six: Land and Housing

The MGDS recognizes the importance of land as a basic factor of production as well as the sole source of livelihood for the majority of Malawians. However, inadequate access to land by majority of Malawians has been identified as one of the critical factors contributing to poverty in the country. The goal in the long term is to ensure tenure security and equitable access to land for the attainment of broad-based social and economic development through optimum and ecologically balanced use of land and land-based resources. It is expected that in the medium term there will be an efficient use of land and land-based resources and equitable access to land by all productive Malawians and other investors. Among the key activities, there will be need to promote and facilitate opportunities for lowering land transaction costs and enhance the operation of effective land markets, and support the privatisation of some land services in an effort to encourage the development of private sector participation in land sector activities.

Theme Two: Social Protection & Disaster Risk Management

Protecting the most vulnerable will require action on four fronts namely:

- Caring for the most vulnerable with limited factors of production (malnourished under-five children, school-going children, orphans, pregnant and lactating mothers, and destitute families);
- Preventing the vulnerable from slipping into poverty due to economic shocks;
- Increasing the assets of the poor to enable them to engage in economic development activities; and
- Preventing disasters where possible and mitigating the negative impact of disasters on the vulnerable.

Sub Theme One: Protecting the vulnerable

Protection of the vulnerable is designed to ensure that the most vulnerable people with limited factors of production are sufficiently cushioned through programmes to improve health and nutritional status of under-five children, school-age children,

orphans, pregnant and lactating mothers and destitute families. The strategy will also focus on improving planning and integration of knowledge on the needs of the chronically poor; provision of opportunities for the poor farmers and rural communities to graduate from poverty by facilitating their integration in mainstream agricultural productivity and enabling them to accumulate wealth.

Sub Theme Two: Improving Disaster Risk Management

The main aim is to reduce the socio-economic impact of disasters as well as build a strong disaster management mechanism. The key strategy is enhancing disaster management, planning, and response. Among others, efforts will be made to promote the integration of disaster risk management into sustainable development planning and programming at all levels.

Theme Three: Social Development

The MGDS recognizes that human development is important if the country is to achieve its economic growth and development agenda. In addition, Malawi seeks to achieve and sustain MDGs which are also long-term targets and aspirations for the people of this country. As such, building a healthy, educated and gender sensitive population is a priority for Malawi. The strategy recognizes the interrelated nature of issues such as health, HIV and AIDS, nutrition, education, and gender hence the need to deal with these in a coherent and balanced manner. The overall goal is, therefore, to develop human capital for full participation in the socio-economic and political development of the country.

The prevalence of HIV and AIDS in Malawi is very alarming. The country ranks as the 9th country in the world affected by the HIV and AIDS pandemic. The epidemic continues to grow as displayed by high annual infection rates at close to 100,000, especially among youths; high HIV and AIDS morbidity and mortality rates; increasing mother-to-child transmission; increasing number of destitute orphans at 70,000 being added annually; child headed households currently accounting for 15.0 percent; and increased absenteeism and manpower attrition. This situation is made worse with high rates of malnutrition resulting in increased nutrition disorders. It is for these reasons that Government has made the prevention and management of nutrition disorders, HIV and AIDS a key priority area for the next five years. Therefore, the sub themes on HIV and AIDS and nutrition are discussed under key priority areas above and in more detail in chapter 4.

Sub Theme One: Health and Population: Improving health requires a multifaceted approach with a combination of preventive, educational and clinical measures. Key strategies include: increasing and retaining the number of well qualified health personnel; increasing availability and supply of drugs and preventing theft of drugs and equipment; improving health facilities and equipment; and improving financial management, monitoring and supervision of health care services.

Sub Theme Two: Education: In the education sector, emphasis will be on equipping students, especially at primary school level with basic knowledge and skills to enable them function as competent and productive citizens; to provide academic basis for gainful employment in the informal, private and public sectors; and to produce high quality professionals with relevant knowledge. Key strategies include the provision of

teaching and learning materials, training of teachers, and construction of appropriate classrooms.

Sub Theme Three: Gender: The overall priority goal is to mainstream gender in the national development process to enhance participation of women and men, girls and boys for sustainable and equitable development. Key strategies include undertaking affirmative measures to include women in decision-making positions; and promotion of advocacy for gender equality.

Theme Four: Infrastructure Development

Infrastructure is critical to achieving the growth and social objectives of this country. The MGDS is focused on five main areas of infrastructure, namely: transport; energy; water and sanitation; information and communication technologies; and science and technology research. All these are seen as prerequisites for the achievement of economic growth and development. However, Government has prioritized transport infrastructure in roads and the Shire-Zambezi Waterway for the next five years. Particular emphasis is being placed on reducing transportation costs by connecting production areas to both domestic and export markets. Energy generation and supply, irrigation and water development have also been identified as priority areas within the infrastructure theme. It is a national consensus that unless Malawi improves its energy generation and supply, particularly electricity, the MGDS will remain a mere dream. Equally so is the realization that the country needs to shift towards irrigation development in order to reduce over-dependence on rain-fed agriculture that has left this country vulnerable to weather shocks. In light of this, Government has also isolated energy generation and supply, and irrigation and water development as key priority areas of the MGDS. The other focus areas within infrastructure development are as follows;

Sub Theme One: Air and Rail Transportation

(a) Air Transport: Air transport is the most efficient and effective means of transportation in the world. However, Malawi faces a number of constraints such as airfreight costs which are higher than neighbouring countries, and landing rights restrictions and fees are prohibitive hence uncompetitive. While Malawi is striving to become a productive exporting economy the status of international airport facilities are in poor condition. In light of this, the focus of the medium term will be to ensure that the international airports conform to international standards through the provision of the relevant services and facilities. The goal in the long term is to reduce the cost of air transportation while ensuring international competitiveness.

(b) Rail Transport: Rail transport still remains the cheapest form of transport in Malawi. However, its usage is limited but has potential for growth especially for moving both domestic and international cargo. The long-term goal is to have an efficient, affordable and effective rail network that eases pressure from the road network and provides an alternative means of transport both to people and transportation of goods. It is expected that in the medium term, the rail sub-sector will be a well-managed, viable and sustainable system that promotes accessibility as well as affordable and reliable movement of goods and people.

Sub Theme Two: Information, Communication and Technology (ICT)

Telecommunications: The long term goal is to have a well developed, affordable and efficient telecommunications system accessible to those who need it. The expected medium term outcomes will be an effective, affordable and efficient telecommunications system. Key strategies include: developing a system that is conducive to business operations; and enacting appropriate legislation that promotes interest of new entrants.

Information Technology: In the medium term, the country shall have developed ICT infrastructure and improved e-governance. Broadcasting by radio and television will be the main focus for disseminating information to the public.

Sub Theme Three: Research, Science and Technology

The goal is to attain sustainable socio-economic development through the development and application of science and technology in order to improve industrial productivity and quality of goods and services.

Theme Five: Improving Governance

Good governance requires action on seven fronts as follows:

- Achieving and sustaining macroeconomic growth,
- Strengthening public policy formulation and implementation in a transparent and responsive manner,
- Improving service delivery and accountability at the local level through decentralization,
- Developing a strong justice system and rule of law,
- Ensuring personal security,
- Establishing an institutional setting for good corporate governance, and
- Promotion of human rights.

Sub Theme One: Macroeconomic Growth

The goal is to sustain economic growth, reduce dependency on foreign aid and generate investor confidence. In the medium term it is expected that Malawi shall achieve a stable environment with low inflation, lower interest rates, stable and non-volatile exchange rates, sustainable domestic and external debt.

Sub Theme Two: Public Policy Formulation, Fiscal Management, Public Sector Management, and Corruption:

In Malawi, the public sector has in the past been characterised by poor management that has generated inefficiencies in the delivery of public goods and services. Government and its development partners are already addressing some of the challenges with interventions such as wage policy reforms, civil service reforms, capacity constraints and eradicating corruption.

Sub Theme Three: Decentralization:

In the medium term it is expected that local assemblies will be in full control of community planning at district level, ensure effective accountability and good governance, vibrant monitoring and evaluation system, clear and strengthened linkages of various policy reforms, and reduced conflicts of roles among various stakeholders at the district level.

Sub Theme Four: Developing a strong justice system and rule of law:

It is expected that Malawi shall have a more responsive and effective judicial authority with sustained administration of justice, increased public confidence in the judicial system and improved ability of private sector to obtain equitable and fair settlement of disputes in reasonable time and at reasonable cost.

Sub Theme Five: Security: In the medium term, emphasis is to prevent and reduce crime levels. Key strategies include: improving the responsiveness of police to communities security needs by reducing the police-population ratio through recruitment and training of more officers; promoting effective prosecution and punishment; effective crime detection, investigation and prevention through the provision of adequate technical and financial support to the police; strengthening partnership for risk management between private sector and the police for protection of business property; and enhancing community integration and participation in crime prevention, and detection through civic education.

Sub Theme Six: Corporate Governance: The implementation of the code of best practices on corporate governance in the medium term is expected to enhance private sector performance through reduced corruption and fraud and improve investor perceptions of Malawi as an attractive investment destination. This is expected to translate into increased levels of domestic and foreign direct investment. Key strategies include: popularising the need and role of the Institute of Directors to play a leading role in facilitating the adoption of good corporate governance code of best practices; mobilization of private sector support for this initiative which will facilitate the sustainable operations of the new institution and its operations.

Sub Theme Seven: Human Rights

Human rights are an integral part of the overall national development agenda. However, awareness of human rights is a concern among many people in Malawi. MGDS recognizes that empowering the most vulnerable groups that form the larger part of the population can effectively contribute to social, economic and political development of the country. In this regard the MGDS will therefore also focus on public awareness of human rights and acknowledgement of human rights responsibilities.

MGDS Implementation, Monitoring and Evaluation

The MGDS implementation will involve all stakeholders including; the Executive, Parliament, Judiciary, civil society organisations, private sector and the general public. It is expected that donors and co-operating partners will align their support and activities to the MGDS. The main tool for implementing the MGDS will be the annual national budget through medium term expenditure framework. The Public Sector Investment Programme (PSIP) will be aligned towards the medium term outcomes

and strategies in the MGDS. Budget submissions that either include activities outside the MGDS or exclude activities inside MGDS will be rejected. The monitoring of MGDS will be in accordance with the monitoring and evaluation master plan developed by Government in collaboration with the donor community. The stakeholders will align indicators in accordance with the MGDS themes and sub themes. The Government will also strengthen monitoring and evaluation capacity at the Districts and Town Assemblies level and enforce regular maintenance of infrastructure.

Chapter 1

INTRODUCTION

1.1 Overview

The Malawi Growth and Development Strategy (MGDS) is the overarching strategy for Malawi for the next five years from 2006/2007 to 2010/2011 fiscal years. It is the overarching operational medium-term strategy for Malawi designed to attain the nation's Vision 2020. The main thrust of the MGDS is to create wealth through sustainable economic growth and infrastructure development as a means of achieving poverty reduction. It presents a policy framework that articulates issues related to both economic growth and social development. The policy mix of the MGDS is aimed at achieving the medium-term development objectives of sustainable economic growth and infrastructure development. The purpose of the MGDS is to serve as a single reference document for policy makers in Government, the Private Sector, Civil Society, Donors and Co-operating Partners on the country's socio-economic development priorities.

To ascertain immediate economic benefits for the people of Malawi, the MGDS will in the next five years place emphasis on six key priority areas of agriculture and food security; irrigation and water development; transport infrastructure development; energy generation and supply; integrated rural development; and prevention and management of nutrition disorders, HIV and AIDS. These six key priority areas are also expected to accelerate the attainment of the Millennium Development Goals (MDGs) in the areas of health, education, gender, environment, and governance. These six key priority areas have been selected from the broad MGDS framework of five thematic areas namely; sustainable economic growth; social protection; social development; infrastructure development and improving governance. The MGDS recognizes that issues of HIV and AIDS, science and technology, gender, empowerment and environment are cross cutting hence have been streamlined within the six thematic areas.

The MGDS is a product of a highly consultative and participatory process that identified specific strategies and focus actions that will be pursued and implemented in the medium-term in order to attain the aspiration of the nation as articulated in the Vision 2020. The MGDS builds on the Malawi Economic Growth Strategy (MEGS) that emphasized the need to create a conducive environment for private sector investment to stimulate economic growth. The MGDS also incorporates lessons learnt from the implementation of the Malawi Poverty Reduction Strategy (MPRS). The MGDS has also been aligned with existing key sectoral strategies and policies from both private and public stakeholder institutions.

Government will spearhead the implementation of the MGDS. However, all stakeholders have varying responsibilities in the implementation process to ensure the attainment of the set goals.

1.2 Main Assumptions of the MGDS

The main assumptions of the MGDS are as follows;

- Malawi achieves a sustainable macroeconomic growth within a stable political and economic environment.
- Malawi attains a minimum annual growth rate of 6.0 percent of Gross Domestic Product (GDP) in order to meaningfully reduce poverty.
- Malawi qualifies for debt relief under the Highly Indebted Poor Countries (HIPC) and Multilateral Donor Debt Relief Initiative (MDDRI).
- Private sector invests and actively participates in socio-economic development activities.
- Public and private sector investment in infrastructure as a pre-requisite for the creation of an enabling environment is realized and institutionalised.
- There are adequate resources and capacity to provide educational needs at all levels, delivery of essential health package, prevention and mitigation of the socio-economic impacts of HIV and AIDS.
- Good governance is entrenched and institutionalised to avoid wastage of scarce financial and other resources that would have otherwise contributed to the achievement of sustainable economic growth and development.
- Effective social protection programmes are designed to mitigate negative side effects of growth and development.
- There is political will and change of mindset to enforce the implementation of the national strategy over its period.

1.3 Outline

The MGDS is organized as follows: Chapter 1 informs the introduction, which presents an overview and main assumptions. Chapter 2 is the background and provides the purpose, objectives and rationale of the MGDS. Chapter 3 summarizes macroeconomic environment within which the MGDS will be implemented and chapter 4 presents the key focus areas of the MGDS. Chapter 5 outlines the strategic framework of the MGDS and outlines in detail the five thematic areas. Finally, chapter 6 presents the implementation, monitoring and evaluation framework of the MGDS.

Chapter 2

BACKGROUND

The MGDS is not a stand-alone policy document. It has been derived on the basis of the current long-term policy goal of the country prescribed in the Vision 2020 and past experiences in the implementation of medium term development objectives such as the MPRS and MEGS. The MGDS is not an alternative to MPRS or MEGS or the Vision 2020, but rather an implementable medium term strategy that translates the goals and objectives that emerged from a nation-wide consultation process and are reflected in Vision 2020. It intends to build a broad political consensus on the direction for economic growth and wealth creation.

2.1 Malawi Vision 2020

In the late 1990s, Malawi developed the Vision 2020, which was launched in 2000. This policy framework sets out a long-term development perspective for Malawi. It emphasizes long term strategic thinking, shared vision and visionary leadership, participation by the population, strategic management and national learning. The Vision 2020 states that “by the year 2020 Malawi as a God fearing nation, will be secure, democratically mature, environmentally sustainable, self-reliant with equal opportunities for and active participation by all, having social services, vibrant cultural and religious values and a technologically driven middle-income economy”. The fundamentals of the MGDS are based on the shared Vision 2020 and commitment of Malawians to improve their economic welfare.

2.2 Malawi Poverty Reduction Strategy

In May 2002, the Government launched the MPRS which presented a first attempt to translate long-term strategy of Malawi Vision 2020 into medium term focused action plans. The MPRS became the overarching medium term strategy of the Government for reducing poverty in the country. The goal of the MPRS was to achieve “sustainable poverty reduction through empowerment of the poor.”

The MPRS was built around four strategic pillars namely: sustainable pro-poor growth; human capital development; improving the quality of life of the most vulnerable; and governance. In addition, it had four key cross cutting issues namely: HIV and AIDS, gender, environment, science and technology. The implementation period for the MPRS was for a period of three years and it came to an end in the fiscal year 2004/05.

In the second half of 2005, the MPRS was reviewed to draw lessons from its implementation. These lessons are summarized in the report “Comprehensive Review of the MPRS 2005” and its findings informed the strategic direction of the MGDS. The notable achievement of the MPRS was the decline in poverty levels from 54.1 percent to 52.4 percent. Also important was the fact that Ministries and Departments tried to implement their activities in line with the MPRS framework. However, there were some short falls that hampered the implementation process. These included failure by Ministries and Departments to translate the activities into the budget and

MTEF, slow implementation of the devolution process, and that funding was not based on pillars.

2.4 Malawi Economic Growth Strategy

Under the first pillar of the MPRS, sustainable pro-poor growth, stakeholders noted that the strategies and actions were insufficient to achieve sustained annual economic growth of at least 6 percent. Further, the 2002/03 MPRS review revealed that housing and land policy issues among others were not well articulated to contribute effectively to broad based growth. While it identified certain sectors in terms of their growth potential, it neither focused on eliminating obstacles to growth on an economy-wide basis, nor did it sufficiently articulate the role of the private sector. Therefore, in July 2004, the Government of Malawi developed the MEGS in close collaboration with the private sector. The MEGS was not designed as an alternative to the MPRS, but rather as a complement to strengthen pillar one through investments that would directly impact on economic growth.

The MEGS was indeed a joint realisation by Government and the private sector that the Malawi economy had been registering negative growth and that something had to be done in order to reverse the trend. Hence, the rationale for growth and diversification for Malawi was compelling because rapid broad-based growth was necessary to reduce poverty. Rapid broad-based growth was intended to expand the sectoral sources of growth, deepen and sustain the gains to be made from agriculture, and make the economy less susceptible to external shocks like weather, changes in terms of trade, political developments in the region, and fluctuations in external aid flows.

The MEGS identified and prioritised key potential sectors that could generate growth in addition to the core agricultural sectors of tobacco, sugar and tea. These included tourism, mining, manufacturing with particular emphasis to agro-processing, cotton, textiles and garments. The MEGS also emphasized the need for the creation of favourable environment for private sector participation as it envisaged that the private sector was the engine of growth in the modern liberalised and globalised world.

The MEGS focused on strategies and actions that did not require substantial additional spending by Government and instead could be achieved through refocusing of existing resources and by developing a more conducive set of policies that would stimulate private sector investment and trade in the immediate future. It was envisaged, in the medium term, that donor organisations would have a key role to play in creating a conducive environment for economic growth by supporting policy reforms and providing resources to support Government during the transitional period.

2.5 Millennium Development Goals

Malawi as a nation remains committed to achieving the Millennium Development Goals (MDGs). The MGDS, being an over-arching strategic policy document for the next five years has been developed with strong linkages to achieve the MDGs. The emphasis to promote economic growth and development does not in anyway

substitute the need for providing social services which are particularly important to achieving the MDGs but rather it is envisaged that the benefits of economic growth will generate sustainable means for the provision of basic human needs to enable Malawi achieve the MDGs.

The MGDS has attempted to translate the MDGs for Malawi in a localized context. All MDGs are therefore addressed in the strategy within the targets and strategies in that localized context. These MDGs are important to Malawi as they reflect improvements in the wealth and welfare of the people of Malawi. The MGDS recognizes the importance of the MDGs hence its strategies have been aligned to the MDGs outcomes as follows:

- **Poverty:** The goal of the MGDS is to decrease poverty by 8.0 percent through a combination of: economic growth, economic empowerment and food security so that Malawians are less vulnerable to economic shocks; and take measures to protect those who temporarily fall into poverty through measures that increase assets for the poor. The strategy seeks to control fluctuations in poverty due to economic shocks to ensure that those who graduate from poverty stay above the poverty line and those above it do not fall into poverty.
- **Hunger:** The MGDS seeks to directly decrease the proportion of the population who suffer from hunger and to improve their nutritional status. Cycles of hunger are a factor in people moving into poverty. Food security is therefore one of the key priorities;
- **Education:** The MGDS seeks to increase enrolment to 95 percent and reduce the drop out rate to 5 percent by 2012. At the primary school level it is expected that there will be substantial reduction in absenteeism, repetition and dropout rates and high quality and relevant education. At the secondary and tertiary levels it is expected that there will be increased access and improved quality and relevant education for both sexes and people with special needs.
- **Gender:** The MGDS addresses gender by integrating targeted programs for women to enable women be part of economic growth such as targeted programs for business development and micro-finance. The strategy for gender directly targets mainstreaming gender into the programs of Government and disaggregates information by gender.
- **Child Mortality:** The MGDS addresses child mortality through improved access to essential health care services including integrated management of childhood illness and immunization, for example, oral rehydration therapy and antibiotics for diarrhoeal disease and acute respiratory infections. In addition, the strategy seeks to increase access to clean water and sanitation, improve the nutritional status of children and ensure food security;
- **Maternal Mortality:** The MGDS recognizes that little progress has been made on maternal mortality. It, therefore, seeks to improve the antenatal care and basic emergency obstetric care. Measures are being taken through the Health Sector Support Program to directly tackle health-related issues for maternal mortality. It

is recognized that economic empowerment will also enable women to access better care services;

- ***HIV and AIDS:*** The MGDS incorporates the strategies of the National AIDS Framework and the three ones. It seeks to not only reduce the prevalence and incidence of HIV and AIDS but also decrease the negative impact of HIV and AIDS on people living with AIDS and to reduce the economic and social consequences for those who care for people living with HIV and AIDS;
- ***Malaria:*** The MGDS is tackling malaria through improvement of essential health care services, and realizing efficiency gains. It is expected that malaria incidences will decrease while the treatment of malaria will improve;
- ***Environmental Sustainability:*** The MGDS recognizes that managing natural resources is an essential aspect of environmental sustainability. Thus, not only does the strategy directly consider environmental sustainability in forestry resources and fisheries, enforcement and education of environmental standards, but also it seeks to identify areas, such as eco-tourism, which have a positive spill-over effect on economic sustainability; and
- ***Access to water:*** The MGDS seeks to improve access to clean water and sanitation in line with the MDGs. Malawi intends to increase access to water within 500m distance for all people, and thereby ensuring that basic water requirements of every Malawian are met while the country's natural ecosystem is enhanced.

The new emphasis in the policy direction does not necessarily imply a decrease in investment in the social sectors, but rather it seeks to strike an appropriate balance between investment in economic and social sectors. This would be achieved through reallocation of expenditure from non-priority sectors such as general administration to economic services and investment in productive sectors such as transport, energy and agriculture. In addition, it is recognized that intra social sector investment would be prioritised, stressing efficiency and effectiveness of social investment.

2.6 Malawi Growth and Development Strategy Formulation Process

The Cabinet set up a Steering Committee to translate the Government's vision for Malawi into an operational strategy for the medium term. The Steering Committee in turn set up a Technical Working Group (TWG) to lead the formulation of Malawi Growth and Development Strategy. The consultation process for preparing MGDS was done in two phases. The first phase started with internal Government discussions in order to develop a framework for further consultations. The priorities and approach of the strategy benefited from working sessions within Government and available data and evaluations of the implementation of the MPRS. A number of consultative meetings and workshops were held with all stakeholders to seek their input in the strategy.

The second phase of the consultations involved the interface between the TWG with the MPRS Review Team. The findings of the comprehensive review of the MPRS whose consultations sought feedback from civil society on its implementation was

incorporated into this document. In addition, the MGDS incorporated inputs from Integrated Household Survey, Malawi Demographic and Health Survey and the Malawi Poverty Vulnerability Analysis. Further consultations were held with other stakeholders that included Government, Parliament, Judiciary, private sector, civil society, donors and co-operating partners and the general public.

2.7 Malawi Growth and Development Strategy Framework

The Strategy is centered on achieving strong and sustainable economic growth in the medium-term. The MEGS has particularly informed the development of MGDS themes one and four on sustainable economic growth, and infrastructure development in order to achieve this objective. It is expected that the continued implementation of the MEGS strategies will generate immediate economic benefits that will translate into the well being of Malawians. The focus on infrastructure development will be key to enable private sector operate effectively and efficiently in the economy. The MGDS also emphasizes on building a healthy and educated human resource base, protecting and empowering the most vulnerable. As such themes two and three on social protection and social development are designed to achieve this objective. The successful implementation of the MGDS will depend on good governance environment within which there is a sound economic environment, high quality service delivery, effective institutions and rule of law, an efficient and effective public sector, and reduction in corruption. These issues have been comprehensively articulated in theme five on improving governance.

For each of the thematic strategy areas, a detailed matrix has been developed and is presented in Annexes to this document. These matrices show the relationship between the longer term goals for Malawi, the expected medium term outcomes that should result from the priority actions and move the country closer to realizing the longer term goals, the constraints to achieving the expected medium term outcomes, and the proposed strategies and actions to address the constraints.

The detailed matrices have been translated into a policy matrix which summarizes how the Government, in partnership with all stakeholders will implement the MGDS. The actions in the policy framework are priority actions that will feed into the yearly budget. Monitoring of progress on the actions, outputs, and expected outcomes will enable the strategy to be changed as conditions change during implementation while maintaining policy coherence over the period.

2.8 Poverty, Social Profiles and Vulnerability

Poverty has not changed significantly for the past seven years. According to Integrated Household Survey 2004/05, the current status of poverty shows that 52.4 percent of the population live below the poverty line². This translates into about 6.3 million Malawians who are poor, with the poorest people in the Southern Region and rural areas poorer than urban where poverty rates are at 25.0 percent. The poor still have poor socio-economic indicators with food security a continuing threat to better life, ability to integrate the poor into the economic fabric, and problems of

² The data from the IHS2 is not directly comparable to the past poverty levels. A change in survey instruments and methodology, required an effort to compute the poverty rates for the previous IHS using the current methodology. In this exercise, poverty estimates from IHS1 were estimated using regression models to impute expenditure per capita based on comparably measured household characteristics. The IHS1 poverty rates were calculated at 54%

malnutrition. As can be seen from Table 2.1 below, improvements in health indicators have been unsatisfactory.

Female headed households are worse-off and income inequality persists in Malawi with the richest 10 percent of the population having a median per capita income that is eight times higher (MK50,373 per person per annum) than the median per capita income of the poorest 10 percent (K6,370 per person per annum). However, the overall poverty figure masks fluctuations in poverty. That is approximately 30 percent of the poor moved out of poverty during the period, while 30 percent of the non-poor moved into poverty. This suggests that there is continued economic vulnerability in Malawi. In general, communities have experienced a decline in social and economic growth in the last 10 years. Malawi also has a very young and rapidly growing population, and this is a key factor explaining Malawi's high and persistent poverty. More than half of the poor in Malawi are children. Malawi's total population in 2005 was estimated at 12.3 million, of which about 60 percent is under the age of 20. Poor households in Malawi are generally larger than non-poor households. When looking at average household size by income decile, the relationship is evident. Households in the poorest decile are more than twice as large as households in the richest decile.

Table 2.1 : Trends of selected health indicators for Malawi

Indicator	Baseline	MPRS target	Current situation
Maternal mortality rate	1,120/100,000 deliveries	400/100,000	1120/100,000
Deliveries conducted by trained health personnel	56%	-	58%
Contraceptive prevalence rate	25%		33%
Infant mortality rate	104/1,000	90	76
Under five mortality rate	189	150	133
Fertility Rate	6.3	5.5	6.0
Children underweight (%)	30	20%	22%
Under 1 immunization rate	54%	-	55%
ITN Coverage	13%	-	42%

Source: DHS 2005

In addition, social indicators have not improved significantly in the past several years. The MGDS is to reduce poverty levels of the country by 8 percent during the implementation period by creating necessary opportunities for development.

The Poverty Vulnerability Assessment for 2006 suggests that the major factors affecting the level of household poverty are:³ household size, education, access to non-farm employment, access to irrigation, proximity to markets and trading centers, and access to tarmac roads. Access to larger landholdings and engagement in cash crop production also play an important role.

Recent trends in human development indicators broadly support the fact that there has been little progress in reducing poverty. The Human Development Index has stagnated since the mid-1990s. While there have been improvements in the education and literacy, several health indicators have worsened over the past decade. Among

others, the number of physicians per population has fallen by half, and life expectancy has fallen from 46 years in 1987 to 37 years in 2005, largely due to the HIV and AIDS epidemic. Childhood immunization has also decreased from 82 percent in 1992 to 64 percent in 2004. Maternal mortality rates have increased from 620 in 1992 to 960 in 2004, although they are now on a decreasing trend. Child malnutrition has remained virtually unchanged since 1992, and almost half of children under five years of age in Malawi are stunted, and 22 percent are severely stunted⁴.

⁴ PVA Report June 2006

Chapter 3: MACROECONOMIC FRAMEWORK

The prevalence of a favourable macroeconomic environment will create a precondition for sustainable economic growth and wealth creation. However, in the recent past, the country has experienced an unfavourable macroeconomic environment mainly due to fiscal indiscipline. This has resulted in high inflation rates, high interest rates, unstable exchange rates hence poor economic growth. It has also contributed to unsustainable increase in the domestic debt. The combination of high interest rates and large stock of short-term domestic debt has exacerbated pressure in the operation of the budget as most resources have gone into debt servicing.

3.1 Macroeconomic Developments

The economic performance of Malawi has been dismal between 2001 and 2004. The real Gross Domestic Product (GDP) averaged 1.5 percent per annum. Savings and investment ratios have remained low over the period largely on account of low disposable incomes. National savings as a share of GDP has remained below 3.2 percent while gross investment has been below 11.2 percent. This disparity shows that investments have not been driven by national savings.

3.2 Medium Term Macroeconomic Prospects

The macroeconomic framework for the MGDS is based on the commitment to the Poverty Reduction and Growth Facility (PRGF). Government is, therefore, committed to pursue sound economic policies geared at increasing and sustaining economic growth, reducing inflation rate, maintaining flexible exchange rate and improving foreign reserve position. In addition, increasing employment and improving the trade balance by enhancing the country's export capabilities. The medium term macroeconomic objectives are presented in Table 3.2 below.

Table 3.1: Macroeconomic Medium-Term Objectives

	2003	2004	2005	2006	2007	2008	2009	2010	2011
Inflation Rate	9.8	13.7	16.9	9.8	6.4	7.2	5.0	5.0	5.0
GDP Growth	3.9	4.6	1.9	8.3	5.6	6.0	6.0	6.0	6.0
Net Domestic Debt ⁵	22.3	22.6	21.5	23.3	20.8	17.6	10	10	10
Fiscal Balance ⁶	-0.9	-4.1	-1.3	-0.9	-0.7	-1.1	-1.0	-1.0	-1.0
Gross Reserves ⁷	1.4	1.3	1.6	2.0	1.9	2.1	3.0	3.0	3.0

Source: IMF

3.2.1 Economic Growth

On average the economy is expected to grow by more than 6.0 percent annually during the period. This is expected to emanate from growth in the agriculture, manufacturing, mining as well as the service sectors. Consequently, per capita income is expected to increase from an average of US\$160 per person to an average of US\$450 by the end of 2011.

⁵ Percent of GDP

⁶ Percent of GDP

⁷ Months of imports, calendar year basis

3.2.2 Monetary Policy Objective

The monetary policy objective is to achieve low inflation and sustainable low interest rates. Inflation rate is expected to come down to 5.0 percent by the end of 2011. Broad money is expected to anchor the monetary programme with foreign exchange sales and open market operations as the main policy instruments in influencing liquidity in the economy. The exchange rate policy will still remain market determined.

3.2.3 Fiscal Policy Objective

The medium term fiscal policy objective will strive to maintain fiscal discipline while balancing Government expenditure between productive and social sectors of the economy. It is expected that the underlying fiscal deficit will average 0.2 percent for the next five years. This will contribute to the creation of a favourable macroeconomic environment.

The fiscal programme targets a significant repayment of debt as a means of reducing the interest burden to around 3.0 percent of GDP for the next five years. The domestic debt stock is expected to decrease from 21.5 percent of GDP in 2005 to less than 10 percent of GDP in 2011. This is expected to give relief to the Government budget.

3.3 MGDS Budget Framework

The successful implementation of the MGDS will depend on the budget framework that will be revised annually. The total revenue and grants is currently programmed to average 38.5 percent of GDP over the period. Tax revenue is expected to remain at about 21.0 percent of GDP.

Table 3.2: Budget Framework

	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
TRG ⁸	38.8	43.5	39.7	38.5	37.3	38.5	38.5
Revenue	24.8	24.6	24.4	25.6	24.0	25.0	25.0
Tax Revenue	21.8	21.5	21.4	21.3	21.2	21.3	21.3
Grants	14.0	18.9	15.3	14.3	13.3	13.5	13.5
Total Expenditure	42.9	44.7	40.6	39.2	38.4	39.5	39.5
Current Expenditure	32.2	31.9	28.6	27.3	26.4	27.5	27.5
Capital Expenditure	10.4	12.8	12.0	11.9	12.0	12.0	12.0
Overall Balance	-4.1	-1.3	-0.9	-0.7	-1.1	-1.0	-1.0
Nominal GDP	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: MEPD

Total Government expenditure is expected to average about 39.0 percent of GDP. The overall fiscal balance is expected to average 1.0 percent of GDP. This budget framework is expected to stimulate economic growth and development.

⁸ Total Revenue and Grants

Chapter 4: KEY PRIORITY AREAS OF THE MGDS

4.1: Overview

The MGDS identifies six key priority areas that define the direction the country intends to take in the next five years to achieve economic growth and wealth creation. Government will concentrate its efforts on these key priority areas in the medium-term in order to achieve its overall policy objective of economic growth as a means of reducing poverty in the country. The six key priority areas are: agriculture and food security; irrigation and water development; transport infrastructure development; energy generation and supply; integrated rural development; and prevention and management of nutrition disorders, HIV and AIDS. These are summarised in table 4.1.

The key priority areas of agriculture and food security; transport infrastructure development; energy generation and supply; and irrigation and water development; emphasize Government's commitment to achieving immediate economic benefits that would translate into the socio-economic well-being of people in the medium-term. The key priority area on integrated rural development comprises elements of sustainable economic growth, infrastructure development and governance. This reflects Government's commitment to improving lives of the rural poor through economic empowerment and the development of rural growth centres. The key priority area on the prevention and management of nutrition disorders, HIV and AIDS emphasizes Government's commitment to achieving its social development objectives. The implementation of these key priority areas will accelerate the attainment of the MDGs.

Table 4.1: Summary of the six key Government priorities in the medium-term

Key Priority Area	Long and medium term goals	Expected Outcome
Agriculture and Food Security	<ul style="list-style-type: none"> • Increase agriculture productivity. • No food shortages even in times of disasters (e.g. drought and floods). • Increased exports of food staples. • Increase the contribution of agro-processing to economic growth, move up the value chain in key crops, and increase exportation of agro-processed products. • To open up the linkages to the sea. 	<ul style="list-style-type: none"> • Increased value added to agricultural products by rural farmers and orient smallholder sub-sector to greater commercialization and international competitiveness. • Food is available in sufficient quantities and qualities and supplied through domestic production or imports; • All Malawians have at all times physical and economic access to sufficient nutritious food required to lead a healthy and active life. • Increased contribution of agro-processing to GDP. <p>An active inland network in local and international shipping that facilitates trade and tourism in a safe manner.</p>
Irrigation and Water Development	<ul style="list-style-type: none"> • To ensure that water resources are well protected and managed to meet agricultural, domestic and industrial demands. 	<ul style="list-style-type: none"> • Increased agricultural land under irrigation. • Reduced dependence on rain-fed agriculture. • Basic water requirements of every Malawian are met while the country's natural ecosystem is enhanced. • Increased access to water is within 500m distances.

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Key Priority Area	Long and medium term goals	Expected Outcome
Transport Infrastructure	<ul style="list-style-type: none"> Ensure the provision of a coordinated transport environment that fosters a safe and competitive operation of commercially viable, financially sustainable, and environmentally friendly transport services and enterprises 	<ul style="list-style-type: none"> Improved mobility and accessibility of the population to key road corridors within Malawi and out of Malawi and facilitate the continued development of the country's rural areas. By 2011, 71% of the road network will be in good condition, 18 % in fair condition with only 11 % in poor condition.
Energy Generation and Supply	<ul style="list-style-type: none"> To reduce the number and duration of blackouts, increase access to reliable, affordable electricity in rural areas and other targeted areas (such as social facilitates). Improve coordination and balance between the needs for energy and the needs of other high growth sectors (such as tourism). 	<ul style="list-style-type: none"> Reliable and sustainable energy supply and increased access. Increased access from the current 6% to 10% by 2010 and 30% by 2020 biomass-commercial energy mix target of 75% - 25% is set for 2010. Power supply is connected to SAPP.
Integrated Rural Development	<ul style="list-style-type: none"> To promote the growth and development of rural growth centers. 	<ul style="list-style-type: none"> Enhanced re-distributiio of wealth to all citizens. Reduced negative consequences of rural-urban migration.
Prevention and Management of Nutrition Disorders, HIV and AIDS	<ul style="list-style-type: none"> Reduce the spread of HIV and AIDS in the general population and in high-risk subgroups. Improve the quality of life of those infected and affected by HIV and AIDS. Mitigate the health, socio-economic and psychosocial impacts of HIV and AIDS on individuals, families, communities and the nation. Active healthy life with reduced burden of diet-related, illness, deaths and disability among men, women, boys and girls living in Malawi. To improve the nutritional status and support services for people living with and affected by HIV and AIDS. 	<ul style="list-style-type: none"> Behavioural change of at-risk groups Prevention of mother to child transmission, from blood supply/health facilities. Equitable treatment for PLHA and mitigate the health impacts for PLHV of HIV and AIDS (including ARVs). Minimize the pain, suffering, anxiety and loss of service delivery at the individual, household, community and national levels Decrease work time lost due to caring for PLHV and the amount of money at the household level for care giving. Effective utilization of food that encompasses the quality of the food allocated for consumption and the biological utilization of nutrients in the body Information is used in decision making on policies and program interventions and policies are well coordinated across the various ministries. Increased knowledge of the interaction between nutrition and HIV and AIDS; Improved and diversified dietary practices for people living with HIV and AIDS; and Increased provision of HIV and AIDS-related nutrition interventions.

4.2 Key Priority Areas

4.2.1 Agriculture and Food Security

Agriculture is the most important sector of the economy as it employs about 80 per cent of the workforce, and contributes over 80 per cent of foreign exchange earnings. Above all it also contributes significantly to national and household food security. However, agriculture in Malawi is characterized by low and stagnant yields, over dependence on rain-fed farming which increases vulnerability to weather related shocks, low level of irrigation development, and low uptake of improved farm inputs among others. Low profitability of smallholder agriculture has also been influenced by weak links to markets, high transport costs, few farmer organizations, poor quality control and lack of information on markets and prices. In addition, due to high risks in agricultural production and poor access to credit, investment and re-investment have been poor.

Consequently, Malawi continues to suffer from chronic food insecurity at both household and national levels with many of the problems being structural and economic in nature. The main contributing factors include over-dependence on rain-fed agriculture, low productivity, low incomes, poor road infrastructure, poor functioning markets, weak private sector participation, poor early warning system and poor mechanization. In addition, past food security policies⁹ have been ineffective, resulting in stagnating aggregate food production and productivity, and poor functioning markets.

The overall goal is, therefore, to increase agriculture's contribution to economic growth, by not only increasing production for food security, but also for agro-processing and manufacturing for both domestic and export markets. Emphasis will be on enhancing agricultural productivity, promoting food security and agro-processing of key crops.

4.2.1.1 Agricultural Productivity

Goal

The long-term goal is to increase agriculture productivity.

Medium Term Expected Outcomes

There are three main medium-term expected outcomes and these are;

- (a) Increased value added to agricultural products by rural farmers and orient smallholder sub-sector to greater commercialisation and international competitiveness;
- (b) Increased smallholder agricultural productivity, and
- (c) Increased livestock production.

⁹ The Government's food security policy through most of the 1990s has had two primary objectives: (i) ensuring a minimum of 1.8 to 2.0 million metric tons of domestic maize production' and (ii) avoiding sharp increases in the maize price to consumers, especially during the lean season of November to March. The main instrument used to achieve the first objective has been the widespread promotion of hybrid maize and inorganic fertilizer packages through preferential or free distribution of seeds and fertiliser. To achieve the second objective, the Government relied on ADMARC to domestically buy maize at the time of harvest or import it and sell it during the rest of the year at (affordable) pan-territorial prices. Beginning in 1999/2000 pan-territorial prices were abolished, and the National Food Reserve Agency (NFRA) was created to manage the country's strategic grain reserve (SGR).

Key Strategies

Main strategies include:

- Strengthening linkages of farmers to markets by connecting rural communities, targeting rural roads and developing farmer organizations and market information,
- Encouraging the expansion and intensification of staple food production by smallholders,
- Providing effective extension services with more decentralized service delivery for agribusiness skills,
- Increasing the use of pest resistant varieties and promotion of pest management,
- Promoting soil and water conservation and farming techniques;
- Promoting irrigation farming;
- Ensuring that existing land rights are recognized, clarified and secured by appropriate legislation, and
- Encouraging and expansion of horticultural crop production for agro-processing

4.2.1.2 Food Security

Goal

The long-term goal is to make Malawi a hunger-free nation.

Medium Term Expected Outcome

The medium term expected outcome is that food will be available for all Malawians in sufficient quantities and qualities, at affordable prices.

Key Strategies.

Main strategies include:

- Improving agricultural productivity;
- Implementing policies to improve the functioning of maize and other food crop markets;
- Implementing policies that do not distort the market and which reduce dependency on food aid;
- Putting in place an effective early warning system;.
- Promoting income generating activities;
- Improving the coordination and management of food aid and imports; and
- Improving the ability to import and distribute food through better domestic regional connectivity, and
- Construction of steel bin silos in strategic areas to improve medium to long term food storage capacity.

4.2.1.3 Agro-processing

Goal

The long-term goal is to increase the contribution of agro-processing to economic growth, move up the value chain in key crops, and increase exportation of agro-processed products.

Medium Term Expected Outcome

The expected medium term outcome is substantial increase in contribution of agro-processing to GDP. The food and agro-processing sub-sectors account for more than 30 percent of manufacturing output with value addition ranging between 30-35 percent. MEGS identified agro-processing as a high growth potential sector. Under the sector, processing largely concentrated on tobacco, tea, sugar, cotton and wheat. However, agro-processing of fruits and vegetables, rice, cassava, macademia, cashew nuts, irish potatoes and spices has potential for growth, but each of these are currently relatively small.

To achieve this, constraints facing the sector need to be addressed. These include poor and inadequate infrastructure such as roads and electricity. In addition, unfavourable macroeconomic environment, low level of vocational skills, weak marketing and distribution systems for raw crops, low productivity of smallholders, and high import duties on equipment.

Key Strategies

Main strategies include;

- Improving infrastructure for agro-processing,
- Reviewing the policy and regulatory frameworks impacting on agro-processing
- Building capacity for small scale enterprises, and
- Improving productivity of smallholder farmers.

4.2.1.3.1: Core crops of agro-processing

The agriculture sector has in the past been dominated by tobacco, tea and sugar as the major foreign exchange earners. In the medium term these crops are expected to continue to dominate amidst the challenges they are currently facing. The importance of these crops for this country cannot be overemphasized hence efforts will continue going towards these crops in order to maximise their economic contributions to the agriculture sector in particular and the economy in general. The overall goal is to achieve sustainable agricultural production and increased incomes for farmers.

(a) Tea

Medium-term Expected Outcome

The medium term expected outcome is increased production of tea, especially clonal tea varieties that are competitive on the world market. Adoption of clonal tea is a result of the limited prospects for the low yielding varieties currently grown.¹⁰ Though tea ranks next to tobacco as a major foreign exchange earner, its production faces a number of constraints including low private sector investment in irrigation, lack of appropriate factory shells, poor marketing system and high operational costs.

Key Strategies

The tea industry will focus on increasing tea estate and smallholder profitability and reinvestment, as well as value addition. The current strategies are centred on private sector taking a leading role, while Government focuses on the broader constraints,

¹⁰ Malawi Economic Growth Strategy

such as availability of reliable and cheap sources of power (electricity) and the creation of a favourable macroeconomic environment. The sub-sector and Government will work together to develop focused investment incentives and other measures to strengthen the industry.

Other strategies include;

- Promoting clonal tea variety to increase productivity,
- Refurbishing factories,
- Promoting market oriented processing of tea and
- Improving the marketing system.

(b) Tobacco

Medium-term Expected Outcome

The medium term expected outcome is value addition to tobacco and maintenance of market leader position in burley tobacco. Tobacco is the main export crop accounting for over 70.0 per cent of total export earnings. However, over the past several years, there has been a decline in average yields and profitability of Malawi's tobacco. The sub-sector faces a number of constraints which include widespread use of low quality seed, increased incidences of disease and pests due to inadequate crop rotation, and significant post-harvest losses due to inadequate curing barn infrastructure. The decline in profitability is also due to inefficiencies in the current marketing system. The industry also faces regional competition.

Key Strategies

The main strategy is to increase production of flue cured, NDF tobaccos by rationalization of fees, creating a more efficient and fair system between farmers and auction houses, strengthening contract farming, and exploring additional markets for tobacco, including tobacco products.

Other strategies include;

- Establishing cooperatives,
- Promoting tobacco products processing,
- Providing farmers with inputs, and
- Enhancing extension services.

(c) Sugar

Medium-term Expected Outcomes

The medium term expected outcome is increased production of sugar by 23 percent. For Malawi to compete successfully as an international player in the sugar market, it needs to ensure that its sugar industry is profitable and is able to reinvest in growing and processing. However, the sub-sector is faced with a number of constraints which include access to the major European markets, and poor transport linkages to ports

Key Strategies

- Negotiating Economic Partnership Agreements (EPAs) with European Union to ensure fair trading of sugar,
- Promoting out-grower schemes for smallholders, and

- Improving inter modal transport for effective linkages to ports.

(d) Integrated Cotton Industry

Goal

The long-term goal is to develop a vibrant cotton growing and processing industry.

Medium-term Expected Outcome

The medium term outcome for the sector is increased production of garments made from locally woven cotton cloth as opposed to imported synthetic fabrics. This will require development of a local textile industry to increase the flow of cotton from growers and ginneries, thereby having a positive impact on the cotton sector and opening up textile products for export. Currently, the linkages between the cotton sub-sector (production of lint cotton) and textile and garment production (manufacturing) are weak. In addition, there are opportunities for increased volumes of cotton lint export within the region, especially in South Africa and neighbouring countries.

Key Strategies

Government will encourage the integration of production, processing and marketing of cotton products.

Other strategies include:

- Producing raw cotton and ginning;
- Garment manufacturing for export markets;
- Reducing out of factory costs such as transportation; and
- Identifying and negotiating trade opportunities at the regional, international and global level.

Wheat

Goal

The long-term goal is to develop a vibrant wheat production and processing industry.

Medium-term Expected Outcome

The medium term expected outcome is increased production of wheat by expanding the current hectareage from 2000 hectares to 30000 hectares. Reliance on rainfed conditions, poor agronomic practices and seed quality, amongst other constraints have consequently led to low wheat production of below 2000 metric tonnes per annum since 1991/92 season. This is far short of the estimated national consumption of 60,000 metric tonnes per annum.

Key Strategies

The main strategy is to increase production, processing and marketing of wheat.

Other strategies include:

- Promoting appropriate agronomic practices through extension and training;
- Providing improved seed varieties and other farm inputs;
- Promoting irrigation technology to expand production;
- Promoting small and medium scale wheat processing, and
- Improving market access and intelligence.

4.2.2 Irrigation and Water Development

Irrigation and water development is key for Malawi due to its direct linkages with agriculture and energy. Irrigation will contribute towards reduction of the over dependence on rain-fed agriculture while proper conservation of water will also contribute towards the generation of electricity. In addition, water is also an important resource for both household and industrial use hence ensuring availability of water is therefore central to achieving the MGDS objectives. Management of water supply and sanitation draws many players from donor community, public entities, civil society and private institutions. Significant progress has been made with the introduction of coordination structures for the various players in the sector. Despite this, the sector faces challenges with the degradation of water resources, inadequate services coverage, increasing water demand as a result of increasing population, HIV and AIDS prevalence, insufficient capacity, inadequate promotion of hygiene and sanitation, lack of an integrated approach to water resources management and development, climate change and lack of mitigation measures for water-related disasters.

On water resource management, the challenges are several, and these include lack of a good monitoring and evaluation system, and a good management information system resulting in improper documentation of information and lack of a consolidated database on water point allocations. In addition, vandalism and theft of water supply and sanitation facilities is wide spread in the sector.

Goals

The long-term goal is to ensure that water resources are well protected and managed to meet agricultural, domestic and industrial demands.

Medium-Term Expected Outcome

In the medium term, it is expected that Malawi will have increased access to water resources averaging a distance of 500m from communities.

Key Strategies

To achieve sustainable and integrated water resource management and development, Malawi will need more efficient and effective practices by among other things, empowering national authorities to manage using integrated water resource management approach and establish good monitoring systems. The provision of water will also be linked closely to agriculture and other environmental problems that affect water supply such as soil erosion due to poor farming practices. Main strategies include the following:

- Constructing and promoting small and medium scale irrigation schemes to enhance food crop production.
- Constructing multi-purpose dams that apart from generating electricity will also be used for irrigation, piped water supply, as well as promoting fish farming.
- Improving sustainable access to water supply and sanitation in urban, peri-urban and rural areas by establishing water supply and sanitation systems using demand responsive and demand driven approaches, and the establishment of contingency water supply reserves and sanitation backups.
- Integrating rural water supply and participatory hygiene and sanitation transformation.
- Empowering national authorities to manage water resources using integrated water resource management approaches;
- Establishing good monitoring systems;
- Improving the quality of surface and ground water and developing a system for pollution control;
- Improving sustainable access to water supply and sanitation in urban, peri urban and rural areas by among others establishing water supply and sanitation systems using demand responsive and demand driven approaches;
- Establishing contingency water supply reserves and sanitation backups; and
- Integrating rural water supply with participatory hygiene and sanitation transformation.

4.2.3 Transport Infrastructure Development

Better domestic and regional connectivity entails improving the current state of transport infrastructure in the country. However, the state of Malawi's transport infrastructure is characterized by poor road network, poor and limited access to ports, limited air links, freight and rail capacity. The inadequacy of the transportation infrastructure results in high costs of production, where transportation represents 55 percent of costs, compared to 17 percent in other less developed countries. With the new policy direction, it is expected that improved transportation will contribute to reduced lead times on export, decreased cost of domestic trucking, lower costs of cross-border and transit trade with neighbouring countries, lower cost to reach domestic, regional and international markets (supply and distribution) and improved mobility and connectivity of rural producing communities to markets. Particular emphasis will be placed on the following two areas:

- Improving mobility and accessibility of the population to key road corridors within and out of Malawi while facilitating the improved mobility and accessibility of rural communities to goods and services in the rural areas at low cost.
- Implementing the Shire Zambezi Waterway programme in order to open up the country to the Indian Ocean.

4.2.3.1 Road Transport

High transport costs and poor access to some parts of the country remain an important threat to fostering economic growth in Malawi. High transport costs partly result from the country's landlocked position and small market size and also from the continuing inefficient operating environment faced by the domestic and international operators in

spite of liberalization of the transport sector. Poor access roads mainly result from the deteriorating condition of the country's overall road network, especially in the rural areas. This problem is compounded by the enormous backlog for maintenance of the road infrastructure, unsafe and impassable road network (37 percent is in poor condition), lack of competition, and high road taxes which increases the cost of trucking. Poor quality feeder roads also impact on the ability of rural areas to engage in economic activities.

Goal

The long-term goal is to reduce the cost of road transportation in order to contribute positively to economic growth.

Expected Medium Term Outcome

In the medium-term improved transportation is expected to contribute to reduced lead times on export, decreased cost of domestic trucking, lower costs of cross-border and transit trade, lower cost to reach domestic, regional and international markets and improved mobility and connectivity of rural communities to markets. Efforts will emphasise on improving mobility and accessibility of the population to key road corridors within and outside Malawi while facilitating improved mobility and accessibility of rural communities to goods and services in the rural areas at low cost.

Key Strategies

The strategies will concentrate on ensuring availability of adequate, safe, reliable, efficient and economical transport services in key corridors that meet the country's current road transport needs and aligned to the future vision. Main strategies will include:

- Providing adequate network of roads based on appropriate standards through rehabilitation and upgrading of "all weather" roads to meet sub-regional agreed standards;
- Undertaking routine road maintenance to clear backlog through use of modified "Performance-Based Term Maintenance Contracts";
- Building the capacity of local private sector to construct quality roads;
- Replacing timber-deck bridges with concrete decks;
- Maintaining urban and rural road networks;
- Upgrading all unpaved roads from fair to good condition;
- Involving the private sector in the monitoring and operations of road transport services;
- Implementing appropriate road user charges;
- Harmonising the country's highway code, road signs, signals and axle-load regulations within the region;
- Improving information coordination on the flow of regional and international cargo through the development of private sector freight forwarding companies; and
- Creating one stop border post on all major transport corridors to allow for the smooth flow of traffic and developing an integrated approach to road safety.

4.2.3.2 Water Transport

Water provides a better and cheaper alternative means of transport for certain parts of the country and as a link to the sea. Malawi has not benefited much from this mode of transport because the port system is inadequate to handle the present exports of agro-processing industry and imports. Furthermore, siltation at Beira, which is the nearest port, is a major constraint. Given the current transport bottlenecks, this mode of transport has been prioritised as an alternative means for export-led growth. Government, therefore, has an obligation to maintain the ports and explore ways to involve the private sector. In view of this, Government has prioritised the Shire Zambezi waterway project as the main activity in this sub-sector.

Goal

The long-term goal is to open up the linkages to the sea.

Expected Medium Term Outcome

The expected medium term outcome is to ensure an active inland shipping network in local and international shipping, and that trade and tourism are facilitated in a safe manner while protecting the environment.

Key Strategies

For the water transport to be effective, the sub-sector will have to be closely linked to the rail and road networks. For instance developing the Shire Zambezi Waterways will demand that the rail from Nsanje to major commercial cities like Blantyre, Lilongwe and Mzuzu be developed or rehabilitated for maximum benefit. Main strategies will include:

- Developing an efficient and productive maritime transport system that meets national and regional requirements; and
- Dredging, opening up channels and acquiring badges or ships, which would navigate the Shire River through Zambezi and to the Indian ocean.

4.2.4 Energy Generation and Supply

Energy is a crucial input into any industrial processing and serves as the life-blood for any economy. Malawi is relatively well endowed with a wide variety of energy resources but a full potential of the energy sub-sector remains far from being realized owing to a number of structural, operational and institutional challenges. The provision of energy in Malawi is inadequate, unreliable and inaccessible to all who need it. This is mainly due to lack of competition in the sector; siltation resulting from deforestation; poor farming practices and management; weeds and water hyacinth on the Shire River which affects hydro-generation; expensive spare parts which inhibit maintenance of equipment leading to frequent breakdowns; and lack of progress on regional interconnection and commitment to tap into other energy sources. In addition to these challenges is the limitation of public investment in power generation and widespread vandalism of equipment.

A well-developed energy sub-sector can enhance stable supply of power, increased generation and transmission capacity for improved service delivery and increased output in the economic and social sectors, respectively. Increased generation and transmission capacity of electricity will support other programmes such as Malawi

Rural Electrification Project (MAREP). The sub-sector also has strong backward and forward linkages with other sub-sectors, for instance, use of power transmission lines would also increase capacity for telecommunications. The objective of the MGDS is to reduce the number and duration of blackouts, increase access to reliable, affordable electricity in rural areas and other targeted areas, improve coordination and the balance between the needs for energy and those of other high growth sectors such as tourism and mining.

Goals

The long-term goal is to generate sufficient amount of energy to meet the economic and social demands.

Medium Term Expected Outcome

In the medium term, it is expected that the country will have accessible, reliable and sustainable energy supply. At the same time, rural communities will begin to use alternative energy supplies in underserved areas while managing energy related environmental impacts.

Key Strategies

To achieve an efficient energy supply, strong inter-sectoral linkages especially with the water, natural resources and agriculture sectors will have to be established. An efficient supply of hydropower requires a constant supply of water through proper conservation of catchment areas, connections to neighbouring countries and exploring into other sources of energy. The sub-sector will also require strong public-private partnerships especially in generation, distribution and transmission. Main strategies include:

- Improving efficiency in generation, transmission and distribution;
- Ensuring provision of reliable electrification to key mining, irrigation, business, tourism, and other economic activities.
- Improving management of Electricity Supply Commission of Malawi (ESCOM) and other service providers
- Accelerating implementation of regional interconnectivity;
- Constructing mini hydro power stations along the Shire and other major rivers to supplement electricity supply in the three regions.
- Expanding the Rural Electrification Programme (increase resources, promote development of micro hydropower stations and use of solar energy for off grid power supply) and use of both grid and off-grid options;
- Ensuring that energy provision takes into account and puts in place measures to deal with negative environmental impacts that may set in, and
- Encouraging private sector investment in energy generation, transmission and distribution.

4.2.5 Integrated Rural Development

The MGDS recognize that broad based economic growth and development cannot be achieved if rural areas with potential for growth are sidelined. In this context, Government will strive to promote integrated rural development among other things through rural growth centers. This is expected to resuscitate the rural economies and transform them into potential engines for economic growth that will contribute to

sustainable growth that will result in re-distribution of wealth to all citizens while also mitigating the negative consequences of rural-urban migration. Emphasis will be placed on infrastructure development such as roads and communications, energy supply, agro-processing and manufacturing. This is envisaged to promote private sector investment that will create employment and improve incomes of the rural people.

Goal

The long-term goal is to develop rural growth centers to contribute effectively to economic growth through the creation of employment opportunities thereby enhance redistribution of wealth to all citizens and reduce rural-urban migration.

Medium-Term Expected Outcome

In the medium-term it is expected that developed rural growth centers will create employment that will enhance incomes for rural communities and in-turn reduce rural-urban migration trends.

Key Strategies;

Integrated rural development calls for coordinated efforts from a number areas. In particular, the provision of key infrastructure is a prerequisite if rural growth centers are to develop. As such, the main strategies will include the following:

- Promoting the growth and development of rural growth centers through the provision of utilities and communications network to facilitate the linkage of production areas to markets;
- Implementing rural electrification programme effectively;
- Promoting and implementing economic empowerment programmes such as MARDEF and OVOP; and
- Improving the process of providing title to land in order to encourage investment through ownership of land.

4.2.6 Prevention and Management of Nutrition Disorders, HIV and AIDS

Malawi like many other Sub-Saharan African countries has been severely affected by HIV and AIDS. Its impact remains devastating and the country's efforts are inadequate given the pace of the spread of HIV and AIDS. Poverty and HIV and AIDS are reciprocally influenced. Despite coordinated efforts the country still faces a number of challenges in containing the spread and impact of HIV and AIDS on development. The HIV and AIDS pandemic has compounded the dual burden of malnutrition and disease. It increases the body's need for micronutrients, calories and protein while simultaneously decreasing the body's ability to work. This means that as more nutritious food is needed within a household, less labour is available with which to produce or obtain it. This leads to less nutritious food for everyone else in the household and inadequate diet for the person living with HIV and AIDS. This means that tackling HIV and AIDS problems alone will not be a lasting solution. As such, Government advocates the need for addressing issues of HIV and AIDS and nutrition as a package. This will translate in increased knowledge of the interaction between nutrition and HIV and AIDS; improved and diversified dietary practices for people living with HIV and AIDS; and increased provision of HIV and AIDS-related nutrition interventions.

4.2.6.1: HIV and AIDS Prevention and Management

HIV and AIDS is a socio-cultural, economic, political, development and health issue which has brought havoc to all sectors of the economy in Malawi and other developing countries. This has created a big human power shortage of ranging between 25-60 percent in developing countries. It is a social problem because of its negative consequences on the communities and social structures. It is a cultural issue because some cultural practices and beliefs fuel the spread of the disease and mask positive traits of the system while encouraging stigma, discrimination and denial. It is a political problem because a sick person will not contribute to the political development of the country. It is a health issue because it affects directly a large number of people and the health-care system itself or fabrics of society. HIV and AIDS is an economic issue as it leads to reduction in economic growth by reducing the productivity of the labour force and drains investment resources in all sectors. HIV and AIDS is a development issue because it affects negatively all sectors of the economy.

Malawi like many other Sub-Saharan African countries has been severely affected by HIV and AIDS. The first case was reported in 1985 and to-date, despite so many years of national response, the impact remains devastating and the country's efforts are inadequate given the pace of the spread of HIV and AIDS. Poverty and HIV and AIDS are reciprocally influenced and Malawi happens to have more than 52.4 percent of its population living in poverty. The national adult HIV prevalence in the reproductive age group of 15-49 years has slightly declined from 14.4 percent in 2003 to 14.0 percent in 2005. HIV and AIDS prevalence among antenatal clients has also declined from 19.8 percent in 2003 to 16.9 percent in 2005. Approximately 930,000 people are living with HIV and AIDS, including 70,000 children under the age of 15. According to the Malawi Demographic Health Survey (MDHS 2004), prevalence of HIV and AIDS was estimated at 12.8 percent of the population and around 30-35 percent of all pregnant women aged between 15 and 49 years and 640,000 people have died of AIDS at a rate of 86,000-100,000 annually. HIV and AIDS is now the

leading cause of death in the most productive age group, resulting in 50,000 to 70,000 adult and child deaths annually. HIV and AIDS mortality rate is close to 700 deaths per 100,000 people. Out of Malawi's one million orphans, 500,000 have lost one or both of their parents to AIDS. A fifth of all households in Malawi take care of one or more orphans; 49 percent of these are female headed

Malawi's response to HIV and AIDS began in 1986, initially concentrating on preventing further transmission of the virus. Since then Malawi has demonstrated increased commitment to addressing HIV and AIDS through the establishment of the National AIDS Commission (NAC) in July 2001 to manage a multi-sectoral response to the pandemic. The country has made substantial investment to build and maintain a positive partnership with donors, bilateral and multilateral organizations and various stakeholders. Recently, Government has established the Malawi Partnership Forum on AIDS, where all stakeholders come under one umbrella for improved coordination and harmonization of the national response.

Over the past fifteen years the country has moved from a point of denial to a situation where there is almost universal awareness of HIV and AIDS. In response to the burden of the epidemic on the formal health care system, the Government has encouraged communities and households to take up the challenge of providing home based care and support. At present, public organizations, community-based organizations (CBOs), Civil Society organizations, public, and private sector institutions have all become engaged in various ways in the fight against HIV and AIDS. This has led to a dramatic increase in the number of community groups providing home based care as well as increased number of trained community home based care providers. In order to institutionalise work on nutrition, HIV and AIDS, the Department of Nutrition and HIV and AIDS in the Office of the President and Cabinet was created to coordinate these activities.

Nonetheless, Malawi still faces a number of challenges in containing the spread and impact of HIV and AIDS on development. Key constraints in containing the HIV and AIDS scourge are: hunger and poverty which make individuals more vulnerable to infection; inadequate supply of Anti-retrovirals (ARVs) and access to nutritious diets; low levels of education; limited institutional capacity; deep-rooted harmful socio-cultural values and practices, beliefs and traditions and poor coordination amongst the service providers.

Goal

The long-term goal is to prevent further spread of HIV and AIDS and mitigate its impact on the socio-economic and psychosocial status of the general population and high risk groups.

Medium-term Expected Outcomes

The medium-term expected outcomes include: improved behaviour change of people particularly the high risk groups which include the youth, commercial sex workers, mobile and other vulnerable populations; increased number of people accessing voluntary counselling and testing (VCT) and sexually transmitted infections (STI) management services; increased number of women accessing the Preventive Mother to Child Transmission (PMTCT) services; improved health status or extended life of the infected people through increased uptake of ARVs and nutritious diets and

nutrition therapy; and community home based care services; protection and care of children and families affected by AIDS; and improved planning, management and coordination of all stakeholders and development partners in the fight against HIV and AIDS increased number of traditional counsellors trained in HIV and AIDS education.

Key Strategies

HIV and AIDS requires a multi-pronged approach of prevention and treatment to reduce its spread and impact. Main strategies include:

- Improving knowledge and capacity of young people, orphans, the elderly and physically challenged and other vulnerable groups to practice safer sexual intercourse and increase their access to HIV testing and counselling; and behaviour change.
- Initiating and strengthening joint planning, monitoring and evaluation processes among national authorities, stakeholders and development partners;
- Implementing and increasing equitable access to ARVs and treatment of opportunistic infections;
- Building and strengthening the capacity of public and private organizations to mainstream HIV and AIDS into their core businesses;
- Promoting high quality community home-based care services, adequate nutrition, including provision of nutrition therapy for people living with HIV and AIDS (PLHA);
- Expanding services for prevention of mother to child transmission, testing and counselling, access to condoms, STI management, and access to behaviour change communication;
- Integrating the elderly, orphans and the physically challenged affected by HIV and AIDS into the mainstream development
- Promoting adequate nutrition, including provision of nutrition therapy that cover assessment, counselling, education and demonstration, supplementary feeding, therapeutic feeding, referral to health facility and production of high nutritive value foods for a nutritious diet to HIV and AIDS individuals;
- Producing, enacting and enforcing HIV and AIDS legislation.
- Improving the provision of support and protection of the infected and affected groups; and
- Building capacity at all levels in the national response to HIV and AIDS with special focus for local service delivery.

4.2.6.2: Nutrition

Nutrition is associated with health in the sense that malnutrition can lead to ill health. Malnutrition is both a cause and a consequence of poverty in developing countries and continues to retard economic growth and development. The effect of under nutrition is wasting, under-weight, stunting and mental retardation, which has far reaching consequences. A poorly nourished body is primary and highly susceptible to infections such as Tuberculosis, malaria, diarrhoea, acute respiratory infections, HIV and AIDS. Under nutrition is a factor commonly associated with maternal and child/infant mortality. Protein-energy malnutrition (PEM) is very high in Malawi, with under-five children stunting at 48.0 percent; wasting at 5.0 percent, increasing to 9.0 percent during the lean periods. Micronutrient malnutrition such as sub-clinical Vitamin A deficiency is at 80.0 percent of pre-school children, 38.0 percent of school

age children, 57.0 percent of child-bearing age women and 38.0 percent in men. Anaemia is at 73.0 percent of pre-school aged children, 22.0 percent of school aged children, 46.0 percent of non-pregnant women, 47.0 percent of pregnant women, and 17.0 percent of men. Iodine deficiency disorders are also common despite Malawi's adoption of Salt Iodization Act. It is estimated that 64.0 percent of children have low Intelligent Quotient (IQ) in areas with high iodine disorders.

The underlying causes of under-nutrition include household food insecurity resulting from inadequate food production or low incomes; poor child feeding and care practices; inadequate education and lack of knowledge which lead to poor food processing and utilization and sometimes cultural beliefs which deny women and children consumption of high nutritive value foods. In addition, poor institutional coordination of nutrition programmes has also been a big constraint.

Goal

The long-term goal is to ensure nutritional well-being of all Malawians.

Medium-term Expected Outcome

The key expected medium-term outcomes are effective utilization of quality food and the biological utilization of nutrients in the body; reduced levels of under nutrition; reduced incidences of dietary related non-communicable diseases and micro-nutrient disorders; increased human productivity; and strengthened structures and coordination for implementation of policy and programme and enhanced capacity for nutritionists and dieticians at all levels.

Key Strategies

Effective implementation of the nutrition strategies will require co-ordination among the key stakeholders. To successfully achieve the intended goal and outcomes, to a greater extent, will rely on what happens in other sectors like agriculture and food security, education, health and gender. Main strategies include;

- Promoting the control, prevention and treatment of micro-nutrient deficiency disorders particularly those caused by vitamin A, iodine and iron deficiencies;
- Promoting control, prevention and treatment of diseases that have direct impact on nutrition and human well-being;
- Intensifying community nutrition assessment, counselling, education and demonstration, supplementary and therapeutic feeding, referral to Nutrition Rehabilitation Units;
- Promoting the production of nutritious foods and livestock;
- Harmonizing and improving food and nutrition security information system for evidence based interventions;
- Reviewing and including nutrition in curricula of all learning and training institutions;
- Targeting the elderly, pregnant and lactating mothers, under five and school going children, orphans and the physically challenged with nutrition services to improve their well-being;
- Enhancing co-ordination of nutrition programmes;
- Building capacity for nutritionists, dieticians, and community nutrition workers;

- Producing, enacting and enforcing nutrition legislation; and
- Monitoring and managing dietary related non-communicable maladies.

4.2.6.3: Interaction of Nutrition, HIV and AIDS

HIV and AIDS affects nutrition through increases in resting energy expenditure, reduction in food intake, poor nutrient absorption and loss, and complex metabolic alterations that culminate in weight loss and wasting. Malnutrition reduces overall immunity and increases the risk of diseases and related conditions, which expedite the progression of HIV into AIDS. HIV, in turn, destroys the natural immune system and increases the risk of infections and diseases. These diseases prevent adequate intake and uptake of vital nutrients. Additionally, both the disease itself and antiretroviral therapy increase the body's overall nutrient demand. As the virus progresses from Stage 1 to Stage 2, a child's energy demand increases by 10.0 percent, and by up to 20.0 percent at Stage 3. In HIV positive adults, caloric need can increase up to 30-40.0 percent above the normal recommended daily energy requirement in stage 3.

The HIV and AIDS pandemic has accordingly compounded the dual burden of malnutrition and disease. HIV and other chronic diseases increase the body's need for micronutrients, calories and protein while simultaneously decreasing the body's ability to work. This means that as more nutritious food is needed within a household, less labour is available with which to produce or obtain it. This leads to less nutritious food for everyone else in the household and inadequate diet for the person living with HIV/AIDS.

Goal

The long-term goal is to improve the nutritional status and support services for people living with and affected by HIV and AIDS.

Medium-term Expected Outcomes

The medium-term expected outcomes include increased knowledge of the interaction between nutrition and HIV and AIDS; improved and diversified dietary practices for people living with HIV and AIDS; and increased provision of HIV and AIDS-related nutrition interventions.¹¹

Key Strategies

- Recruitment and training of adequate personnel;
- Reviewing and including nutrition, HIV and AIDS interaction in education curricula of all learning and training institutions;
- Compiling and disseminating best approaches to providing nutritional therapy to PLHA;
- Building capacity for nutrition service providers on specialised nutrition care for PLHAs;
- Providing workplace-based nutrition therapy to enhance positive living for PLHAs;
- Facilitating access to sustainable economic social protection for households affected by HIV and AIDS; and
- Building capacity at all levels with special focus on service delivery.

¹¹ The main nutrition interventions include counselling on specific behaviours, prescribed/targeted nutrition supplements and linkages with food-based interventions and programmes.

Chapter 5:

MGDS THEMES

This chapter summarizes the other focus areas of the MGDS and these are outlined in the five themes that represent a broad framework of the economic growth and development priorities for Malawi. The six key priority areas discussed in the previous chapter have been singled out from these thematic areas being areas where Government will concentrate its efforts in the short to medium-term in order to realize immediate economic benefits for the well being of the people. The other focus areas outlined in the themes are also priorities for Malawi as the country strives to create a favourable environment for active private sector participation and investment in order to diversify the economic base, develop human resource base, promote good governance, and protect the most vulnerable people who may not benefit from the process of economic development. The five themes have been developed to offer a comprehensive package that deals with diverse issues facing this country. Government will pursue these issues with vigour there by achieve socio-economic development but also attain the MDGs. The five thematic areas are: Sustainable Economic Growth; Social Protection; Social Development; Infrastructure development and Improved Governance.

5.1 Theme One: Sustainable Economic Growth

Sustainable economic growth is central to Malawi's ability to reduce poverty and achieve the MDGs. Without this growth, it will be impossible to deliver Government's vision of creating wealth and employment for all the people of Malawi, transforming from a consumption-based economy to a production-based economy, and gradually emerging as an industrial nation.

To this end, Malawi will seek to increase domestic and foreign investment in productive sectors. It will also seek to promote exports by addressing supply constraints, to diversify the economy and ensure that this growth is shared among all Malawians. The strategy for sustained economic growth requires action on multiple fronts in order to deliver on these national goals. These include: maximizing the contribution to economic growth through the potential growth sectors; putting in place an enabling environment for private sector led growth; improving regional integration; and empowering rural communities to be part of economic activities.

Sustainable economic growth is comprised of six sub themes namely; potential growth sectors, enabling environment for private sector led growth, export-led growth, conservation of the natural resource base, economic empowerment, land and housing. Sub themes on agriculture and food security that are particularly key for the development of this country hence have been singled out and placed as a key priority area and are discussed in Chapter 4. Table 5.1 presents a summary of the long-term goals and medium-term expected outcomes of the sub themes under sustainable economic growth.

Table 5.1: Summary of Theme One: Sustainable Economic Growth

Sub Theme	Long-Term Goal	Medium-Term Outcome
1. Potential growth sectors	<ul style="list-style-type: none"> Increasing productivity, diversify the economy and achieve export led growth. Increasing the contribution of tourism to GDP from 1.8 percent to 8.0 percent by 2011. Increasing the contribution of the mining sector to GDP by at least 10 percent annually. Increasing manufacturing output with growing value addition, export development and employment creation. 	<ul style="list-style-type: none"> High growth is realised in tourism, mining, and manufacturing.; Increased productivity and protection of natural resources (fisheries, forestry, mining, environment). To establish Malawi as a principal and leading eco-tourism destination in Africa. To increase production output and value added by small, medium and large-scale miners
Sub Theme	Long-Term Goal	Medium-Term Outcome

2. An enabling environment for private sector led growth	<ul style="list-style-type: none"> • Increase private sector foreign and domestic investment 	<ul style="list-style-type: none"> • Increased business enterprises that contribute positively to economic growth and increase domestic market supply; • Increased foreign direct investment; • Improved private sector competitiveness.
3. Export led growth	<ul style="list-style-type: none"> • Malawi becomes a net exporter 	<ul style="list-style-type: none"> • Increased number of businesses accessing the international markets with products
4. Conservation of the natural resource base	<ul style="list-style-type: none"> • Reduced environmental degradation. • to maintain fish species and bio-diversity. 	<ul style="list-style-type: none"> • To ensure sustained fish availability for food and nutrition security as well as income generation. • To ensure sustainable use and management of forestry resources. • To ensure sustainable use and management of forestry resources.
5. Economic Empowerment	<ul style="list-style-type: none"> • Reduce income disparity, • Increase in employment, and income 	<ul style="list-style-type: none"> • Increased employment and income of the poor from on and off farm activities; • Increased productivity of rural communities / businesses and their contribution to economic growth; • Women, youth and the disabled fully participate in economic activities.
6. Land and Housing	<ul style="list-style-type: none"> • Ensure tenure security and equitable access to land • Improved housing delivery systems, processes, procedures, and services with particular focus on vulnerable and low-income groups 	<ul style="list-style-type: none"> • efficient use of land and land based resources and equitable access to land by all productive Malawians and other investors. • Provision of adequate and conducive framework for improved access

5.1.1 Sub Theme One: Maximizing contribution to economic growth through potential growth sectors

The economy has shown fluctuating, but generally low growth rates over the last decade. The real GDP growth has been highly variable, mainly because of the poor performance of the agricultural sector due to over-dependence on rainfed agriculture, unfavourable macro-economic environment and high cost of production. The low growth rates, coupled with a population growth rate of nearly 2.0 percent per annum, have resulted in a sharp fall in per capita consumption. In general, there has been limited progress on economic base diversification. Therefore, agriculture continues to be the main source of economic growth for Malawi. The industrial sector remains basic and is constrained by high real interest rates, high transport and energy costs. Overall, the economy is vulnerable to a number of factors such as drought, high transport costs, and over-dependence on unreliable external aid.

Exports remain heavily concentrated in a narrow range of primary commodities, with tobacco accounting for over 70.0 percent of foreign exchange earnings. The majority of these commodities are sold at low and declining world prices. This is a result of limited value addition capacity within the manufacturing sector. Economic growth is further constrained by the land-locked nature of Malawi, low per capita income resulting in low effective demand within the country; unreliable infrastructure, chronic food insecurity and limited opportunities for exports. These represent special barriers to private investment and the strategies herein are designed to address these Malawi specific barriers.

For Malawi to achieve an annual economic growth rate of at least 6.0 percent, there must be a concerted effort by the private sector, Government, and all stakeholders to accelerate growth and economic diversification. In much as the economy continues to be driven by the agricultural sector, the other sectors of manufacturing, mining, tourism and agro-processing will play an important role in generating economic growth. As such the creation of a favourable macroeconomic environment will be a prerequisite for investment in these sectors.

The goal is to increase productivity, diversify the economy and achieve export led growth. To attain this, potential growth sectors will be positioned to realise the targeted economic growth and increase employment. The MEGS identified tourism, mining, manufacturing among others as potential high growth sectors. Currently, these sectors face specific constraints that hinder their ability to reach full potential. MGDS will, therefore, focus on addressing these specific constraints and engage private sector in honest dialogue to implement strategies to achieve the desired medium term outcomes. .

(a) Tourism

Long-term Goal

Increase the contribution of tourism to GDP from 1.8 percent to 8.0 percent by 2011.

Medium Term Expected Outcome

To establish Malawi as a principal and leading eco-tourism destination in Africa. Apart from looking for tourists outside Malawi, there is also an opportunity to increase domestic tourism. According to the World Travel and Tourism Council, tourism is expected to generate 7.1 percent of new jobs annually in Malawi. It is expected that the contribution of the tourism sector to GDP will increase from 1.8 percent in 2005 to 8.0 percent by 2011. A number of constraints need to be addressed in order to achieve the expected outcome. These include; high transport costs and poor access roads to tourist destinations, poor and uncoordinated promotion activities, and threats to flora and fauna.

Key Strategies

Government will work closely with the private sector to strategically diversify tourism products, identify niche opportunities, and make Malawi's tourist destinations a good value proposition against competitors in the region. To facilitate private sector investment in tourism Government will prioritise the construction and rehabilitation of roads and landing strips to key destinations, build capacity of communities in tourism

through tailor-made courses in training institutions and coordinate efforts for a unified position on tourism promotion to reach potential customers in international and regional markets.

The main strategies include:

- Develop quality and diversified products and services based on the natural and cultural resource heritage to attract tourists;
- Increase capacity to service additional tourists in accommodation facilities that are competitive with other tourist destinations in the region, including transportation links to tourism destinations;
- Improve the reach of tourism products to domestic, regional and international markets; and
- Facilitate investment, infrastructure development and visitor management programmes in undeveloped areas with proven tourism potential.

b) Mining

Goal

To increase the contribution of the mining sector to GDP by at least 10 percent annually.

Medium Term Expected Outcome

The medium term expected outcome for mining is to increase production output and value added by small, medium and large-scale miners, to supply industrial raw materials in the country (import substitution) and to begin exporting minerals. To achieve this, a number of constraints facing the sector need to be addressed. These include; lack of up-to-date information on mineral resources, poorly coordinated institutional setting, high initial investment costs and inadequate incentives for private sector to engage in medium scale mining. In addition, small-scale miners lack skills to add value to mineral products, while electricity disruptions threaten production and safety of miners.

Key Strategies

Government will work with mining companies to accelerate the geological and mineral data acquisition and dissemination to strengthen public-private partnerships in infrastructure provision. It will continue to provide extension services to small-scale miners to learn value added skills. It will also improve the regulation and monitoring of mining to reduce threats to the environment, enforce safety standards, and reduce smuggling.

Main strategies include:

- Strengthening the institutional capacity of Geological Surveys to effectively promote mining, monitoring and enforcement of environmental safety standards;
- Ensuring compliance by small, medium and large scale miners to environmental and safety standards;
- Supporting small scale miners by integrating them into the minerals market and increasing their value added;
- Increasing investment by private sector companies in medium and large scale mining; and

- Providing up-to-date information and geographical mapping on mineral resources.

C) Manufacturing

Goal

The long-term goal is to increase manufacturing output with growing value addition, export development and employment creation.

Medium-term Expected Outcome

The medium term outcome for the sector is to increase the contribution of the manufacturing sector to economic growth. Currently, the sector is small, output has stagnated and there is low capacity utilization across all sub-sectors. Capacity utilization is hindered by high cost of doing business and poor management. Most firms use relatively simple technology and rely on imports for their intermediate inputs. In addition, the industry faces difficulties in accessing markets due to low product quality and high costs of inputs, poor infrastructure (roads, water, and energy) and a discretionary system of taxes, rebates and incentives.

Key Strategies

The Government will work with the private sector to establish conditions for manufacturing to take off. The private sector will look for ways to strengthen the links with raw material sources, especially in the agricultural sector and consider additional processing in the rural areas. Government will also take appropriate measures to promote private sector investment among other things through empowering indigenous businesses.

Main strategies include:

- Improving the quality of products and productivity of both labour and capital;
- Enhancing skills through better integration of science and technology into vocational training;
- Enhancing the capabilities of Malawi Bureau of Standards and other related bodies to perform their functions;
- Developing additional incentives for investment including redefining the roles and responsibilities of support institutions, and working to target infrastructure phasing to the benefit of the manufacturing sector; and.
- Reducing the cost of doing business by reviewing licenses, taxes and good governance.

5.1.2 Sub Theme Two: Enabling Environment for Private Sector Development

Government recognizes that the private sector is an engine for growth and wealth creation. In Malawi, the private sector is not well developed. Private sector investment has remained very low averaging around 3.0 percent of GDP. This low level of investment has negatively affected the economy's ability to diversify the economic base and exports. This situation has arisen due to poor macroeconomic environment, high transportation costs, and supply-side constraints. The participation of private investors in the economy has also remained limited due to low investor confidence, poor management, and limited domestic market.

Goal

The long-term goal is to create an enabling environment for private sector to increase domestic and foreign investment. To achieve this goal, Government will support, encourage and engage the private sector and all relevant stakeholders in result oriented dialogue to ensure tangible improvement in the business environment. Emphasis will be on economic policy, legal framework, infrastructure and good governance. Deliberate efforts will also be made to empower the indigenous Malawians so that they benefit from their engagement in the economic activities.

Medium Term Expected Outcome

It is expected that in the medium term there will be an increase in the number of local firms producing goods that are competitive in regional and international markets. MEGS highlights a number of constraints currently facing the private sector in Malawi. These include deterioration of infrastructure, irregular power supply, unreliable water supply and sanitation services, low access to credit, high tax rates and high transport costs.

There is also a significant shortage of skilled workers to supply the private sector with a productive workforce. The education system is not producing enough graduates to meet current and future economic needs. Besides, training offered is inappropriate for business needs. This is further compounded by productivity losses due to high incidences of malaria, HIV and AIDS.

Key Strategies.

- Improving infrastructure especially access to reliable and seasonally priced electricity, water and improved inter-modal transport to regional and domestic markets through direct investment, privatisation, build, operate and transfer arrangements and public-private partnerships;
- Improving vocational training by focusing on improving the TEVET system;
- Improve worker productivity and ability of firms to produce quality products
- Implementing tax reforms;
- Improving coordination for domestic and international investors and access to information.
- Improving micro-finance schemes and programmes;
- Ensuring secure land registration and functioning land markets; and
- Promotion of occupational safety and labour protection.

5.1.3 Sub Theme Three: Export Led Growth

Goal

The long-term goal is to turn Malawi from being a net importer to a net exporter and effectively integrate it into regional and international markets.

Medium Term Expected Outcomes

The medium term expected outcome is to increase the number of firms that are producing products that are competitive on regional and international markets. The national export strategy will include promoting production of goods and services where Malawi has comparative advantage to take advantage of the existing regional markets. There are a number of constraints to achieve this and these are unfavourable

macroeconomic environment, poor infrastructure, high transport costs, unfavourable terms of trade, over-reliance on neighbouring countries for transportation of imports and exports due to the land-locked nature of Malawi, and lack of direct flights to Europe seriously undermines the potential for both tourism and the exportation of high value fresh agricultural and horticultural produce.

Key Strategies.

- Reducing cost of reaching external markets due to infrastructure by focusing on linkages through Mozambique, the Shire Zambezi waterway, and reduced restrictions on air transport;
- Reducing lead times on export and improved efficiency by improving the efficiency of customs, harmonizing border crossing with neighbours;
- Improving marketability of products to international markets by improving certification (coupled with efforts under the enabling environment) and developing science and technology;
- Improving trade network and information for firms for export; and
- Maximizing the benefits of trade through better knowledge.

5.1.4 Sub Theme Four: Conservation of the natural resource base

Conservation of the natural resource base is an important factor that will contribute to the achievement of the sustained economic growth and development objectives of the MGDS. It is recognised that weak management of natural resources is a major problem in Malawi. This is exacerbated by population growth, environmental degradation, and encroachment of agricultural and settlement activities on forestry and marginal lands. There are three main areas of focus: fisheries, forestry, and wildlife conservation management. The goal is to improve management of fish species, forestry and wildlife biodiversity and reduce environmental degradation and conserve the natural resource base, while contributing to economic growth.

(a) Fisheries

Fish from Lake Malawi is a major source of the population's protein requirement, and the industry provides direct and indirect employment. However, this sub-sector is characterized by low productivity, decline in fishery levels due to over exploitation, poor pre- and post-harvest handling by communities, and poor enforcement of legislation and preservation of fish.

Goal

The long-term goal is to maintain fish species and bio-diversity.

Medium term expected outcome

The medium term outcome is to ensure sustained fish availability for food and nutrition security as well as income generation. It is expected that an estimated 500 fish-ponds will be constructed/ rehabilitated and stocked with fish for breeding in the next five years.

Key Strategies

The main strategy is to increase and sustain the productivity of small and large scale fisheries for both domestic and export markets. To achieve this, the following actions will be pursued among others;

- Enforcing legislation to ensure sustainable production of fish;
- Promoting the use of modern techniques of fishing;
- Capacity building through community training; and
- Development of small-scale fish farming and deep-water fishing.

(b) Forestry

Goal

The long-term goal is to reduce environmental degradation.

Medium term expected outcomes

The medium term outcome is to ensure sustainable use and management of forestry resources. Currently there is a high rate of deforestation and uncoordinated management of forestry resources resulting in a lack of policy coherence. The denudation of forest cover accelerates soil erosion and also erodes natural resource-based livelihoods. This is also caused by high dependence on wood as a source of household energy, limited skilled manpower, and dependence on public forests for raw materials. An estimated 200,000 hectares of forest-land is expected to be replanted by year 2011 in order to reverse the negative impacts of deforestation.

Key Strategies

- Improving productivity and value added by the industrial forestry sector, while balancing it with sustainable practices;
- Increasing reforestation efforts for key areas;
- Improving enforcement of regulations for forestry management;
- Initiating afforestation and environmental rehabilitation programmes in priority areas; and
- Introducing incentives for private sector participation in forestry.

(c) Environmental Protection

Goal

The long-term goal is to conserve natural resource base through sustainable use and management of natural resources and the environment.

Expected medium term outcome

The medium term expected outcome is improved compliance with environment and natural resource management laws. The main constraints to improved compliance include weak enforcement capacity, few economic incentives for compliance, and conflicting service delivery in management of natural resources. In addition, there is very limited environmental awareness in Malawi.

Key Strategies

- Improving enforcement of environmental policies and legislation;
- Improving cooperation in environmental management, natural resource management and development;
- Raising awareness of issues of environmental protection;
- Incorporating environmental issues in school curricula; and
- Establishing of an environmental management information system.

(d) Wildlife

Goal

The long-term goal is to conserve and manage protected areas and wildlife.

Medium-term expected outcome

The medium term expected outcome is to conserve, manage and develop wildlife resources to effectively contribute towards sustainable development of biodiversity and the tourism industry in Malawi. Wildlife forms a big percentage of tourism attraction. The sub-sector is constrained by a number of factors and these include; poaching, poor infrastructure development, Tsetse fly infestation, human-animal conflicts and understaffing.

Key strategies

- Enforcing wildlife law;
- Improving protected area infrastructure;
- Eradicating tsetse flies in protected areas;
- Improving capacity and institutional building for collaborative management;
- Improving capacity for problem animal control;
- Improving eco-tourism in protected areas; and
- Improving wildlife research and monitoring capacity.

5.1.5 Sub Theme Five: Economic Empowerment

Malawi's experience with economic empowerment programmes can be traced to the early 1960s. Despite the various initiatives by Government, donors, and NGOs, most Malawians are still involved in low-return, small-scale enterprises. The large-scale, high-value businesses are owned by foreigners and a minority of Malawians. Situational analysis as part of the development of National Economic Empowerment Policy shows that lack of empowerment is caused by a number of factors and manifests itself in the inability by the majority of citizens to control their economic destiny. It affects citizens depending on their race, gender, age, location and economic disposition.

Rural communities are most affected by lack of facilities and infrastructure supporting the development of businesses. With over 85.0 percent of the population living in rural areas, there is need to specifically target rural communities if a significant impact in empowering Malawians is to be made. This will require that private investment in these areas is fostered and the culture of handouts and political patronage to rural communities is curtailed.

Despite past efforts, women in Malawi remain marginalized compared to men. Women have less access to education, credit, land, and property. In addition, they have less access to employment opportunities both in the public and private sectors, technology, and other key market information to support their business activities. Unemployment among the youth has worsened over the last 20 years. Increasingly, the youth are completing their education with very little prospect of securing a job, or engaging in entrepreneurial activities. Due to lack of experience, very few employers are willing to recruit and train them on the job.

Finally, people with disabilities are usually the most affected in terms of access to assets and other facilities required to become economically empowered. They experience difficulties accessing financial services and capital, skills development programmes, and technology developments. They are also the most affected by poor infrastructure such as roads, communication, and buildings not designed to accommodate or meet their special needs. A coherent and integrated approach is needed to contribute towards solving the various causes of disempowerment, which exist in different sectors of the poor and disadvantaged in Malawi.

Goal

The long-term goal is to create wealth for all people.

Medium Term Expected Outcome

The medium term expected outcome is to increase the productivity of rural communities and businesses, employment and income, increase the number of women and youth who are actively participating in public and private sectors and to ensure that the urban poor are able to contribute to economic development. Despite the various economic empowerment initiatives that Malawi has undertaken so far, many challenges remain that hinder Malawians from exploiting their full potential to participate in wealth creation. These include weak linkages to markets and few incentives for rural communities to organize themselves for productivity enhancement, limited access to micro-credit and high default rates, lack of business advisory services or training opportunities, and an increase in rural-urban migration.

Key Strategies

Economic empowerment has many facets, and therefore requires a multi-pronged approach. This requires proper coordination to avoid overlaps and conflicts. While many economic empowerment initiatives exist in Malawi, there is no overall coordinating institution. Many policies have not been implemented because there has been no specialised institution to take full responsibility and authority. To be effective, proper coordination, management, monitoring and evaluation of all economic empowerment initiatives are needed. The main strategies include;

- Targeting infrastructure development to ensure that rural roads link rural communities to markets;
- Developing rural cooperatives to lower transaction costs of dealing with rural entrepreneurs and helping communities increase their bargaining power. This will be through targeted programs for rural areas complemented by current programs undertaken by agro-processing companies;
- Strengthening the policy environment for micro-finance, including improved coordination of donor programs to decrease market distortions. This will

focus on providing innovative credit schemes and developing a network of practitioners while enhancing mechanisms to decrease the default rate;

- Offering vocational training and other training for small businesses; and
- Targeting women and their participation in growth through business programs.

5.1.6 Sub Theme Six: Land and Housing

Land is a basic factor of production as well as an important source of livelihood for most Malawians. There are three legally recognised types of land tenure in Malawi: customary, private and public. Customary land tenure is the most widespread category. However, other sub-tenures that are commonly practised by customary landholders (renting and borrowing) are not legally recognised. Registered private land (freehold and leasehold) accounts for less than 8.0 percent of the land area. Inadequate access to land has been identified as one of the critical factors contributing to poverty in the country. The land sector impacts on poverty in three main ways: inequitable access to productive resources and processes, unequal land distribution, and land tenure insecurity. However, discrimination in access to land based on social status, economic status and gender is a major constraint. For example, it is easier for rich people to access land than the poor, or where influential members of clans make unilateral decisions on land, very often without prior knowledge of other members of the groups. In addition, the following constraints or challenges have to be addressed; rapid population growth; poor land use practices, lack of effective representation of vulnerable groups in land administration and use matters, lack of awareness about the land policy and its implications on people's livelihoods, poor formal land markets, and poor coordination among the existing network of field staff, NGOs, faith organizations, community based organizations etc on land matters.

Goals

The long-term goal is to ensure tenure security and equitable access to land for the attainment of broad-based social and economic development through optimum and ecologically balanced use of land and land- based resources.

Expected Medium term Outcomes

The medium term expected outcome is the efficient use of land and land based resources and equitable access to land by all productive Malawians and other investors.

Key Strategies

- promoting and facilitating opportunities for lowering land transaction costs and enhance the operation of effective land markets,
- supporting the privatisation of some land services in an effort to encourage the development of private sector participation in land sector activities;
- promoting community participation and public awareness at all levels,
- ensuring the adoption of environmentally sustainable land use practices, legislating land with provisions that enshrine tenure security not only to enhance tenure security, but also build confidence and encourage investment on land.
- Legislation of land that discourages discrimination on grounds of status, gender or vulnerability;

- Implementing transparent and accountable land allocation systems; and
- Increasing tax on land to realistic levels that will discourage underutilization and speculation.

5.2 THEME TWO: SOCIAL PROTECTION AND DISASTER RISK MANAGEMENT

Achievement of sustainable economic growth and development by itself may not automatically translate into improved quality of life for the most vulnerable Malawians. It is therefore necessary to design programmes that will protect them as they may not be able to take advantage of the benefits from economic growth. It is also necessary to protect those that are not chronically vulnerable, but fall into vulnerability due to economic shocks from time to time. The recent poverty and vulnerability study noted that 95.0 percent of households surveyed reported at least one economic shock in the past five years, with most households experiencing more than one type of shock. Coupled with the findings that there was a 30 percent fluctuation in poverty between 1998 and 2005, the need to have programs that keep the non-poor from falling into poverty is essential.¹² Recent analysis suggests that small increases in expenditure growth can move people out of poverty, while economic shocks can quickly push people into poverty. Thus, social protection strategies should include measures to decrease the risk of shocks and strengthen resilience to shocks (such as those identified in food security and economic empowerment). Social protection programs will therefore be designed to protect the most vulnerable.¹³

There is also need for measures to protect the most vulnerable groups like the elderly, the chronically sick, orphans and other vulnerable children, malnourished children, lactating mothers and destitute families. Special groups of persons with disabilities¹⁴ are also included in this category. These groups of people are vulnerable to risk and typically lack appropriate risk management instruments, which constrains them from engaging in higher return activities to enable them move out of chronic poverty. Populations affected by disasters also qualify for social protection since disasters affect the livelihoods and social economic asserts of affected groups. Social protection and disaster management are therefore necessary as they restore peoples' capacity to attain prosperity, create wealth and contribute to economic growth and development.

Table 5.2: Summary of Theme 2; Social Protection and Disaster Management

Sub Theme	Long Term Goals	Medium Term Expected Outcomes
Protecting the Vulnerable	Improvements in the socio-economic indicators of the most vulnerable	The most vulnerable with limited factors of production are sufficiently cared for as are the vulnerable who can be negatively impacted by economic shocks.
Disaster Risk Management	Reduction in the socio-economic impact of disasters.	The impact of disasters on the vulnerable is reduced.

Social protection is particularly important because it ensures that the vulnerable, who may be on the peripheral of economic activity and thereby not benefit from growth,

¹² IHS2 data showed that 30% of the poor moved out of poverty during the period while 30% of the non-poor moved into poverty – thus not impacting the overall percentage of poor.

¹³ Vulnerability to risks, food security and social protection in Malawi, Preliminary results of the poverty and vulnerability assessment, workshop, Lilongwe December 7-8, 2005

¹⁴ The group "persons with disabilities" refers to persons with disabilities that are unable to create their own income and wealth.

are well protected. Three main areas of focus have been outlined. First is the sub theme on empowering farmers and rural communities by improving their integration into the economic market, increasing their productivity and contribution to economic growth. Secondly, the focus has been on the most vulnerable who may not be able to enjoy the benefits of growth and therefore there will be need to have plans in place for their protection. Lastly, focus has been on disaster management especially the scaling up of efforts to strengthen capacity for response. More importantly, there will be need to ensure that social protection programmes are formulated as a spring board for the poor and they should provide them with the capacity to come out of vulnerability and engage in productive work.

5.2.1 Sub Theme One: Protecting the Vulnerable

Vulnerability can be defined as the likelihood of being harmed by unforeseen events, or susceptibility to exogenous shocks. The most vulnerable broadly include individuals or households affected by disasters; households headed by orphaned children, the elderly and single-parents (especially female heads); persons with disabilities; under-five children, lactating and pregnant mothers; orphans, and the unemployed and underemployed, and the land-constrained in rural areas. It is noted, however, that this general categorisation does not mean that all people or households falling under these categories are the most vulnerable. The determining factor is their inability to meet their basic needs and on the basis of poverty characteristics.

Currently, efforts to protect the most vulnerable have faced many problems. Most of the past market-based policies and interventions have been inefficient, fiscally unsustainable and mostly benefiting the non-poor than the poor. Consequently, all the market-based policies of social protection were abolished under the economic reforms. The administered programs are fragmented, uncoordinated and are poorly targeted. On the other hand, direct assistance and social welfare transfers are small in size and limited in coverage, largely due to financial constraints. The informal social protection, likewise, has become over-stretched and vulnerable to shocks due to increased poverty and the HIV and AIDS scourge.

Several key challenges and constraints have made it difficult to improve the quality of life of the most vulnerable. These include clear lack of focus in implementing cost-effective interventions especially the area of preventing and reducing the high prevalence of stunting and wasting in children less than two years of age. Inadequate planning and lack of integration regarding data on the country's development and growth strategies on the one hand and the risks and obstacles to these strategies on the other hand, posed by structural weaknesses and fluctuating resource needs for the chronically poor. Poor targeting has also been a constraint mainly due to insufficient data regarding the characteristics, location, challenges and needs of the vulnerable. Other constraints include inadequate knowledge regarding processes, transfer mechanisms, power dynamics, and incentive structures of target communities; poor donor and stakeholder coordination in the design and delivery of programs, and this also touches on lack of coordination of social protection programs in general.

Goals

The long-term goal is to improve the life of the most vulnerable.

Medium Term Expected Outcome

The expected medium-term outcome is to increase assets of the poor to enable them to meaningfully engage in sustainable growth and contribute to poverty reduction.

Key Strategies

In order to realize the goals and expected outcomes as outlined above, there is need to undertake the following strategies which complement efforts for economic empowerment and social development:-

- Providing efficient and effective support to the most vulnerable with very limited factors of production.
- Improving planning and integration of knowledge on the needs of the chronically poor.
- Providing opportunities for the poor farmers and rural communities to graduate from poverty by facilitating their integration in mainstream agricultural productivity and enabling them to create wealth. Specifically, there shall be a provision of subsidized agricultural inputs to poor farm families; undertake public works programme (PWP).
- Promoting savings culture in PWPs, and
- Providing capital for income generating activities through programmes such as MARDEF

5.2.2: Sub Theme Two: Improving Disaster Risk Management

Malawi is frequently affected by natural disasters and calamities. Apart from disasters that hit traditional disaster-prone areas like the Shire Valley, acute food shortage is the worst form of humanitarian crisis in Malawi. Lakeshore areas are also prone to severe flooding during years of heavy rains. Hailstorms also destroy crops, livestock, and other infrastructure thereby reducing productivity and removing the sources of livelihoods. It is therefore important to harness wealth creation and poverty reduction by putting in place adequate disaster risk management measures that go beyond emergency response to preparedness, prevention and mitigation as well as rehabilitation and reconstruction. Nevertheless, disaster risk management efforts face a number of challenges and constraints among which are inadequate funding, poor response to disasters and lack of an effective early warning system.

Goal

The long-term goal is the reduction in the socio-economic impact of disasters as well as building a strong disaster management mechanism.

Medium Term Expected Outcome

The expected medium-term outcome is reduced impact of disasters by improved disaster risk management.

Key Strategies

- Developing and strengthening institutions responsible for disaster risk management,

- Instituting necessary disaster risk management mechanisms
- Implementing mitigation measures in disaster prone areas;
- Integrating disaster risk management into sustainable development planning at all levels;
- Developing and strengthen coordination of institutions in disaster management and relief services;
- Establishing an early warning system for Malawi; and
- Timely provision of emergency relief assistance to affected populations while measures shall be instituted aimed at improving mitigation and rehabilitation of areas affected by disasters.

5.3 THEME THREE: SOCIAL DEVELOPMENT

A healthy and educated population is necessary to achieve sustainable economic growth. By building a healthy and educated population as well as achieving economic growth, Malawi seeks to achieve and sustain Millennium Development Goals. Major economic sectors of agriculture and industry require an educated, skilled and healthy workforce to take on new challenges and achieve the goals of the sectors. The Strategy recognizes the interrelated nature of issues of education, health, population, HIV and AIDS, nutrition and gender. These issues therefore have to be dealt with in a balanced manner, without neglecting any one of them if Malawi is to achieve economic growth and development as well as achieve the MDGs. It is in this context that this Strategy proposes to address these issues in a coherent manner under one theme of social development. However, considering the impact that HIV and AIDS and malnutrition have on the economy, Government has placed these as key priorities for the short to medium-term. As such these issues have been taken from this theme and are discussed under key priorities in Chapter 4. The overall goal of this theme is to develop human capital for full participation in the socio-economic and political development of the country.

Table 5.3: Summary of Theme 3; Social Development

Sub-theme	Goals	Medium Term Expected Outcomes
Health & Population	<ul style="list-style-type: none"> • Increase life expectancy. • Decrease maternal mortality rates by 50% from 984 deaths per 100,000. • Decrease child morbidity and mortality including deaths due to diarrhoea especially in children under 5 years of age 	<ul style="list-style-type: none"> • People have better access and use of health services <ul style="list-style-type: none"> -- Decreased cases of preventable diseases (e.g. malaria and TB) -- Improved use of ORT for diarrhoea control -- Use of modern contraceptives -- ARV treatment regime are followed . -- Increased vaccination rates --Increase life expectancy at birth from 40 to 45 years. • Reduce malaria cases by 50 %. • Improve TB cure to 70 %.
Education	<ul style="list-style-type: none"> • Primary: To equip students with basic knowledge and skills to enable them to function as competent and productive citizens in a free society 	<ul style="list-style-type: none"> • Reduced absenteeism, increased net enrolment, reduced dropout among girls and boys • Improved learning outcomes • Retain girls to complete the primary cycle • Reduced absenteeism to 5% by 2012 • Increased net enrolment to 95% by 2012 • Reduced dropout by 50%
	<ul style="list-style-type: none"> • Secondary: To provide the academic basis for gainful employment in the informal, private and public sectors 	<ul style="list-style-type: none"> • Reduced absenteeism by 50% by 2012 • Increased net enrolment from 30% to 50% by 2012 • Reduced dropout to 5% • Retain girls to complete the secondary cycle
	<ul style="list-style-type: none"> • Tertiary: Provide high quality professional training in all fields 	<ul style="list-style-type: none"> • Increase undergraduate enrolment by 40% • Increase post graduate enrolment ratio to 10% of the undergraduate student population • 35% female enrolment by 2010 • Improve curriculum to respond to national needs
Gender	<ul style="list-style-type: none"> • Contribution to socio-economic indicators and economic growth 	<ul style="list-style-type: none"> • Enhance participation of women and men, girls and boys. • Reduce gender inequalities (as measured by disaggregated access to services included in other parts of the strategy).

5.3.1 Sub Theme One: Health and Population

(A) Health

A healthy population is not only essential but also a pre-requisite for economic growth and development. There is a very close and strong correlation between health status and level of development. That is, countries with good health are highly developed, whereas those with poor health are underdeveloped.

Malawi's health situation based on the health indicators such as maternal mortality rate, child mortality rate, child and maternal malnutrition, life expectancy, access to health facilities is very unsatisfactory. While some achievements have been made after implementing a number of policies, some of the health indicators are the worst in the world. For instance, for every 100,000 live births, 1,120 mothers die due to limited access to quality reproductive and health services, infant mortality and child mortality are estimated at 76 and 133, respectively per 1000 live births due to limited access to health services and malnutrition. Though Government is making efforts to bring about improved health, it faces a number of challenges. These include inadequate health personnel, prevalence of diseases such as HIV and AIDS, tuberculosis, malaria and acute respiratory infections, and migration of health personnel to other countries. Recent assessments have shown that there are more than 100,000 people per qualified physician. There is inadequate supply of essential drugs due to budgetary constraints, which is compounded by pilferage. In general, the health infrastructures or facilities are very poor.

HIV and AIDS is a big challenge in attaining a healthy nation and this seriously affects development efforts in all sectors. The high prevalence of HIV and AIDS has seriously affected the health services delivery systems, subsequently the health status of the country's population. Detailed situation analysis on HIV and AIDS and measures currently in place to contain the scourge and challenges being faced are presented in the subsequent section on HIV and AIDS.

Goal

The long-term goal is to improve health of the population at all levels in a sustainable manner.

Medium-term Expected Outcome

The expected medium term outcomes are, among others, improved provision of essential health care services; reduced infant mortality rate from 76 to 60 per 1,000 live births; reduced child mortality rate from 133 to 90 per 1,000 live births; and reduced maternal mortality rate by 50 percent from the current level of 984 deaths per 100,000 live births.

Key Strategies

Successful achievement of the intended goals and expected outcomes will, to a greater extent, rely on what happens in other sectors like production of food in agriculture, disease treatment and prevention in the health sector, relevant curriculum in the education sector and reduction of gender inequality. The targeted programs under the health sector support program will be complemented by educational efforts to improve nutrition, food production, and general improvements in infrastructure in

rural areas. The Government will work with partners in the donor community, NGOs, and at the village level to leverage the resources devoted to the improvement in health related goals. Improving health requires a multifaceted or integrated approach with a combination of preventive, educational and clinical measures. By bringing these together, the costs of interventions can be minimized and their effectiveness maximized. The MGDS seeks such integration. Main strategies include the following:

- Increasing the retention of qualified health workers through a targeted program for health care workers;
- Improving working environment for health personnel;
- Increasing the availability and eliminating theft of drug supply;
- Improving health facilities through targeted facilities infrastructure (roads, water, health buildings, water, communication and medical equipment);
- Improving equipment at health care facilities, especially maternity services;
- Improving financial management, monitoring and supervision of health care facilities; and
- Providing comprehensive health services package that include treatment of diseases and infections, awareness programmes and education through Government and private hospitals.

(B) Population

The MGDS recognises that there is a strong linkage between issues of population and health as such efforts from these two fronts compliment each other. However, there are other elements of population that cannot be conclusively addressed by efforts in the health sector alone because of its broad nature. These include population data analysis and dissemination for development planning. This is particularly important for the determination of total demand for goods and services in the economy.

Goal

The long-term goal is to increase the number of people with good living standards.

Medium Term Expected Outcome

The medium term expected outcomes include: increased life expectancy from 37 years to 45 years; reduced population growth rate from 2.0 percent to 1.5 percent per annum; reduced total fertility rate from 6.0 to 4.9; and increased contraceptive prevalence rate from 33.0 percent to 40.6 percent.

Key Strategies

- Lowering fertility in all reproductive age groups through advocacy programmes;
- Expanding the range and improving access and quality of health services focused on common health problems to reduce morbidity and mortality;
- Providing accessible, affordable and comprehensive reproductive health services through informed choices in order to enable them to attain their reproductive health rights and goals;
- Improving the quality of life of those infected and affected by HIV and AIDS;
- Enhancing programmes which increase awareness of the population, reproductive health and HIV and AIDS challenges; and

- Improving methods of collection, analysis and dissemination of demographic and socio-economic data, disaggregated by age, sex, districts, and Traditional Authority through capacity building.

5.3.2 Sub Theme Two: Education

Education is the key for attaining prosperity. It is a catalyst for socio-economic development, industrial growth and an instrument for empowering the poor, the weak and the voiceless. Education enhances group solidarity, national consciousness and tolerance of diversity.

Government is implementing a number of reforms in order to improve the current situation especially to increase access and retention at all levels; improve the quality and the relevance of education being provided; improve equity, management and supervision; and the training of more teachers for both primary and secondary levels. This will be achieved through construction of additional classrooms, provision of relevant school supplies, training of more teachers and upgrading the existing under qualified ones. Curriculum reviews and reforms are in progress to improve the relevance of education so that the system can produce both white-collar job seekers and blue-collar job providers and the self-employed. Effective policies and systems are being established to enhance equity in education and effective management of the education sector.

Improvement and relevance of the education system in Malawi continues to face a number of challenges due to poor policy decisions made over the past few years. These have negatively affected the quality and relevance of education being provided especially at primary and secondary levels. Such policies included the sudden declaration of the Free Primary Education Policy, the conversion of the former Distance Education Centres (DECs) to Community Day Secondary Schools (CDSS) and the use of untrained and under qualified teachers in the system due to inadequate number of professionally qualified teachers.

The relevance of education has also been negatively affected by lack of timely reviews and reforms of the school curricula, consistent with the current national needs and aspirations, and also through the unwarranted addition of irrelevant subjects to the old curricula and the removal of relevant subjects such as technical, vocational and entrepreneurship education subjects. Other factors compromising education quality and relevance include: backward cultural attitudes of education for girls, inadequate infrastructure including for people with special needs, internal inefficiencies such as high absenteeism, high repetition and dropout rates, and also lack of school inspection or ineffective supervision and monitoring. These have rendered the system to be inefficient. The completion rates, pass rates and transitional rates from one class to the next and from one level to the next are very low.

Goals

The education sector has identified three priority goals. These are to equip students, especially at the basic education level with basic knowledge and skills to enable them function as competent and productive citizens; at secondary level, to provide the academic basis for gainful employment in the informal, private and public sectors;

and at tertiary level, to produce high quality professionals with relevant knowledge and skills in relevant fields.

Medium-term Expected Outcomes

At pre-school level, the expected medium term outcome is to have an expanded infrastructure and increased access.

At primary school level the expected medium term outcome is to substantially reduce absenteeism, repetition and dropout rates.

At secondary and tertiary levels the expected medium term outcome is increased access and improved quality and relevant education for both sexes and students with special needs.

Key Strategies

- Rehabilitating existing schools and building additional school infrastructure including teachers houses at all levels;
- Training more teachers;
- Improving the teaching-learning environment to reduce absenteeism, repetition and dropout rates for both sexes;
- Reviewing and reforming school curricula to address national needs;
- Implementing affirmative policies relating to selection of pupils and students to secondary and tertiary levels;
- Providing a conducive environment for girls and students with special education needs to enhance equity; and
- Equipping managers with managerial skills through targeted training and induction.

5.3.3 Sub Theme Three: Gender

Gender issues are an integral part of the overall national development agenda. Gender inequalities in accessing productive resources, development opportunities and decision making affect economic growth and development. The Gender Development Index for Malawi of 0.374 indicates that large disparities between men and women exist. Women who constitute about 51 percent of the population are marginalized in social and economic spheres such that they are unable to effectively contribute to social, economic and political development of Malawi. Education is a key factor for women empowerment. However women tend to have lower education levels than men leading to their lower participation in many areas of development. The main challenges are social/cultural factors, limited access to means of production, and limited participation in social and economic activities. The abuse of human rights or gender-based violence is tilted towards women and children and has accelerated other factors in their disfavour such as spread of HIV and AIDS.. In addition, the coordination and implementation of gender related policies is weak in Malawi.

Goal

The long-term goal is to mainstream gender in the national development process to enhance equal participation of both sexes for sustainable development.

Medium-term Expected Outcome

The expected medium term outcome is reduced gender inequality.

Key Strategies

Gender is not a stand-alone subject, as such achievement of Government's goals and outcomes will very much depend on mainstreaming gender issues in all the other sectors. Main strategies include;

- Strengthening the institutional capacity for effective co-ordination of gender policy implementation;
- Taking affirmative action to increase women and children decision makers in high levels of the public and private sectors;
- Promoting gender equality through advocacy; and
- Breaking the cultural/traditional factors which create and perpetuate gender inequalities.

5.4 THEME FOUR: INFRASTRUCTURE DEVELOPMENT

Infrastructure is one of the prerequisite for economic growth. It is a key component for creating an enabling environment for private sector driven growth and provision of timely and quality social services. Provision of infrastructure in the areas of transport (road, rail, air and water), water supply and sanitation, electricity, telecommunications, and information technologies contribute to enhanced productivity of business establishments in the country. Infrastructure services are complementary in nature and must be provided as a package for maximum benefits of development endeavours set in this Strategy.

In general, infrastructure in Malawi is grossly inadequate, characterized by low availability, unreliability and expensive. Overall, the infrastructure limitations in Malawi can be attributed to weak transport infrastructure (network and condition); high cost of transportation resulting in high cost of goods and services; unreliable and expensive utilities (water, electricity, and telecommunication); weak capacity of information technology in both private and public sectors. This is compounded by Malawi's landlocked status, which is a major disadvantage to businesses as it increases the costs to importers and exporters relative to regional competitors. If the country is to register positive economic growth these limitations need to be addressed.

Development of infrastructure will contribute to the achievement of a number of the expected outcomes of the MGDS. Specifically, a well developed infrastructure will contribute to reduced cost of doing business in Malawi as it will improve its attractiveness as an investment destination; increased access to markets, clinics, schools, especially in rural areas and reduced incidence of water-borne diseases and environmental impacts from poor water usage and poor sanitation. However, the provision of infrastructure is not an end in itself but provides an enabling environment for the economic and social activities. In line with the goals of the MGDS, infrastructure development would focus on provision of infrastructure services as a package, which will promote activities in the various sectors of the economy.

This theme is made up of five sub themes namely transport; energy; water and sanitation; information, communication technology; and science, technology and research. Government has singled out transport infrastructure particularly roads and marine with respect to the Shire Zambezi Waterway as some of the key priority areas for the MGDS. Similarly, energy, water and sanitation have also been singled out as key priority areas. It is envisaged that the development of these selected infrastructure development initiatives will contribute to the realization of the immediate economic benefits for Malawi. Hence these issues have been taken from this theme and are discussed in Chapter 4 within the context of Government's key priority areas for the short to medium-term. The remaining other focus areas are outlined below.

Table 5.4: Summary of Theme 4; Infrastructure Development

Sub-theme	Long and medium term goals	Expected Outcome
Other Modes of Transport	Ensure the provision of a coordinated transport environment that fosters a safe and competitive operation of commercially viable, financially sustainable, and environmentally friendly transport services and enterprises	<ul style="list-style-type: none"> • Improved mobility and accessibility of the population to key road corridors within Malawi and out of Malawi and facilitate the continued development of the country's rural areas. • By 2011, 71% of the road network will be in good condition, 18 % in fair condition with only 11 % in poor condition.
ICT Telecommunications Information Technology Broadcasting	<p>Ensure universal access, connectivity and affordable information and communications technology</p> <p>Improve use of technology in companies, education, and service delivery</p> <p>Empower the nation and accelerate economic growth and development through the collection, analysis, processing and dissemination of accurate and timely information.</p>	<ul style="list-style-type: none"> • Formation of public/private sector partnerships in the provision of telecommunications services. • Increased technical skills and updated knowledge are used by public and private sector institutions • Developed its broadcast infrastructure using the modern telecommunication technologies and develop the sub-sector to be private sector driven and oriented.
Science & Technology	Develop, disseminate and promote utilization of technology to improve productivity and quality of goods and services	<ul style="list-style-type: none"> • Well-coordinated science and technology generation and dissemination. • Effective and efficient operation of science and technology institutions.

5.4.1 Sub-Theme One: Air and Rail Transportation

This sub theme focuses on air and rail transportation since road and water transportation have been particularly singled out as some of the key priority areas where Government will concentrate its efforts in the medium-term. These have been discussed under chapter 4 of this document.

5.4.1.1 Air Transport

Air transport is the most efficient and effective means of transportation. However, Malawi faces a number of constraints such as airfreight costs which are higher than neighbouring countries, and landing rights restrictions and fees are prohibitive hence uncompetitive. Facilities at major airports are either below international standards or not available. While Malawi is striving to become a productive exporting economy there are no proper storage facilities at the international airport. In light of this problem, the focus in the medium term will be to ensure that the international airports conform to international standards through the provision of the relevant services and facilities.

Goal

The long-term goal is to reduce the cost of air transportation while ensuring international competitiveness.

Expected Medium Term Outcome

In the medium term it is expected that Malawi will attain and maintain a competitive, self-sufficient and sustainable civil aviation environment that ensures safety in accordance with national and international standards and enables the provision of services in a reliable and efficient manner.

Key Strategies

The objective of an affordable air transport is to attract tourists and export of agro-processed products. This will call for availability of supportive accommodation facilities at the airports, availability of appropriate storage facilities and provision of appropriate information facilitates and packages to visitors. Strong public-private partnerships will be promoted to facilitate private investment. Main strategies include:

- Promoting and facilitating a competitive, sustainable and efficient air transport industry; and
- Providing a safe, efficient, reliable aviation infrastructure that complies with international standards.

5.4.1.2 Rail Transport

Goal

The long-term goal is to have an efficient, affordable and effective rail network that eases pressure from the road network and provides an alternative means of transport both to people and goods.

Expected Medium Term Outcome

In the medium term, it is expected that the rail sub-sector will be a well-managed, viable and sustainable system that promotes accessibility as well as affordable and reliable movement of goods and people.

Key Strategies

The development of the rail network will have to be linked to target areas such as ports, industrial sites and national borders. Main strategies include:

- Improving operational efficiency and commercial viability of the existing railway infrastructure and levels of service to all users including people with disabilities at an affordable cost; and
- Promoting railway safety and environmental protection.

5.4.2 Sub-Theme Two: Information, Communication and Technologies

(a) Telecommunications

The telecommunication sector plays an important role in economic growth and poverty reduction. Effective information dissemination and communication systems is critical for private sector development and service delivery. It benefits companies and the general public providing direct and fast access to information. MGDS recognises

the importance of the telecommunication and information sub-sector in the creation of an enabling environment for private sector led growth as well as improving the quality of life. Currently telecommunications services are below regional standards. Statistics show that only about 4.0 percent of the total population is connected to ground telephone lines in the country. Mobile phone networks have of late improved the situation.

Goals

The long-term goal is to ensure universal access to, connectivity and affordable information and communications technology.

Medium Term Expected Outcomes

In the medium-term it is expected that Malawi shall have increased access to telecommunications services.

Key Strategies

The implementation of an effective and efficient telecommunications strategy for Malawi will need to be in line with regional and international standards taking into account the issues of globalisation. Main strategies will include:

- Creating a conducive environment to attract investment in telecommunications;
- Enhancing the capacity of the regulatory body Malawi Communications Regulatory Authority (MACRA) to act as a competent referee in order to level the playing field; and
- Developing monitoring and periodically reviewing regulations.

(b) Information Technology (IT)

The use of modern techniques of information technology (IT) is important and necessary for the acceleration of economic growth and development. The dynamics and demands of the modern world call for active adoption and use of modern IT. Malawi has made strides in the investment and use of IT. Nevertheless, there are a number of constraints and challenges that need to be addressed to effectively improve service delivery. These include high costs of IT equipment, inadequate trained IT personnel, and poor IT support infrastructure.

Goal

The long-term goal is to improve service delivery in both public and private sector institutions through the use of IT.

Medium Term Expected Outcomes

The medium term expected outcome is a well developed IT infrastructure and improved e-governance. In addition, there will be increased IT skills in both public and private sector institutions, and increased tele-density.

Key Strategies

The implementation of an efficient IT strategy should take into account emerging needs of the industry at large in, particular, the high growth sectors such as tourism and manufacturing. Main strategies include:

- Developing a reliable, fast, adaptive and robust national IT infrastructure;

- Enacting an appropriate legislation that promotes and facilitates the country's participation in the information age;
- Facilitating the establishment of an efficient intra and inter-departmental, inter-sectoral, national and sub-national system of communication, for the necessary feedback in policy formulation, programme implementation, monitoring and review;
- Intensifying IT education and training in all sectors; and
- Improving IT access by all communities.

(c) Broadcasting

Information dissemination through radio and television (TV) continues to be the main form of communication in Malawi. Development of these modes of communication will remain vital in the medium-term to ensure that the population both in urban and rural areas is actively involved in the development process. Currently, radio communication is on the increase due to active participation of private radio stations. Television communication is still in its infancy but rapidly growing owing to its high message retention rate estimated at 93.0 percent. TV communication has proved to be the best mode of disseminating information on various topical issues such as education, democracy, good governance, human rights, and health. As such it is an important tool that will contribute significantly to economic growth and development for Malawi.

Goal

The long-term goal is to improve the dissemination of accurate, unbiased and timely information to the general public for informed decision-making.

Medium-term expected outcomes

In the medium-term it is expected that the country shall have a developed broadcasting infrastructure using modern telecommunication technologies.

Key Strategies

- Developing and rehabilitating broadcasting transmitting stations;
- Improving broadcasting distribution and coverage;
- Developing local capacity to generate reliable and accurate news and programmes;
- Improving quality and unbiasedness of local-content programme production;
- Promoting the participation of private broadcasting stations; and
- Promoting community broadcasting services.

5.4.3 Sub Theme Three: Research, Science, and Technology Development

Government recognizes the importance of research, science and technology in national socio-economic development. In this context, it has established national institutional structures that support the development of science and technology such as the National Research Council (NRC), Malawi Industrial Research and Technology Development Centre (MIRTDC) and a fully-fledged Department responsible for science and technology. Technology is generated through continuous research and development hence it calls for investment in research, technology development and

transfer. However, despite these efforts, Malawi is extremely weak not only in scientific and technological development but also in its utilization. This weakness affects many aspects of the socio-economic development. Integration of science and technology in the national development planning process continues to face a number of constraints. Some of these key constraints are; poor coordination of research, science and technology generation, weak institutional capacity, and inadequate funding to the relevant institutions.

Goal

The long-term goal is to enhance development through the application of science and technology.

Expected medium term outcomes

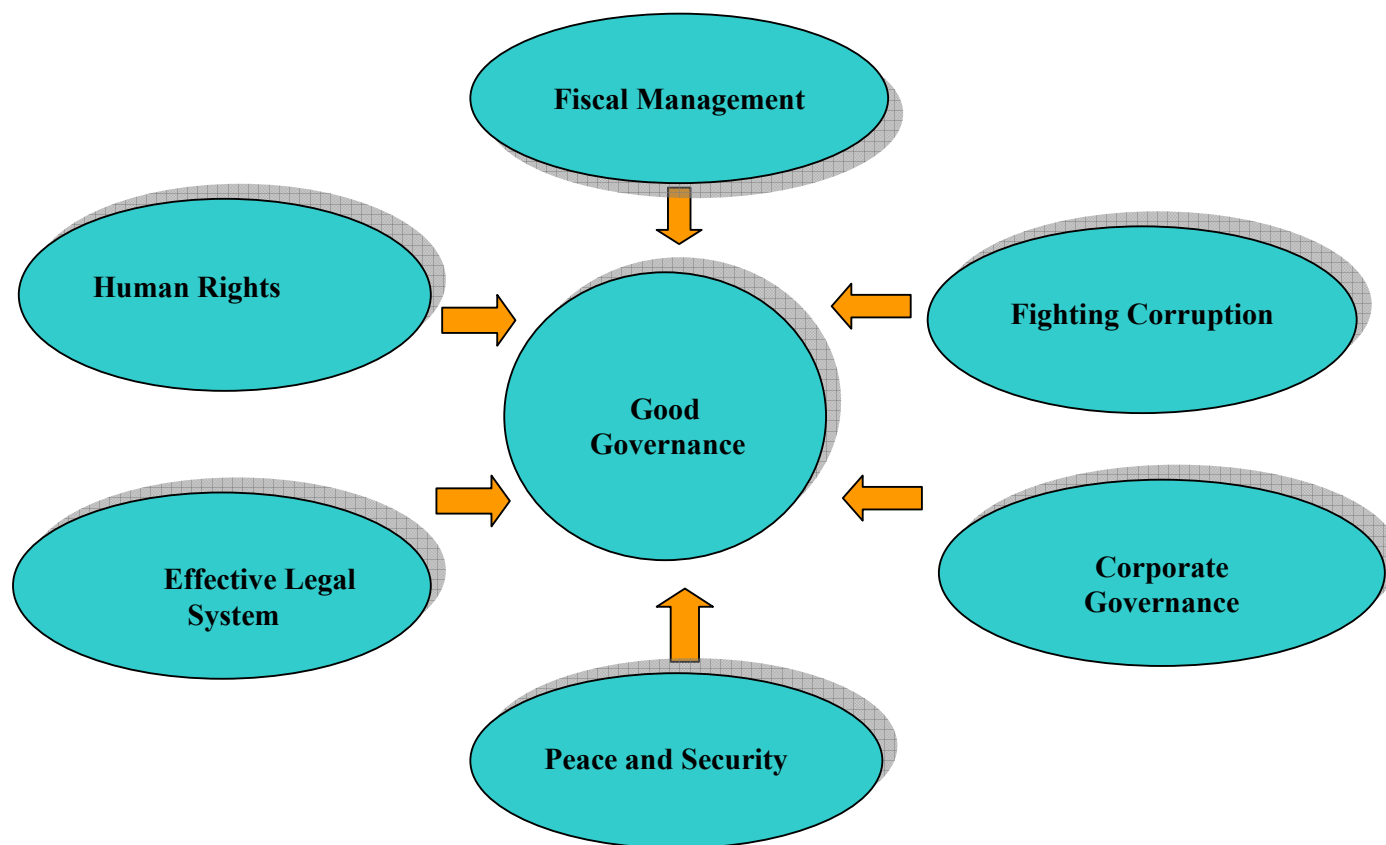
In the medium term, it is expected that the following outcomes will be attained:

- Well coordinated science and technology generation and dissemination;
- Effective and efficient operation of the science and technology institutions;
- Increased uptake on productivity and enhancement of technologies; and
- Prioritised and focused research and development.

Key Strategies

- Establishing a National Science and Technology Commission as the apex body to coordinate all activities relating to research, science and technology;
- Strengthening the capacity of research, science and technology institutions;
- Generating and disseminating appropriate technology through public-private partnerships;
- Developing and commercialising science and technology in areas identified to contribute significantly to socio-economic development;
- Promoting the development and utilization of indigenous technology through the re-introduction of the “Malawi Award for Scientific and Technological Achievement (MASTA) and the Most Innovative Technology Stand (MITS)” at the Malawi International Trade Fair;
- Establishing research funding mechanisms to promote research by individuals and institutions, including formulation of legislation for private sector investment in local research, science and technology development; and
- Designing syllabi that achieve a balance of science and technology, arts and humanities in basic, secondary, higher and technical education levels.

GOVERNANCE STRUCTURE



5.5 THEME FIVE: IMPROVED GOVERNANCE

The success of the strategies suggested in the first four themes depends much to the prevalence of good governance. The main tenets of good governance are issues to deal with good public sector management, absence of corruption and fraud, decentralization, justice and rule of law, security, good corporate governance, and respect of human rights. In addition, the need for political will and change of mindset within a democratic political environment is also envisaged to contribute positively towards the attainment of economic prosperity and poverty reduction. Malawi will, therefore, endeavour to address concerns in these areas as they underpin the achievement of all economic growth and social development objectives in the medium term.

Table 5.5: Summary of Theme 5; Improved Governance

Sub Theme	Long-Term Goals	Medium-Term Expected Outcomes
Macroeconomic Growth	Sustain economic growth, reduce dependency on foreign aid and generate investor confidence.	A favourable macroeconomic environment having low inflation rates at 5.0 %, lower interest rates, stable exchange rates, reduced Government borrowing and sustainable debts.
Public Policy Formulation	Free flow of information to consolidate democracy	Public well informed to participate in national development.
Fiscal Management	Eliminate distortions in macroeconomic fundamentals	Improve budget implementation
Corruption	Improve donor confidence	Corruption and fraud will be reduced.
Public Sector Management	Affordable, highly motivated, results oriented and productive civil service.	Improve the delivery of quality public goods and services.
Decentralization	Improve the efficiency and effectiveness of the public sector in service delivery to the communities	Local assemblies in full control of development planning and implementation
Justice and rule of law	Increase access to justice and entrenched rule of law	More responsive, efficient and effective judicial authority.
Security	Safe, secure and crime free nation	Reduced crime levels
Corporate Governance	Increased private sector investment	Increased domestic and foreign investment.
Human Rights	To increase awareness and upholding of human rights among all Malawians, particularly the most vulnerable through the promotion and protection of human rights.	enhanced awareness and practice of human rights and responsibilities among all Malawians, particularly the most vulnerable groups.

The need to address concerns in all these sub themes cannot be over emphasised, as it is evident that the achievement of the long-term national goals is dependent on good governance from all angles within the economy. As such, it is imperative that good governance creates a conducive environment for the implementation of both economic and social activities. However, the deliverance of good governance calls for collaborative efforts from all stakeholders because of the cross cutting nature of the issues at hand. Again, political will and change of mindset within a democratic political environment is also critical if anything is to be achieved. The country will, nevertheless, endeavour to address concerns in these areas through the various strategies put forward and thereby contribute towards the achievement of all economic growth and social development goals.

5.5.1 Sub Theme One: Macroeconomic Growth

Macroeconomic growth in a stable political and economic environment is a prerequisite for sustainable economic growth and wealth creation. In the past few years, the country experienced unstable macroeconomic environment mainly due to fiscal indiscipline. The macroeconomic fundamentals such as inflation, interest rates and exchange rates have not been suitable for economic growth and development. Interest rates still remain high to generate real investment. Inflation rates are high and fluctuating, while the Malawi Kwacha exchange rate against major currencies has been unstable and depreciating. Major challenges include the reduction of the unsustainable Government debt, privatisation of parastatals that continue to draw down on public resources, maintaining a sustainable fiscal deficit, unpredictable donor financing and external shocks such as increasing petroleum prices.

Goal

The long-term goal is the attainment of sustainable macroeconomic growth and development.

Medium Term Expected Outcomes

In the medium term, it is expected that Malawi shall achieve a favourable macroeconomic environment with low inflation (below 5.0 percent), lower interest rates, non-volatile exchange rates, reduced Government borrowing and sustainable debts.

Key Strategies

- Improving public finance management by adhering to the budget and good financial management systems as prescribed in the relevant Acts;
- Improving Government budget monitoring and evaluation;
- Improving the predictability of donor financing and holding donors accountable to their commitments;
- Improving the environment for private sector participation by reducing the crowding-out effects for private sector borrowing and the introduction of favourable tax reforms; and

- Improving donor-aid coordination.

5.5.2 Sub Theme Two: Public Policy Formulation, Fiscal Management, Public Sector Management and Corruption

In Malawi, the public sector has been characterized by poor management that has generated inefficiencies in the delivery of public goods and services. Government and its development partners are already addressing these challenges in the sector such as wage policy reform, civil service structure reform, capacity constraints and corruption. Despite these efforts, poor civil service incentive structures, inadequate financial and material resources, poor implementation structures, inadequate capacity, political interference, transparency and accountability, fraud and corruption still remain major obstacles in the medium term. In light of this, the focus in the medium term will be on strengthening public policy formulation, fiscal management and eliminating corruption in addition to the on going reforms in the public sector. This will be premised on strong political will and management.

5.5.2.1 Public Policy Formulation

Effective public policy formulation is important for proper decision-making. This requires involvement of all key stakeholders. It is also important that the general public has access to information to enhance effective participation in policy formulation.

Goal

The long-term goal is to promote free flow of information to allow the public to participate effectively in decision-making processes.

Medium-Term Expected Outcomes

In the medium term it is expected that the public will be well informed to participate in national development activities.

Key Strategies

- Improving public access to timely and accurate information by establishing community information centres;
- Strengthening information collection, processing, storage, retrieval and publication infrastructure. This will require the procurement of equipment for public news agencies, establish record management systems in the public sector, and introduce wire news subscription to public institutions;
- Enacting access to information legislation;
- Engaging private sector and other key stakeholders in policy formulation and evaluation;
- Engaging Parliament more in constructive discussion on the national development process as outlined in the Malawi constitution.

5.5.2.2 Fiscal Management

Good fiscal management is important to ensure that public resources are allocated and spent on priority areas. This will be fundamental to achieve the targets and aspirations outlined in the MGDS. The central tool in fiscal management is the budgeting

process, which since 1995 has been based on medium term expenditure framework (MTEF). The MTEF entails an output-focused approach based on costing of priority activities and projections of available resources. However, implementation of the MTEF has not been satisfactory. There have been huge variations in terms of planned (approved) expenditures and actual expenditures. Unbudgeted expenditures have exerted unnecessary pressures on the budget undermining the set priorities. Sector policies have remained unaffordable and resources have ended up being spread too thinly across so many activities thereby making little or no impact. This only shows lack of appreciation of resource constraints both at political and technical levels. It is imperative that the situation be corrected to achieve the long-term goal.

Goal

The long-term goal is to adhere to sound fiscal management practices by spending within the available financial resources.

Medium-Term Expected Outcome

In the medium term, it is expected that budget implementation will be improved.

Key Strategies

- Ensuring that resources are spent on priority areas;
- Eliminating extra budgetary expenditures;
- Adhering to the Public Finance Management Act, Public Audit Act and Public Procurement Act;
- Improving Integrated Financial and Management Information System (IFMIS); and
- Linking the output-based budget to the Government accounting system.

5.5.2.3 Corruption

Corruption retards economic growth and development by diverting resources from socio-economic development activities into coffers of a few. It discourages legitimate business investment, and reduces the public resources available for the delivery of public goods and services especially to the poor. Despite efforts to curb corruption, cases of corruption are still on the rise. The Anti-Corruption Bureau's effectiveness is hampered by inadequate human and financial capacity in addition to the need for reviewing other related laws. One of the main challenges in the medium term is, therefore, to ensure that corruption and fraud prevention is improved while offenders face the law.

Goal

The long-term goal is to make Malawi a corruption-free country.

Medium-Term Expected Outcomes

In the medium term, it is expected that corruption and fraud will be reduced. This will be achieved through improved transparency and accountability of goods and service delivery and zero tolerance to corrupt practices.

Key Strategies

- Training specialised personnel in the field of corruption and fraud to improve human capacity in such institutions of the Anti Corruption Bureau (ACB), Auditor General and Accountant General;

- Promoting the accountability of the ACB and the Auditor General to Parliament;
- Reducing political interference in the public sector by redefining and separating roles between Cabinet Ministers and Principal Secretaries;
- Promoting transparency and accountability in the procurement and delivery of goods and services by enforcing the relevant rules and regulations; and
- Deepening the process of devolution of authority and resources to local Governments in order to improve transparency and accountability.

5.5.2.4 Public Sector Management

Public sector management is important to ensure effective delivery of public goods and services. However, the public sector in Malawi is characterised by low motivation due to inadequate remuneration, lack of proper incentives, inadequate material resources, and political interference among others.

Goal

The long-term goal is that Malawi should have a highly motivated, results oriented and productive civil service.

Medium-Term Expected Outcome

In the medium-term, it is expected that Malawi will have a highly motivated civil service leading to improved performance and services delivery.

Key Strategies

- Building capacity through appropriate training in the public sector for effective service delivery;
- Appointing and promoting staff based on merit and performance;
- Continuing with wage policy reforms in order to raise incentives in the civil service;
- Rationalising the civil service to ensure cost effectiveness of the delivery of public goods and services; and
- Implementing non-salary incentives performance management systems.

5.5.3 Sub Theme Three: Decentralization

Malawi recognizes local Governments as key to national development and good governance. The objective is to devolve central Government powers, functions and resources to Malawians through their local authorities known as assemblies. This approach is enshrined in the Decentralisation Policy (1998) and is backed by the Local Government Act (1998). The implementation of the programme since 2001 has met a number of constraints, which have slowed down the progress. These include weak, poor and ineffective linkages between decentralization policy and other public policy reforms, persistent power struggle and conflicts of roles between elected members such as Members of Parliament, Councillors and Traditional Authorities; weak institutional capacity, high turn over of key staff like accountants, economists and other specialists, ineffective participation of the local communities due to lack of information, knowledge and skills, and inadequate financial resources among others. However, with the advent of popular democracy and the fact that over 80.0 percent of the population resides in rural areas, it is still necessary that empowerment of people

through democracy for effective popular participation and decision making in the development process should continue.

Goal

The long-term goal is to enhance decision-making and participation of local communities in development planning and implementation.

Medium-Term Expected Outcomes

In the medium term, it is expected that local assemblies will have full control of the process of development planning. It is also expected that there will be improvement in community participation, efficient accountability, good governance systems, vibrant monitoring and evaluation (M&E) systems, clear and strengthened linkages of various policy reforms, and reduced conflicts of roles among various stakeholders at the district level.

Key Strategies

- Implementing full and complete sector devolution;
- Redefining roles of various local Government players to reduce operational conflicts and promote effective contribution to the development process;
- Establishing a vibrant M&E system which will ensure transparency and accountability; and
- Building capacity through training of various stakeholders to enhance their participation in development planning.

5.5.4 Sub Theme Four: Developing a Strong Justice System and Rule of Law

The creation of a strong legal system that safeguards the interest of the nation and promotes the rule of law is also a fundamental factor for achieving sustainable economic growth and development. This, among others, is envisaged to create an enabling legal and regulatory framework that provides incentives for economic activities. The dynamics of the modern world that brought about multi-party democracy, globalisation, regional integration, and human rights calls for a coordinated approach to delivering justice and respect for the rule of law. It is with this background that all stakeholder institutions in the sector have a role to play if Malawi is to attain its medium term goals.

There are a number of constraints that need to be addressed in order to develop and enforce the rule of law in Malawi. These include shortage of legal experts to effectively and timely handle legal cases, lack of local capacity to train legal personnel, and high costs of legal services. In addition, high crime rates, lack of adequate access to justice, commitment to human rights and lack of respect of the rule of law are also critical issues that need to be tackled. However, there are also other cross-cutting constraints that affect delivery of justice and respect for rule of the law like institutional capacity, inadequate systems and procedures, HIV and AIDS pandemic, slow adoption of ICT and poor infrastructure.

Goal

The long-term goal is to increase access to justice and entrenched rule of law.

Medium-Term Expected Outcomes

In the medium-term, it is expected that Malawi shall have a more responsive and effective judicial authority with sustained administration of justice, increased public confidence in the judicial system and improved ability of the private sector to obtain equitable and fair settlement of disputes in reasonable time and cost.

Key Strategies

- Improving the local institutional capacities for training legal personnel;
- Providing more court centres; with the introduction of traditional courts with appropriate jurisdiction in order to reduce time and cost for handling legal cases;
- Improving civil dispute settlement mechanism;
- Aligning various relevant laws with the Malawi Constitution and international laws; and
- Developing an informal legal system that is accessible, efficient, and equitable.

5.5.5 Sub Theme Five: Security

Security is important in the country to safeguard human resources, infrastructure, goods and services. This is critical for creating an enabling environment for economic and social activities. Major challenges include inadequate police officers, equipment, and infrastructure. These need to be addressed in the medium term if crime prevention, detection, and investigation are to contribute effectively towards a safe and secure Malawi.

Goal

The long-term goal is to make Malawi a safe, secure and crime free nation.

Medium Term Expected Outcomes

The expected outcomes in the medium term include: reduced crime levels; improved methods of promoting public order; and improved partnership and participation of members of the public on all issues of safety and security.

Key Strategies

- Improving the responsiveness of police to communities security needs by reducing the police population ratio through recruitment and training of more officers;
- Promoting effective prosecution and punishment;
- Enhancing effective crime detection, investigation and prevention through the provision of adequate technical and financial support to the police;
- Strengthening partnership for risk management between private sector and the police for protection of business property; and
- Enhancing community integration and participation in crime prevention, and detection through civic education.

5.5.6 Sub Theme Six: Corporate Governance

Good corporate governance is an important factor within the creation of an enabling environment for rapid and sustainable private sector development. However, it is a relatively new phenomenon within the private sector context and as such, it requires support in order to ensure greater transparency and accountability of companies in the country. Strengthening good corporate governance will therefore be one of the key tools of addressing the problem of fraud and corruption within the private sector. In the past, the major problem has been lack of the code of good practices that would govern the operations of the private sector. This problem is now being addressed with the development of the code of best practices by the private sector. In addition, the Institute of Directors has been established so that it plays a leading role in championing corporate governance issues in the country. Efforts in the medium term will therefore emphasize on the implementation of the best practices with particular emphasis on transparency and accountability. This is expected to contribute towards reduction of fraud and corruption in the private sector.

Goal

The long-term goal is to institute good corporate governance practices in the private sector.

Medium term expected outcomes

In the medium-term, it is expected that there will be reduced corruption and fraud, and improved investor perceptions of Malawi as an attractive investment destination. This is expected to translate into increased levels of domestic and foreign direct investment.

Key Strategies

- Promoting the adoption of good corporate governance code of best practices;
- Popularising the role of the Institute of Directors to facilitate the adoption of good corporate governance code of best practices; and
- Mobilizing the support of the private sector to facilitate the sustainable operations of the new institution.

5.5.7 Sub Theme Seven: Human Rights

The MGDS recognises the importance of human rights within the context of good governance and democracy. A rights based approach to development is the basis of equality and equity, both in the distribution of development gains and in the level of participation in the development process. Human rights are an integral part of the overall national development agenda. However, awareness of human rights is a concern among many people in Malawi. The key areas of concern in human rights awareness are the rights of vulnerable groups and how to exercise them, and roles of governance institutions in promotion and protection of human rights. Empowering the most vulnerable groups that form the larger part of the population can effectively contribute to social, economic and political development of the country. In this regard the MGDS will therefore also focus on public awareness of human rights and acknowledgement of human rights responsibilities.

Goal

The long-term goal is to increase awareness and upholding of human rights among all Malawians, particularly the most vulnerable through the promotion and protection of human rights.

Medium-term Expected Outcomes

In the medium-term, the expected outcome is enhanced awareness and practice of human rights and responsibilities among all Malawians, particularly the most vulnerable groups.

Key Strategies

- Raising awareness among the most vulnerable groups about their rights and how to exercise them, and the roles of the human rights bodies in promoting and protecting people's rights;
- Effective prosecution of human rights violation;
- Developing an appropriate legislation and administrative framework for the protection and promotion of human rights;
- Instituting human rights regulations in workplaces;
- Instituting effective monitoring and evaluation of human rights issues; and
- Integrating human rights in school curricula.

5.5.8 Implementation

The successful implementation of various strategies suggested under this theme relies mainly on political will among other factors. Government and Parliament will have to demonstrate that policies and legislations being implemented take into account the nation's priorities. In addition, support from civil societies, donors and the public will be key for the achievement of the long-term goals and medium-term expected outcomes through the strategies suggested in this document. The maintenance of macroeconomic growth will be achieved through pursuance of prudent macroeconomic policies, tight fiscal and monetary policies and adherence to targets as outlined in the MGDS. Implementation of the MGDS will be done in collaboration with donors and private sector to contribute effectively to the overall goal of maintaining a conducive macroeconomic environment.

Elimination of corruption and fraud practices within the Government and Private sector circles will largely depend on the effectiveness of the Anti Corruption Bureau. The relevant Acts will have to be revised to ensure the autonomous nature of the institution and reduce political interference. The implementation of public sector reforms will continue in the medium term. Also important is the regular review of the wage policy reform whose implementation will continue.

The private sector will play a leading role in entrenching of good corporate governance in Malawi. However, the civil society and public sector are the other stakeholders that will help facilitate successful outcomes of good corporate governance in the medium term. The implementation of the strategies under justice, rule of law and security will require a collaborated approach among the various stakeholders in the sector. These stakeholders include Government, Law Commission, Ombudsman, Anti Corruption Bureau, Civil Society, the public and donors. This is

especially important because of the cross cutting nature of the issues that need to be addressed.

Chapter 6

IMPLEMENTATION, MONITORING AND EVALUATION

6.1 Implementation Modalities of the MGDS

The MGDS has been comprehensively developed such that it allows all stakeholders to participate in the development of the country. Its implementation will, therefore, involve all stakeholders, that is, the three arms of Government: the Executive, Parliament, Judiciary, civil society organizations, private sector and the general public. Government will take a leading role in the implementation process through its consolidated budget. It is expected that donors and co-operating partners will align their support and activities to the MGDS.

The relationship between the MGDS and the budget is central to the successful implementation of this strategic document. The Ministry of Economic Planning and Development and the Ministry of Finance will ensure that all ministries and departments align their activities and prepare their budgets in accordance with the MGDS. Budget submissions that either include activities outside the MGDS or exclude activities inside it will be rejected. The MGDS was developed with active participation of line ministries, private sector, civil society and donors, hence it reflects the sector strategies and priorities to achieve the long-term vision of the country.

A summary operational table that is presented in Annex 1 has been developed to guide the implementation of the MGDS. This table represents strategies, actions and expected outcomes of the MGDS. As conditions change during implementation, progress made against the activities, outputs and medium term expected outcomes will be assessed to make necessary adjustments. Such assessment will be made based on information coming from sector ministries as well as other stakeholders.

To ensure that the MGDS is implemented in partnership, Government will facilitate thematic teams to review progress. These teams will be inter-ministerial and include members of civil society, private sector and donors. Some of these mechanisms are already established in some sectors such as Health. These approaches will serve as models on how to develop cross sector working groups for monitoring and adjusting implementation. The private sector will be included as an active partner in all of the working groups, and especially in building strong dialogue with Government on obstacles to private sector led growth.

A number of specific implementation issues have been mentioned under the five themes. The following have been identified as critical issues that must be pursued to achieve the set targets of the MGDS:

- Political-will and change of mindset. Government and Parliament should play their constitutional roles in ensuring that the ultimate objective of MGDS is achieved there by taking the country towards achieving the long-term goals.

- Government should improve donor coordination through the development and adherence to the Development Assistance Strategy (DAS).
- Donors and co-operating partners should align their support and activities to the MGDS. Government will lead the dialogue with donors on this alignment and seek to ensure that aid flows are predictable. On its part, it will seek to ensure that resources are disbursed in a timely manner.
- The MGDS highlights important issues such as social protection, economic empowerment and HIV and AIDS. These issues are cross cutting and would therefore require effective coordination to avoid duplications and overlaps. In this regard, the Government will create a National Economic Committee to oversee implementation of such cross cutting issues.
- There is need to develop a strong and motivated civil service that will ensure that Government remains committed to its policies, targets and obligations.
- There is need to put in place mechanisms and modalities for implementing activities that require heavy financial investments. These include development of public-private partnerships and build, operate and transfer.

6.2 Prioritization and Costing of MGDS activities

Prioritization of the MGDS activities was done in two main stages. Firstly, by the sector ministries, departments and other implementing stakeholders. At this stage activities were ranked into three priority categories. Category one comprised priority activities that should be implemented first. Category two comprised second priority activities while category three the last priority activities. At this stage, all activities were costed. These costs represent a realistic estimate of the total input cost required to implement that particular activity. Secondly, activities were prioritised based on key focus areas of the MGDS. This prioritisation isolated particular activities that would contribute to the attainment of immediate economic benefits that would translate into the well being of Malawians in the medium term. In addition, it also prioritised those activities that would accelerate the attainment of the MDGs.

Costing of MGDS activities was done in Malawi Kwacha at 2005/06 fiscal year prices. Some of the activities are currently already being implemented and will continue to be implemented as they are not only necessary, but that financial resources were already committed to them. Other activities are totally new and require identification of financial resources to implement them. The total cost of all activities in the MGDS over the five years period is estimated at K633.8 billion. Out of this, the total cost of the key priority areas activities is estimated at K133.7 billion. However, the costs of the Shire-Zambezi waterway project and the prevention and management of HIV and AIDS are quite substantial hence it is assumed that Government will contribute 10 percent to these particular interventions.

The overall prioritisation of the MGDS emphasizes Government's commitments to achieving immediate economic benefits for the well being of Malawians. This is reflected by a substantial allocation of resources towards themes on infrastructure and sustainable economic growth. The combination of these two themes is estimated to

get 63.9 percent of the MGDS resources over the five years period. This is followed by Social development that is estimated to get 25.0 percent of the resources. This emphasizes Malawi's commitment to achieving the MDGs. Improving governance and social protection themes are estimated to get 5.8 percent and 5.4 percent of the resources over the five years period, respectively.

As regards prioritisation of the key priority areas, transport infrastructure development takes the largest share of resources estimated at 54.1 percent over the five years period. This is mainly a reflection of the high costs of such infrastructure coupled with the development of the Shire Zambezi waterway. This is followed by agriculture and food security at 12.2 percent. The combination of agriculture and food security, and irrigation and water development yields a total allocation of 21.0 percent thus emphasizing the need for increased agricultural output through irrigation development to make Malawi food self sufficient. The prevention and management of nutrition disorders, HIV and AIDS takes 11.2 percent of the resources. Integrated rural development and energy generation and supply are estimated to be allocated 10.1 percent and 3.6 percent respectively.

6.3 Roles of key stakeholders in the implementation of the MGDS

Government: The main responsibility of Government shall be to provide public goods and services as well as regulatory framework. These include roads, railways, airports, education, health services, and social services among others. It shall also provide the necessary environment and incentives to promote private sector activities. Government shall safeguard the interests of all Malawians by correcting market failures through policy, legal and regulatory framework reviews.

Parliament: The role of Parliament shall be to enhance Parliamentary oversight, transparency and accountability in the implementation of the MGDS. This will be done through MPs involvement in the scrutinization, consideration and approval of Government budgets, reviewing and making laws. It shall ensure that the budget is being used to provide resources for the prioritised activities in the MGDS. In this regard, the interests and priorities of Malawians shall be protected.

Private Sector: The main role of the private sector is to invest in both economic and social sectors to generate economic growth and create wealth. In this context, the private sector shall be expected to take up opportunities outlined in the MGDS. The scope of the private sector will be widened to involve them in the provision of other public goods and services through public-private sector partnerships.

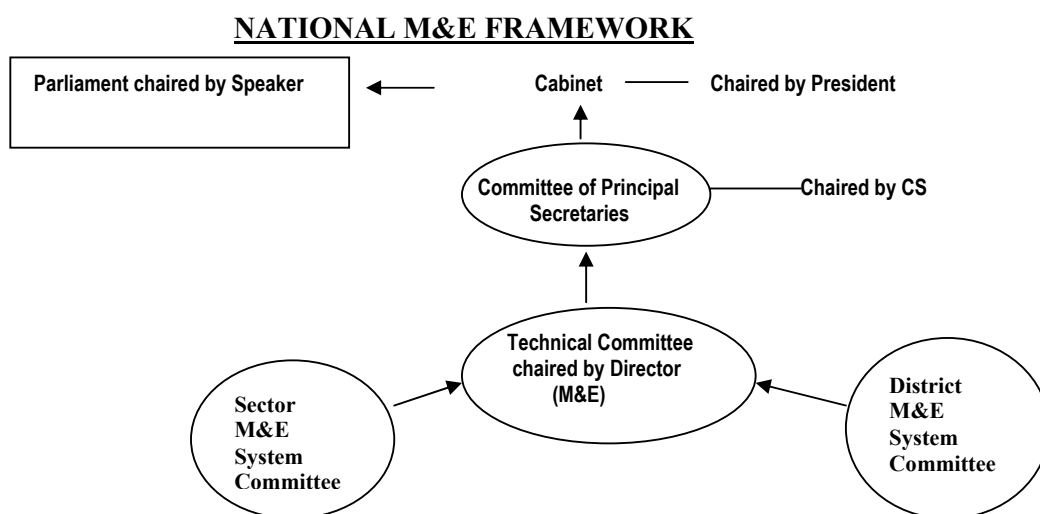
Civil Society: The role of the Civil Society in the implementation of the MGDS is two fold; first, to implement some specific activities particularly within the context of the Governance theme, and second, to provide oversight and accountability functions in order to safeguard the interests of Malawians.

Donors and Co-operating Partners: The main role of donors and co-operating partners shall be to assist across the board with financial and technical resources to implement the activities in the MGDS. In doing so, they will be expected to support and align their activities in line with the priorities of the MGDS.

6.4 Monitoring and Evaluation

The monitoring of MGDS will be in accordance with monitoring and evaluation master plan developed by the Ministry of Economic Planning and Development, the Ministry of Finance, the Ministry of Local Government and Rural Development and the National Statistical Office. The stakeholders will align indicators in accordance with the MGDS themes and sub themes. A set of impact level monitoring indicators has been developed and is presented in Annex 5. The summary operational matrix in Annex 1 provides a summary of objectives that can also be monitored by line ministries and will be used in the budget discussion processes and reviews of the MGDS to track progress toward the impact indicators during implementation.

The implementation framework for MGDS has taken into account all players who participate in the decision making for the development of the country.



At the Cabinet level the MGDS will be chaired by the President. The Cabinet will review the annual progress in the implementation of the MGDS. It is expected that various ministers will brief the Cabinet based on reports on the actual outputs and outcomes of the implementation of the strategy. Meanwhile the Minister of Economic Planning and Development will have a detailed report on the progress of the implementation that will act as a back up to sectoral presentations.

Prior to the budget session of Parliament, all parliamentarians will comment on the progress of the implementation of the strategy. The Parliament will base their debates from the mid-year development reports as well as annual development reports produced by Ministry of Economic Planning and Development. The development report will articulate all issues outlined in the budget that are in line with the MGDS.

The Secretary for Economic Planning will present the progress report of the implementation to the entire meeting of the Principal Secretaries chaired by Chief Secretary. The Principal Secretaries as Controlling Officers are supposed to take necessary measures as regards to issues raised in the mid-year and annual development reports.

The technical committee will consist of development partners, senior civil servants, Civil Society and private sector. The technical committee will be chaired by Director of Monitoring and Evaluation. The Chairman will prepare documentation for the Principal Secretaries' meetings. The Secretary for Economic Planning and Development is expected to give an overview of the status of the MGDS during the Principal Secretaries' meetings.

The Monitoring and Evaluation of Ministry of Economic Planning and Development will be secretariat for the implementation of the MGDS. In order to improve the implementation process of the MGDS, the Government is in a process of developing vibrant monitoring and evaluation system. The Government is developing capacity building at district level to monitor all aspects of MGDS and public sector investment plan. The Government will continue to develop capacity at sector level to monitor specific issues of the sector. The Government will also strengthen monitoring and evaluation capacity at the District and Town Assembly levels and enforce regular maintenance of infrastructure.

The annual and mid-year developments reports will be the main product of the M and E of the MGDS. Some of the aspects of monitoring will be economic developments, infrastructure and all specific activities outlined in the MGDS. All monitoring of the MGDS will be coordinated by Ministry of Economic Planning and Development.

The monitoring reports will be circulated widely for information sharing as well as part of advocacy. Ministry of Information will disseminate some of the information using different methods.

6.5 Needs Assessment

Government recognize that the various public institutions have inadequate human and capital resource requirements necessary for the successful implementation of the MGDS activities. As such, Government plans to build this capacity in order to mitigate their impact on the outcomes of the MGDS. A Needs Assessment (NA) exercise for the MGDS was, therefore, undertaken to determine the human and capital resources required to successfully implement the MGDS activities. This was done in consultation with the sector ministries and departments as well as other key stakeholders. The summary of the Needs Assessment is presented in Annex 4A and 4B. It is evident that both human and capital requirements are enormous and cannot be addressed at once. Government is committed to addressing these requirements annually through its budget. Other stakeholders such as donors and co-operating partners are expected to complement Government efforts in this area.

The human and capital resource requirements have been derived using the Needs Assessment (NA) approach which is a goal-based planning tool developed with the objective of determining the resource requirements in terms of infrastructure, human and financial in order to realise successful implementation of any goal-based strategy. The resource requirements represent an ideal case scenario that would be pursued to achieve the set goals in the MGDS.

The human resource requirements take into consideration the existing; attrition; incremental number of staff to be recruited; and additional staff to be recruited. The number of existing staff is the stock in that year: the baseline is the actual number in

place while the subsequent year is a sum of the previous year plus the attrition and the incremental staff to be recruited. Attrition is the number of human resources that are lost in the system either through death, dismissal, resignation and retirement. These losses need to be replaced. The incremental number of staff to be recruited is generated in the model based on coverage indicators. Now, the total number of staff to be recruited is a sum of the attrition and the incremental number of staff. This represents additional human resource requirement to the preceding year.

The NA approach is a medium-term to long-term and as such it has both strengths and weakness. The major strength of this tool is that it can form the basis of scenario based planning in terms of making the coverage indicators either more ambitious or less ambitious. On the other hand, the weakness of the NA approach is that it is difficult to estimate the future resource requirements with certainty; the unit costs and the exchange rate are bound to change. Secondly, the NA approach is unable to estimate human resource requirements by cadre.

MGDS COSTING SUMMARY SUMMARY TABLES**Table 6.1A: Prioritization and costing summary by key priority area**

KEY PRIORITY AREA	2006/07	2007/08	2008/09	2009/10	2010/11	TOTAL
Agriculture and Food Security	3,067,093,976	2,886,389,781	1,692,355,865	1,649,865,865	1,604,965,865	10,900,671,350
Irrigation and Water Development	309,183,333	1,147,900,000	2,482,620,833	2,669,279,167	840,666,667	7,449,650,000
Transport Infrastructure Development	8,899,580,000	9,135,580,000	9,326,096,000	9,317,582,600	9,188,004,260	45,866,842,860
Energy Generation and Supply	990,400,000	873,525,000	385,925,000	345,925,000	465,925,000	3,061,700,000
Integrated Rural Development	1,412,750,000	1,630,500,000	2,041,625,000	1,986,916,667	1,521,083,333	8,592,875,000
Prevention and Management of Nutrition Disorders, HIV and AIDS ¹⁵	2,006,982,544	2,053,817,559	1,852,383,499	1,824,925,059	1,750,136,161	9,488,244,820
TOTAL ALL KEY PRIORITIES	16,685,989,852	17,727,712,339	17,781,006,196	17,794,494,356	15,370,781,285	85,359,984,029

Assumptions:

1. Govt will contribute 10% of the Shire-Zambezi waterway projet total cost..
2. Govt will contribute 10% of HIV and AIDS resources prevention and management costs.

Table 6.1B: Prioritization and costing summary by key priority area (%)

KEY PRIORITY AREA	2006/07	2007/08	2008/09	2009/10	2010/11	TOTAL
Agriculture and Food Security	18.48%	16.3%	9.5%	9.3%	10.4%	12.82%
Irrigation and Water Development	1.9%	6.5%	14.0%	15.0%	5.5%	8.7%
Transport Infrastructure Development	53.7%	51.5%	52.4%	52.4%	59.8%	53.7%
Energy Generation and Supply	5.9%	4.9%	2.2%	1.9%	3.0%	3.6%
Integrated Rural Development	8.5%	9.2%	11.5%	11.2%	9.9%	10.1%
Prevention and Management of Nutrition Disorders, HIV and AIDS	12.0%	11.6%	10.4%	10.3%	11.4%	11.1%
TOTAL ALL KEY PRIORITIES	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table 6.2A: MGDS Overall Prioritization and Costing by themes

SUMMARY BY THEME	2006/07	2007/08	2008/09	2009/10	2010/11	TOTAL
THEME 1: Sustainable Economic Growth	9,340,433,714	9,485,351,381	8,543,655,288	7,895,670,945	8,031,584,801	43,296,696,129
THEME 2: Social Protection	7,059,599,197	6,962,769,897	6,771,610,967	6,683,636,570	6,727,518,330	34,205,134,961
THEME 3: Social Development	31,941,690,371	32,709,271,032	31,499,909,074	31,279,140,931	31,866,712,349	159,296,723,757
THEME 4: Infrastructure	72,325,229,333	72,635,361,000	73,995,102,999	73,901,976,113	71,579,985,134	364,437,654,579
THEME 5: Good Governance	11,575,885,374	6,068,476,858	5,878,635,794	4,445,880,415	4,562,382,949	32,531,261,390
TOTAL ALL THEMES	132,242,837,989	127,861,230,168	126,688,914,122	124,206,304,974	122,768,183,563	633,767,470,816

¹⁵ This is 10 percent Government Contribution.

Table 6.2B: MGDS Overall Prioritization and Costing by themes (%)

SUMMARY BY THEME	2006/07	2007/08	2008/09	2009/10	2010/11	TOTAL
THEME 1: Sustainable Economic Growth	7.1%	7.4%	6.7%	6.4%	6.5%	6.8%
THEME 2: Social Protection	5.3%	5.4%	5.3%	5.4%	5.5%	5.4%
THEME 3: Social Development	24.2%	25.6%	24.9%	25.2%	26.0%	25.1%
THEME 5: Infrastructure	54.7%	56.8%	58.4%	59.5%	58.3%	57.5%
THEME 6: Good Governance	8.8%	4.7%	4.6%	3.6%	3.7%	5.1%
TOTAL ALL THEMES	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

ANNEXES

ANNEX 1: SUMMARY OPERATIONAL MATRIX STRATEGIES, ACTIONS AND EXPECTED OUTCOMES

ANNEX 1.1: KEY PRIORITY AREAS SUMMARY OPERATIONAL MATRIX

Outcome – Medium Term Expected Output	Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
1: AGRICULTURE AND FOOD SECURITY		
Agro-Processing		
-- Expanded agricultural output (and diversification) -- Increased agricultural exports (and diversification)	i. Common constraints to the agro-processing are tackled.	--See 2b ... with focus on- Promote irrigation for high value export crops -- Promote large scale agricultural farming
<i>Tea:</i> -- increased varietal selections of tea	ii. Increased profitability of smallholders in tea and value added	--Shift to clonal tea varieties and promote market oriented processing of tea(cost to private sector) -- Factory refurbishment, replanting and irrigation for estates to handle peak production(cost to private sector)
<i>Tobacco:</i> -- Increased NDF tobacco production and fill gaps in region -- Increased Value added products from tobacco	iii. Tobacco; efficient and fair system between farmers and auction houses	-- Rationalize fees / levies in tobacco for higher farmer incomes -- Revise taxation policy of tobacco. --Strengthen contract farming
<i>Sugar:</i> Increased production of sugar from 260,000 tons pa to 320,000 pa by 2009 (23% increase)		--Intensify out-grower schemes
c. Garments/cotton: -- Increase production of garments from local cloth	i. Higher yields of cotton supplied by smallholders in short term (due to pre-treated seed) ii Reduced costs of importation	-- Establish a cotton council -- Explore developments at the global level, implications on the sector
Agricultural Productivity		
a -- Smallholder share of GDP increase 23.6% to 34.9% GDP and agricultural production -- Increased trade volumes of agricultural products- -- Improved competitiveness of products in region	i. Strengthened smallholder linkages to markets (input / output) and to agro-processing -- number of smallholder cooperatives supplying agro-processing industries	-- Increase knowledge and skills for agribusiness for farmers and cooperatives. -- Increase access to markets or to agro-processing firms. -- Target rural roads to increase accessibility and explore relationship of feeder roads and PWP to supply gravel roads -- Develop farmers' organizations. -- Provide market knowledge to farmers through extension services.
b – Increased yields of crops including food staples by smallholders with enhanced potential for production -- outputs per hectare disaggregated by major crops -- improved soil fertility	i. Reduced losses from weather shocks (all crops) ii. Improved use of modern farm practices and inputs -- shift in varietal selection -- shift in mechanization -- increased use of pest resistant or tolerant varieties -- increased area under low cost soil fertility technologies	-- Increase land under irrigation (irrigation perimeter) -- Use of water harvesting -- Maintain irrigation systems -- Reach farmers with extension services -- Source pesticides and spray equipment for migratory pest control, and -- Monitor / forecast outbreaks of migratory pests -- Increase in inputs used by farmers: fertilizer, pesticides and seeds (both subsidies and access to credit (theme 5.5)

	iii. Reduced pre and post harvest losses	-- Promote processing and proper handling and storage of agricultural products via extension services
	iv. Decreased soil erosion from farming practices, -	-- Train farmers on low cost soil fertility management techniques through extension services
<i>Land</i> ; Improved tenure security and equitable access to land, with an optimal and ecologically balanced use of land and land based resources	v. Customary rights of smallholders are recognized, clarified and secured by appropriate legislation -- Curb land encroachments, unapproved developments, and speculation and racketeering	-- Regularize, title and register land. -- Empower land allocation committees and land tribunals to deal with administration and dispute settlement.
c. <i>Livestock</i> : decreased imports and increased imports to meet domestic demand	i. Increased livestock production -- livestock production trends -- Incidence of disease in livestock	-- Put in place strategies to reach potential livestock farmers on markets, -- Strengthen advisory services in the production and marketing of livestock and its products; -- Strengthen surveillance in the control of livestock and crop pests and diseases;
Food Security		
1. Food is available in sufficient quantities and qualities, at an affordable price, and supplied through domestic production or imports (including food aid). -- measure of the food gap and availability of food stocks of the Malawi Six Food groups.	i. Improved agricultural productivity, livestock, fisheries and increase the variety of food available at the household, community, and national levels --Increased yields of crops including food staples by smallholders with enhanced potential for production --Increased income for small and large scale fisheries and livestock production	<i>Improve access to domestic, regional and international markets.</i> -- Improve reliability of maize and fertilizer markets. -- Improve predictability of support in maize markets
-- The volume and stability of the production of foods based on the Malawi Six Food Groups	ii. Improved importation of foods	-- Establish and enforce phyto-sanitary rules and regulations -- Promote a coordinated approach to commercial import
	iii. Improved coordination and management of food aid and food aid imports. --measures of distribution of food aid to the most vulnerable -- measures of the responsiveness of the food aid to crises	-- Ensure that food aid conforms to the bio-safety and other related legislations -- Manage strategic grain reserves (NFRA) -- Develop reliable agricultural statistics and an effective early warning system -- Determine the ability to use PWP or other programmes during times of need for food security -- Develop Government ability to distribute food aid and target the most vulnerable -- Promote a coordinated approach to planning and management of food aid
2. All Malawians have at all times economic access to sufficient nutritious food required to lead a healthy life	<i>See strategies under Economic Empowerment</i>	<i>See focus actions under economic empowerment</i>

Outcome – Medium Term Expected Output	Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
2: IRRIGATION AND WATER DEVELOPMENT		
Increased yields of crops including food staples by smallholders with enhanced potential for production	i. Reduced losses from weather shocks (all crops)	<ul style="list-style-type: none"> -- Increase land under irrigation (irrigation perimeter) -- Use of water harvesting -- Maintain irrigation systems -- Construct small and medium scale irrigation schemes
Basic water requirements of every Malawian are met while the country's natural ecosystem is enhanced <ul style="list-style-type: none"> -- increase access to potable water within 500m distances for all people (66.3% in 2005) -- quality of water -- increase household access to sanitation (82.7% 2005) 	i. Sustainable and integrated water resource management	<p>Water Resource Management</p> <ul style="list-style-type: none"> -- Empower national authority to improve management using IWRM approach and establish monitoring systems including the establishment and maintenance of a register of all actors in water and sanitation, conduct research to establish resource potential and guides -- Promote water resource conservation, harvesting and protection in an integrated manner including development of small community and large dams (conservation areas defined) -- Proactively advocate management of water resources and incorporate local Governments and communities in planning and management of water supplies and sanitation -- Recognize and implement obligations to international agreements -- Create enabling environment for public private partnerships in water supply & sanitation -- Revise water resources act of 1969 and water works act -- Provide incentives for LA to promote community water-shed rehabilitation programs
	ii. Improved quality of surface and ground water and a system for pollution control	<p>Water quality and pollution control</p> <ul style="list-style-type: none"> -- Establish database on water quality -- Improve skills and technologies techniques in water quality monitoring and pollution control and advance water pollution control (catchment rehabilitation, determining water quality) -- Strengthen institutional arrangements for environmental management -- Develop and disseminate guidelines and standards on water quality and pollution control -- Provide TA to local Government and stakeholders on water quality and pollution control -- Develop national water and sanitation services regulatory framework
	iii. Improved sustainable access to water supply and sanitation in urban, peri-urban and market centres.	<p>Urban, Peri-Urban and Market Centres</p> <ul style="list-style-type: none"> -- Establish water supply and sanitation systems using demand responsive and driven approaches -- Establish contingency water supply reserves and sanitation backup -- Strengthen and support water utilities by establishing effective institutional setting - Promote management arrangements in urban areas

		– provide incentives for small scale providers
	iv. Improved sustainable access to water supply and sanitation in rural areas	Rural Water Services -- Adopt demand driven and responsive approaches in provision of water and sanitation with O & M. -- Integrate rural water supply and participatory hygiene and sanitation transformation -- Promote diversification of technologies for provision of water and sanitation policy -- Ensure smooth transfer of devolved functions of rural water supply and sanitation services
	v. Reduced marine pollution from navigation vessels and plans	Navigation Services -- Conduct inspections of waste disposal systems, and at point of entry to prevent weeds -- Prevent oil spillages and leakages -- Ensure appropriate environmental safeguards at ports -- manage and develop waterways that do not encourage cross transfer of aquatic life
	vi. Fishery services do not adversely affect water resources	Fisheries Theme One Sub theme 4 -- Harmonize and enforce fisheries and water resources legislation, provide data and information
	vii. Increased investment in water resources from energy sector	Hydro-Power Generation -- Participate in multipurpose investment and water catchment management
	viii. Improved use of water and adherence to water management polices for irrigation purposes	Agriculture and Irrigation Services -- Promote participation of MOA in IWRM and harmonize policies relevant to water management -- Encourage MOA to provide water needs and demand for data collection

Outcome – Medium Term Expected Output	Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
3. TRANSPORT INFRASTRUCTURE		
1. Improved mobility and accessibility of the population to key road corridors within Malawi and out of Malawi and facilitate the continued development of the country's rural areas	i. Road Network: all unpaved roads from fair to good condition by the end of the five-year period : -- 71 % of the road network in good condition, -- 18 % in fair condition, 11 % in poor condition.	-- Strengthen capacity of autonomous Roads Authorities to maintain the road network -- Fuel levy in line maintenance threshold for 5 yrs -- Maintain urban road networks and reduce # of timber deck bridges to zero for rural roads --Include environmental impact assessments (EIAs) in construction and rehabilitation of roads
	-- Decreased number and severity of road accidents	-- Develop an integrated approach to road safety number 1 -- Review the road traffic act and its use for road safety issues -- undertake awareness campaign -- Strengthen the supervisory capacity for road safety on all existing roads and -- Coordinate the various enforcement players in the road safety area

	ii. Border posts	<ul style="list-style-type: none"> -- Create one stop border post on all major transport corridors -- Harmonize country's highway code, road signs, signals and axle-load regulations within the region; -- Involve private sector in the monitoring and operations of road transport services -- Implement appropriate road user charges;
2. Improved mobility and accessibility of <i>rural communities</i> to goods and services in the rural areas	i. Improved all weather access to <i>rural areas</i> . Ii. increased use and ownership of non-motorized and motorized means of transport	<ul style="list-style-type: none"> -- Improve coordination of rural transport initiatives and local capacity to construct and maintain -- Assist DA's with planning tools, GIS systems to target rural roads -- Supervise rural transport to enforce appropriate standards for it construction and maintenance -- Foster ownership and use of motorized and non-motorized means of transport
3. Inland shipping network is active in local and international shipping, trade and tourism in a safe manner while protecting the environment	i. Efficient and productive maritime transport system that meets national and regional requirements	<ul style="list-style-type: none"> -- Provide navigations and hydrographic charts -- Review concession agreements. for inland shipping; -- Port facilities rehabilitated and maintained in line with modern shipping through commercialisation, privatisation and public private partnerships (PPP)
	ii: Improved marine safety and environmental protection	<ul style="list-style-type: none"> -- Prevent, control or combat pollution and strengthen the marine search and rescue
	iii: Increased participation by Malawi in international shipping "White List."	<ul style="list-style-type: none"> -- Establish international shipping line and negotiate with Mozambique on ports -- Strengthen the national maritime administration -- Resuscitate the National Shippers Council and maintain selective membership in international organisations

Outcome – Medium Term Expected Output	Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
4. ENERGY GENERATION AND SUPPLY		
1. Increased access to reliable and and sustainable energy supply. <ul style="list-style-type: none"> -- reduction in outages (brown outs, black outs) -- increased access from the current 6% to 10% by 2010 and 30% by 2020 -- biomass-commercial energy mix target of 75% - 25% is set for 2010 and 50%-50% by 2020 difficult to achieve in the medium term 	i. Efficient in generation, transmission, distribution and utilization of energy. <ul style="list-style-type: none"> -- minimum generation capacity increased locally to 1000 MW -- power supply is connected to the Southern African Power Pool (SAPP) 	<ul style="list-style-type: none"> -- Rehabilitate two more stations for power distribution and complete the ones under construction (e.g. Kapichira power station), and upgrade existing ones. (Nkula A and B) -- Engage in interconnection with Mozambique -- Rehabilitate and expand the transmission and distribution --Protect the catchment area along the Lake and Shire River -- Reduce the cost of connection by using affordable connection and metering methods (e.g. use of pre-wired boards and pre-paid meters) -- Prepare a plan and delineate implementation responsibilities for the reduction of siltation in reservoirs and protect catchment area to Lake Shire -- Explore alternative energy sources (gas, coal and solar) -- Implement Pumped Storage Power Plant at Livingstonia (longer term)

	ii. Targeted electrification for mining, irrigation, business, tourism, and other economic activities that would stimulate economic growth	-- Integrate electrification planning with investment planning and planning for transport, water and ITC.
	ii. Improved financial viability of key utilities and reduced parastatal losses.	-- Accelerate the establishment of the Malawi Energy Regulatory Authority -- Improved management of ESCOM, fair pricing and affordable rates (Reform electricity tariff structure and levels) -- Implement framework for private sector to operate with the Government (PPP) to finance in the electricity
2. Rural communities use alternative energy supplies for power in under served areas	i. Increased access to sustainable energy systems	-- Accelerate the Rural Electrification Programme (increase resources, promote development of micro hydro power stations and use of coal energy for off grid power supply, to promote grid and off-grid rural electrification by public and private providers -- Expand network to rural growth centres; -- Create awareness of the use of renewable energy (solar, wind, biomass, and micro hydro)
	ii. Managed energy related environmental impacts	

Outcome – Medium Term Expected Output	Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
5: INTEGRATED RURAL DEVELOPMENT		
Developed rural growth centres	-- Enhanced re-distribution of wealth to all citizens. -- Reduced negative consequences of rural-urban migration.	-- Provision of utilities and communication network to facilitate the linkage of production areas to markets; -- Implementing rural electrification programme effectively -- Promote and implement economic empowerment programmes such as MARDEV and OVOP.

Outcome – Medium Term Expected Output	Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
6: PREVENTION AND MANAGEMENT OF NUTRITION DISORDERS, HIV AND AIDS		
(A) HIV AND AIDS		
1. Behaviour change of those at risk. (targets: migrating laborers, sex workers, youths and women, mobile population)	i. Increased knowledge and capacity of vulnerable groups to practice abstinence, faithfulness and safe sex, .	-- Expand and scale up the scope and depth of HIV and AIDS communication at local level. -- Reduce the vulnerability of Malawians to the HIV infection, especially for girls and women

		<ul style="list-style-type: none"> -- Increase access to quality STI syndromic management, counseling and information. -- Increase district and community level outreach for changing practices -- Integration of HIV and AIDS into the curriculum and expansion of life skills to all in-school and out-of-school children
2. Expanded access to HIV testing and counselling, prevention of mother to child transmission programme, condoms, STI treatment, blood safety, universal precautions	<ul style="list-style-type: none"> i. Improved uptake of and equitable access to testing and counseling. ii. Improved quality services for prevention of mother to child transmission (PMTCT) of HIV. iii. Prevent the risk of HIV transmission through blood products or invasive procedures 	<ul style="list-style-type: none"> -- Promote Voluntary, Counseling and Testing (VCT). -- Expand the scope and coverage of HIV testing and counselling services especially in rural areas -- Expand the scope, quality and coverage of PMTCT services throughout the country. -- Increase access to safe blood, blood products and tissue services throughout the country -- Increase availability of infection prevention materials and procedures -- Support communication interventions to increase awareness of infection prevention
3 Equitable treatment for PLHA and health impact mitigation (including ARVs, OIs, CHBC, palliative care, nutrition supplementation)	<ul style="list-style-type: none"> i. Increased equitable access to ARVs and drugs for management of HIV related infections, including children under the age of 15 (target at least 10% of those receiving ART). ii. High quality community home based care is used by PLHA including improved nutrition. 	<ul style="list-style-type: none"> --Expand provision of community home-based care (CHBC) involving all health care providers --Increase involvement of PLHA in planning and implementation of CHBC. --Increase numbers, capacity of volunteers in provision of CHBC and develop a mechanism for retention of volunteers
4. Increased access to basic services and psychosocial protection interventions, such as education, health, social protection and livelihoods, PLHA and OVC support, legal protection, and mainstreaming of AIDS in macroeconomic and public expenditure frameworks	<ul style="list-style-type: none"> i. PLHA, OVC, widows, widowers, and the affected elderly benefit from income generating projects and psychological support. ii. Improved protection of legal rights of PLHA, OVC, widows, widowers iii. Improved OVCs access to quality services (education, health, water, etc.) 	<ul style="list-style-type: none"> -- Strengthen mechanisms to promote sustainable economic and material support -- Increase advocacy for micro-finance programs -- Strengthen the capacity of IGP groups in business management -- Develop integrated safety net mechanisms to provide a multi-dimensional support package to the most vulnerable (PLHA, orphans, widows, widowers and affected elderly). --Strengthen capacities of communities and districts to provide psychosocial support -- Build and strengthen the technical, institutional and human resource capacity of key OVC service providers
5. Effective and efficient implementation of HIV and AIDS response system across the public and private sectors	<ul style="list-style-type: none"> i. Enhanced capacity of the public and private sector to mainstream, plan and manage HIV and AIDS interventions. 	<ul style="list-style-type: none"> -- Develop a shared and common understanding of mainstreaming HIV and AIDS in both public and private sectors including civil society—NGOs, CBOs and FBOs -- Increase the capacity of District Assemblies to oversee HIV and AIDS activities in their districts
		<ul style="list-style-type: none"> -- Improve HIV and AIDS data collection, dissemination and utilization at both national and district levels. -- Use the spirit of the three ones -- Implement strategic approach to research and development

(B) Nutrition		
Outcome – Medium Term Expected	Output Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
1. Effective utilization of quality food and the biological utilization of nutrients in the body.	i. Increased adoption of appropriate diet and healthy lifestyles	Encourage families to produce and consume locally found nutritious foodstuffs and to store their food to keep the nutritional content over time – influence cropping patterns
	ii. Improve control, prevention and treatment of micronutrient deficiency disorders particularly those caused by Vitamin A, iodine and iron deficiencies.	
	iii. Control, prevention and treatment of diseases that have direct impact on nutrition and health status	Train families in utilization of foodstuffs
	iv. Increased access and availability of services and information to prevent consumers from health hazards	
2. Information is used in decision making on policies and program interventions and policies are well coordinated across the various ministries	i. Harmonised and improved Food and Nutrition Security Information Systems (FNSIS) for evidence based interventions	Coordinate food policies, interventions and information dissemination.

C) Interaction of Nutrition and HIV and AIDS		
Outcome – Medium Term	Output	Key Actions
High Level Indicators (medium term)	Intermediate Indicators (lower level indicators)	(includes policy change/statement and activities derived from focus actions)
<ul style="list-style-type: none"> Increased knowledge of the interaction between nutrition and HIV and AIDS; Improved and diversified dietary practices for people living with HIV and AIDS; 	<ul style="list-style-type: none"> -- Increased provision of HIV and AIDS-related nutrition interventions -- Increased awareness of the interaction between nutrition and HIV and AIDS. 	<ul style="list-style-type: none"> --Reviewing and including nutrition, HIV and AIDS interaction in education curricula of all learning and training institutions. --Compiling and disseminating best approaches to providing nutritional therapy to PLHA. --Building capacity for nutrition service providers on specialised nutrition care for PLHAs.

ANNEX 1.2: SUMMARY OPERATIONAL MATRIX BY THEMES

THEME ONE - SUSTAINABLE ECONOMIC GROWTH

1.1 SUB THEME 1.1 Maximizing The Contribution of Economic Growth Through Potential Growth Sectors		
Outcome – Medium Term Expected Output	Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
1.1.1 Potential Growth Sectors		
a. Tourism -- Increased number of tourist (domestic, international) -- FDI in tourism areas -- Occupancy rates of hotels	i. Pricing, service, and quality of industry competitive with the region ii. Measure of the quality of parks whether managed by the public sector, private sector, or communities iii. Reach of tourism products to domestic, regional and international markets	-- Establish a Monitoring system for tourist trends and services in Malawi. -- Rehabilitate targeted national parks, game reserves, and wildlife. -- Zone or demarcate all areas with tourism potential along the lake. -- Upgrade roads leading to key tourist attractions to all weather. -- Enforce regulatory framework for standards / quality of tourism. -- Create clear laws and regulation on land access for tourism development and develop guidelines.
b. Mining Increased production output of mining --- Large and medium --- Small scale -- Valued added by small scale miners, -- Reduced environment degradation from mining -- Domestic sales of minerals and mineral products	i. Functioning institutional setting to promote mining, monitoring and enforce environment and safety standards ii. Compliance by small, medium and large scale miners with environmental and safety standards iii. Increased value added by small scale miners and integration into markets iv. Increased investment by large scale mining	-- Update geological and mineral data acquisition mapping. -- Establish linkages to legitimate market outlet for small scale miners. -- develop infrastructure for key mining companies (electricity, water, roads) PPP -- Speed up parliamentary consideration of the mining and minerals policy -- Provide extension services to SSM. -- Review taxation applicable to mining to be competitive in the region.
c. Manufacturing: --- Products meet ISO standards -- Increased productivity of labor and machines (total factor productivity)	i. Skills in vocational training, science and technology ii. Capacity of Bureau of Standards iii. Reduced cost of production	-- Integrate science and technology into curriculum. -- Build capacity of Malawi Bureau of Standards to certify rather than rely on overseas certifiers. -- Establish links of improving quality and quantity of raw materials and processors, especially in the agricultural sector. -- Strengthen adherence to labor protection -- Rework duty drawbacks and rebates and review taxes -- Redefine the roles and responsibilities of support institutions in the sector -- Encourage processing in rural areas, sub-contracting and use of modern technology

1.2 SUB THEME 2: Enabling Environment for Private Sector Led Growth		
Outcome – Medium Term Expected	Output Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
	-- Lower time and cost of regulations (time for business start up)	-- <i>Strategies to be defined in the tax review – summary of key policies</i>
-- % of goods that meet international standards for market access (ISO)	ii. Improved worker productivity and ability of firms to produce quality products -- reduced incidence of occupational hazards and occupational diseases -- Improved relevance of skills of work force (from vocational training, secondary education, and S&T)	-- Implement occupational protection for labor -- Expand capacity of existing vocational training institutions, including training more instructors in vocational training areas (TEVET) -- Update curriculum and equipment for economic needs (vocational centres and secondary schools) -- Increase enrolment of general education students in vocational programme.
	iii. Increased participation of Malawian entrepreneurs in private sector ventures and access markets -- increased number of Malawian firms that export directly or contribute to exportation from Malawi -- increased number of Malawian firms servicing the domestic market supply	-- Implement programme land titling (see 2b) and introduce reforms in urban land allocation -- Strengthen promotion activities. -- Increase efficiency of one stop shop bringing in outside operations, clarify laws to enable. -- Revise statement of investment policies. -- Provide incentives in a non-discretionary manner. -- Reduce unnecessary delays in processing of land applications. -- <i>see sub-theme 5, economic empowerment for more outputs and actions</i>
	iv. Increased access to a functioning financial sector, including microfinance -- Increased level of domestic credit for private sector -- number of SMEs receiving financing for 1 st time	-- Support finance institutions in designing differentiated financial products -- Develop/ strengthen the micro-finance sector to serve small scale concerns and as part of the broader financial system -- <i>for microfinance see sub-theme 5</i> — -- Strengthen NEEF and savings campaign. -- Establish an SME Apex institution. -- Maintain capital base for banks.
2. Increased investment for private sector growth	i. Improved quality of information on opportunities in Malawi for potential investors	-- Produce good promotional materials -- Review investment policy and -- see above incentives -- Develop employment policy
	ii. Improved perception of the private sector concerning governance / corruption	-- <i>See Strategy Area #5</i> -- Integrate message of good governance into promotional themes
3. Science and technology is used in provision of service delivery or in improving private enterprises	i. Develop an effective capacity in S&T that can meet the needs of Malawi	-- Strengthen linkages to vocational training -- Determine the best mechanisms for accessing S&T knowledge and optimum strategy to implement -- Promote S&T oriented to value addition in high growth areas ---- See Strategies under ICT Area

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1.3 SUB THEME 3 : Export Led Growth		
Outcome – Medium Term Expected	Output Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
1. Increased businesses which are accessing regional markets with competitive products (quality, cost) -- Increase in trade of goods and services both domestically and internationally (trade balance increase from -48billion in 2005)	i. Reduced cost of reaching external markets due to infrastructure -- Reduced lead times on export -- Decreased cost of domestic trucking -- Lowered costs of cross-border and transit trade with neighbouring countries -- Lowered transport and handling costs	Infrastructure in place (see theme 4 with investments and sequencing) -- International connections to ports, roads to key regional destinations, improved air linkages -- Harmonize standards for cross border and transit trade with neighbouring countries in place -- Enforce regional harmonized standards (eg security issues, transit fees, et -- Reduce impact of domestic trucking cartel and increase access to foreign truckers -- Modify tax structure for transport equipment/services -- Leverage public private partnerships for infrastructure
	ii. Reduced lead times on export and improved efficiency -- Reduced time for cross border processing -- Benchmarked regional initiatives – systems and procedures -- Reduced time for custom clearance s	-- Efficiency of customs and tax administration- and resolution of grievances in the tax administration -- Improve the efficiency in customs and tax including drawback program -- Develop speedy and standardized payment system -- Reduce excessive delays in refunds of tax payments especially surtax payments -- Increase efficiency tax collection -- Harmonize border operating hours with neighbours -- Improve compliance with customs regulation
	iii. Improved marketability of products to international markets -- <i>Meeting ISO standards, and packaging standards</i>	-- Strengthen MBS for national certification -- Start comprehensive SQAM capacity building program -- Develop science, industry and technology in framework of international standards -- ISO9001 enterprises established -- Comply with international certification
	iv. Increased firms that take advantage of export opportunities	-- Increase information for potential exports for market potentials -- Re-orient Malawi Export Promotion Council; -- Export Promotion Council activities adequately co-ordinate export promotion activities -- Establish trade finance scheme -- Reform of the financial sector (subtheme2)
	v. Maximized trade benefits through better knowledge -- measure of the ability to negotiate and direct international trade discussions	-- Upgrade skills of key staff in target institutions (trade related) -- Coordinate ministries and entities involved in trade for origin regimes and issues -- Strengthen analytical capacity for trade policy analysis and implementation -- Establish capacity to regulate Liberalization Fair Trade Commission -- Strengthen the ability to negotiate and direct partnerships with other countries to facilitate regional trade -- Liase with Customs Department to accelerate improvement of customs facilitation at ports and border posts in SADC/COMESA -- Export Promotion Council activities adequately co-ordinated.

1.4. SUB THEME 4: Conservation of the natural resource base		
a. <i>Fisheries</i> : Sustained fish availability for food and nutrition security as well as income generation -- maintenance of the fish species	i. Increased productivity of small and large scale -- Communities benefiting from fishery resources -- increase fish farm production -- % provision of animal protein	-- Increase use of modern technology by local communities and private sector for deep water fishing -- Provide fish landing facilities and train communities trained in modern fish processing. -- Train local communities to practice sustainable fishing. -- Develop accreditation facilities for fish export. -- Establish sanctuary areas to protect endangered fish species.
b. <i>Forestry sustainable use and management</i> -- Private sector manages forest resources for the long term profitability of the sector and sustainability of this natural resource -- forest coverage as % of total land -- reversal in deforestation	i. Improved productivity and value added by the industrial forestry sector, while balancing it with sustainable practices -- increased number and type of value adding wood producing and processing establishments. -- increase private sector involvement in industrial forestry development.	-- Undertake review the sustainability of de-linking the commercially productive component of the industrial forest plantations of the forestry department from the protection and extension forestry components -- Introduce appropriate incentives to promote investment in forest industries -- Registration with international standard bodies
	ii. Increased reforestation efforts for key areas and improve enforcement of regulations for forestry management -- increase in planting	Reforestation -- South and Central Malawi : Replant and rehabilitate 150, 000 ha softwood and 50, 000 ha of hardwood timber plantations by private producers.
c. <i>Compliance with natural resource laws</i> -- areas or national parks protected	i. Improved enforcement of environmental policies and legislation	-- Develop environmental standards for soil, water, air, noise with corresponding legislation
	ii. Improved cooperation in environmental management and NRM and development	-- Establish appeals tribunal. -- Establish coordinating committees for biodiversity climate change, POPs, and waste. -- Harmonize sector-specific strategies for dealing with problems affecting common resources
	iii. Increased awareness of issues of protecting the environment	-- Incorporate environmental concerns in the school curriculum. -- Establish environmental database. -- Undertake information and education campaigns.
d Conservation and protection of parks and wild life	i Increased wildlife animal species	--Enforce protection of national parks and wildlife --Re-introduce threatened and extinct wild animal species.

1.5 SUB THEME 5: Economic Empowerment		
Outcome – Medium Term Expected	Output Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
1. Increased employment and income from on and off farm activities -	i. Improved integration of rural communities into the economic market -- reduced domestic transport cost for rural areas	--Targeted linkage for rural integration into markets: Feeder roads, rehabilitation and maintenance -- Strengthen core function of ADMARC in geographical areas which are underserved by the private sector (<i>implement reform of ADMARC</i>) -- <i>See section 2b for specific efforts to improve smallholder productivity</i>
2 Increased productivity of rural communities / businesses and thus their contribution to economic growth --- increase in the ownership by Malawians and their value-added, --- increase in SME profitability	i. Developed rural cooperatives to lower transactions costs of dealing with rural entrepreneurs and collective bargaining -- lower transaction costs (higher margins)	-- Identify common community products for production, through one village one product -- Develop a programme that will oversee the establishment of cooperatives in rural areas. -- Provide technical support from private sector programs (related to off farm employment) -- Organize communities to produce outputs or develop local industry -- see strategy area 3 – for HIV and AIDS

	ii. Increased access to micro finance for rural businesses use in productive enterprises -- increase in business micro-finance loans (by men and women) and number that result in successful businesses -- decrease in default rate -- decrease client drop out rate	-- Align loan conditions to enable good business activities (repayment period, frequency, amount) -- Develop special programs for women /youth -- Better coordination of donor supported micro-finance programs to decrease market distortions -- Strengthen understanding of micro-finance -- Enhance capacity of courts to handle business cases. (see section on judicial reform) -- Encourage financial institutions to design tiered loan packages to provide incentives to borrowers for loan repayment -- Credit Reference Bureau established -- Network of practioners in MFI established -- Improved monitoring and supervision of clients
	iii.. Improved business skills are used by rural community businesses-- includes women's skills	-- Provide training to all people who borrow for business purposes through the training unit of the NEEC
	iv. Provide opportunities for vocational training	<i>See strategy area 1 for vocational training</i>
3 Women, youth and the disabled fully participate in the productive economy -- Increase number of women in private and public sector organizations -- Increase number of youth employed	i. Programs for building women entrepreneurial skills and opportunities to participate in the economy developed -- women owned businesses	-- Develop a charter to increase the employment opportunities -- Enhance institutional framework supporting the development of women entrepreneurs -- Train women in entrepreneurial skills and ability to manage businesses -- Institutional framework and legislation is supportive of women's integration to economy
		-- Enforce empowerment act -- Improve capacity of the Malawi Council for the Handicapped and other similar institutions that deliver serves to people with disabilities.
		-- Vocational training and skills -- Youth who gain skills
4. Urban Poor are productively contributing to the economy		
1.6 SUB-THEME 6: Land and Housing		
Outcome – Medium Term Expected	Output Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
Equitable access to land for various uses including agricultural production and settlement	-- Land tax to discourage hoarding of land introduced. -- Viable land markets established -- Resettlement and land development programmes intensified -- Public awareness on land rights and land policy -- Existing land rights, especially customary rights recognized, clarified and secured	-- Review of land based legislation for legal and constitutional consistency with the National land Policy -- Review and reconcile existing laws to ensure compatibility with the land policy -- Develop a carefully structured programme on land administration and land records -- Implement public awareness activities regarding property rights of venerable groups -- Register individual and family title to customary land with legal and fiduciary provision for protecting the direct inheritance of property by remaining spouse and children
Enhanced land tenure security Improved livelihoods	-- Public awareness on land rights and land markets -- Country-wide land formalization exercise -- Curbed land encroachments, unapproved developments, and speculation and racketeering	-- Encourage customary land formalization through titling and registration -- Adjudicate land especially in the peri-urban areas -- Provide credit to support off farm livelihoods enhancing activities registration and titling
Sustainable Land Use	-- Land Use Policy developed and land use	-- Develop a Land Use Policy and -Review land use legislation

	<ul style="list-style-type: none"> legislation reviewed --Affordable, enforceable planning standards and guidelines --Up-to-date land information in order to assist proper land management --Enhanced coordination with other stakeholders 	<ul style="list-style-type: none"> --Review of the National Physical Development Plan- --Review the Town and Country Planning Act, planning standards and regulations --Review of planning standards and guidelines for enforcement --Sensitise local communities in aspects of land use planning environment and community land mngt --Preparation of operation manuals for land use
Improved capacity in the land sector for implementing a National Land Reform Programme	<ul style="list-style-type: none"> --Necessary capacity for efficient and effective land reform programme implementation --Increased stakeholder participation in the implementation of the land policy. --Cost recovery measures and taxes introduced. 	<ul style="list-style-type: none"> --Develop structured programme on land administration and land records --Procure modern equipment for surveying, planning and valuation --Review all charges on land services rendered --Lobby for retention of a proportion of user charges
A conducive framework for improved access to adequate housing services	<ul style="list-style-type: none"> --Decentralized some functions in housing delivery and management to local authorities --Viable land markets and delivery systems that cater for and protect the interests of the poor and vulnerable groups 	<ul style="list-style-type: none"> --Develop the National Housing Policy --Lobby Government and stakeholders to appreciate the role of housing in poverty reduction --Review the 1999 National Housing Policy to re-align it to Government policies and protocols --Encourage stakeholders to mobilize resources to meet housing demands, particularly low-income/ vulnerable households --Encourage lending institutions to formulate funding schemes for the most vulnerable groups --Review the draft Building Regulations and Standards, and conduct research in building materials --Promote labour intensive construction methods to generate jobs --Promote civic education and social mobilization campaigns --Promote and encourage community participation in infrastructure provision and maintenance --Conduct civic education on housing. available housing programmes and/or housing delivery systems. --Encourage communities to form housing and multi-purpose community development cooperatives,

SUMMARY TABLE : THEME TWO - SOCIAL PROTECTION

2.1 SUB THEME 1 : Protecting the Vulnerable		
Outcome – Medium Term Expected	Output Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
1. The most vulnerable with limited factors of production are sufficiently cared as are the vulnerable who can be negatively impacted by economic shocks -- Improved health and nutritional status of under five children, school age children, orphans, pregnant and lactating mothers, destitute families -- The poor who are provided opportunities, graduate from programs	i. Efficient and effective support to the most vulnerable with very limited factors of production -- number of the vulnerable who receive support for food and non food items for their upkeep	-- Provide supplementary feeding to malnourished pregnant, lactating mothers, and under five children; -- Sustain targeted school feeding programme to the most vulnerable; -- Expand small stock and grain mills programme for the most vulnerable; -- Introduce conditional and non conditional cash transfers to infirmed, elderly, disabled, orphans, OVCs -- Support the most vulnerable with food and non food items for their upkeep
	ii. Improved planning and integration of knowledge on the chronically poor into planning	-- Practice better prioritisation, design, delivery, monitoring and evaluation of social protection and safety net program --Formulate a social protection policy
	iii. Opportunities for the poor to graduate from poverty by asset accumulation, increase their ability to be part of agricultural productivity	-- Provide access to poor farm families to agriculture inputs (see strategy area 1 - 3b above) -- Undertake PWP that create high income earning for poor focused on graduating out of poverty (river diversion for irrigation, afforestation, reservoir/dam construction, dykes, roads) -- Enhance non-traditional PWP e.g. brick manufacturing, manure making and bush clearing; -- Enable the land constrained poor to have alternative sources of livelihoods -- Provide capital for Income Generating Activities -- Review effectiveness of current public works programs, feeding programs, targeted input programs
2.2 SUB THEME 2: Disaster Risk Management		
2. The impact of disasters of the vulnerable is reduced	i. Enhanced disaster management planning and response -- timely emergency relief assistance to affected people by disaster	-- Promote integration of disaster management into sustainable development programming at all levels; -- Establish an effective early warning system -- Provide timely emergency relief assistance to affected people; -- Implement mitigation measures in disaster prone areas.

SUMMARY TABLE : THEME THREE - SOCIAL DEVELOPMENT

3.1 SUB THEME 1. Health and Population		
Outcome – Medium Term Expected	Output Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
1. People have better access and use of qualified care for essential health care issues (TB and Malaria) ¹⁶ -- Decreased cases of preventable diseases -- Reduced rates of disease incidence (TB, Malaria) -- Improved TB cure rates to over 70% -- Improved use of ORT for diarrhoea control -- Contraceptive prevalence rate (33% in 2004) -- ARV treatment regime are followed -- Decreased incidence of Malaria by 50% -- increased vaccination rates (under 1 rate 55% 2004) -- INT coverage (42% 2004)	i. Increased number of qualified health workers in health care centres. -- population/doctor ratio -- population/nurse ratio -- attendance of trained health-workers for births	Human resources -- Increase student intake into medical/health training institutions. (57 trained in MPRS period) -- Provide ARVs to HIV and AIDS infected health workers. -- Provide incentives to health workers at the local level, proper working hours (salary top ups) -- Develop strategy to sustainably maintain qualified health workers for front line
	ii. Increased availability of drugs at health facilities and decreased theft of drugs -- bed nets at clinics/communities -- vaccines delivered to clinics/communities	Pharmaceutical and medical supplies -- Improve pharmaceutical and medical supplies, distribution, timely procurement to reach health facilities -- Undertake close monitoring of drug management and utilization. -- Provide bed nets and vaccines at clinics/communities -- Strengthen training capacity in college of medicine for pharmaceutical qualifications.
	iii. Increased access to well equipped health care facilities -- more than 80% of the population live within 5 km of a health facility	Infrastructure -- Construct new and rehabilitate existing dilapidated health structures: buildings, medical equipment, telecommunication, electricity and water through the facilities development program -- Improve maternity infrastructure (key priority) including buildings, equipment, -- Enforce minimum health standards, conducts in public and private health facilities -- Target roads in some areas where access is difficult through “integrated infrastructure project”
	iv. Improved diagnosis and treatment at health care facilities, especially maternity services	Equipment -- Strengthen equipment maintenance ability in ministry through training, regional and district maintenance units -- Start system of bulk purchasing of spares for most of the equipment needs
	v. Improved flow of resources to health facilities	Finances -- Improve planning, budgeting at all levels through systems development at the central and district level -- Undertake close monitoring of financial flows and usage
	vi. Good monitoring, supervision and utilization of health care facilities developed	Systems -- Provide community level structures (such as village health communities) for support of meeting, training, transport and equipment) Communities are engaged in health service delivery
2. Central hospitals provide satisfactory level of referral services and able to financial self-sustain	Addressed above	Addressed above
-- Reduce incidence of occupational hazards and diseases	Improved working environment	--See strategies under Enabling Environment for Private Sector led growth --Develop health / safety standards /guidelines
3. Reduction in incidence of water born disease -- Reduction in deaths due to diarrhoea especially in children under 5 years of age	Enhanced access to safe drinking water (rural, urban) and access to hygienic sanitation facilities (rural, urban)	--Introduce VIP latrines and other appropriate rural water sanitation technologies. --See strategy area #4 water and sanitation

¹⁶ To achieve the medium term expected outcome the 6 areas in column 4 are necessary. The matrix reflects the Health Sector Support Program (sector wide approach - SWAp)

4. Increase in life expectancy at birth. --Reduction in population growth rate.	Improved life expectancy at birth to 45 years. Reduced population growth	--Provide comprehensive health services package that include treatment of diseases and infections, awareness programmes and education through Government and private hospitals.
6. Effective and efficient implementation of HIV and AIDS response across the public and private sectors	i. Capacity of the public and private sector to mainstream, plan and manage HIV and AIDS interventions is improved	-- Develop a shared and common understanding of mainstreaming in both public and private sectors including civil society—NGOs, CBOs and FBOs -- Increase the capacity of District Assemblies to oversee HIV and AIDS activities in their districts
		-- Improve HIV and AIDS data collection, dissemination and utilization at both national and district levels. -- Use the spirit of the three ones -- Implement strategic approach to research and development

3.2 SUB THEME 2. A. Education - Primary		
Outcome – Medium Term Expected	Output Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
-- Reduced absenteeism to 5% by 2012 at primary -- Reduced dropout by 50% at primary -- Increase private primary school enrolment of children to 2% by 2015 Improved learning outcomes -- Mastery levels (proficient reading and proficient writing skills at higher level) -- Primary school completion rates for girls (41% in 2004), repetition rate for girls (18.8% in 2004) -- Reduce girls absenteeism, repetition and drop out rates in order to improve girls' learning outcomes	i. Increased equitable access to quality primary education -- Increased net enrolment to 95% by 2012 at primary from 115 in 2005	-- Expand and improve existing infrastructure and maximize its use (including overlapping shifts) -- Reduce primary school cycle to 7 years from 8 years -- Undertake social awareness campaigns and whole school development -- Introduce school feeding Programme (School health and nutrition)
	ii. Improved the quality of primary education -- reduce pupil to qualified teacher ratio from 73% in 2004	-- Train teachers, provide attractive terms / conditions, especially to go to rural area, & professional development -- Provide adequate supply of teacher learning materials and a child friendly environment -- Improve overall management and monitoring of inspection, supervision and advisory -- Mobilize community participation in primary school management
	iii. Primary education equitable to girls -- proportion of girls in school (50% in 2005)	-- Review policies related to girls and special needs -- Provide block grants to schools to address equity issues
	iv. Increased access to quality primary education by special needs students	-- Review policies related to orphans, other vulnerable children and SN Education -- Establish a college for special needs teacher education -- Provide direct assistance to schools to address equity issues (relevant textbooks and brail) -- Design and standardized sign language for the deaf and dumb
	v. Increased relevance of school curriculum	-- Continually revise and improve the relevance of the curriculum to include academic and non academic needs of pupils and the effective orientation of teachers – introduce PCAR curriculum
	vi. Improved management and planning of primary education	-- Provide in service training and incentives to school managers, inspectors and senior teachers -- Equip school planners with appropriate knowledge and skills in micro-planning, monitoring and data management

3.2 SUB THEME 2. B. Education - Secondary		
Outcome – Medium Term Expected	Output Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
<ul style="list-style-type: none"> -- Reduced absenteeism by 50% by 2012 in secondary -- Increased net enrolment from 30% to 50% by 2012 in secondary -- Reduced dropout to 5% in secondary <p>Improved learning outcomes in secondary</p> <ul style="list-style-type: none"> -- Mastery levels (reading and writing skills at higher level) <ul style="list-style-type: none"> -- Reduce girl dropout rate to 5% -- Reduce repetition rate by 5% -- Reduce girls absenteeism by 50% -- Improved girls learning outcomes 	i. Increased access to secondary education	<ul style="list-style-type: none"> -- Identify and rehabilitate all existing dilapidated school facilities, construct new schools -- Introduce double shifting in urban schools – each division identify schools for double shifting. -- Increase access to secondary distance education and open learning at secondary level -- Draw and sign a memorandum of understanding with private school association of Malawi to provide high quality education.
	ii. Improved quality of secondary education -- Student-qualified teacher ratio to be at x:1 in all secondary schools and CDSS (from 1:20 in 2004)	<ul style="list-style-type: none"> -- Train and supply adequate number of qualified teachers and improve terms and conditions -- Up-grade under-qualified teachers through in service education -- Improve effective regulation, inspection and supervision of public and private schools. -- Upgrade CDSS to conventional secondary schools.
	iii. Improved equity in secondary education	<ul style="list-style-type: none"> -- Provide girls friendly environment in particular, accommodation in all secondary schools. -- Increase bursaries for the needy secondary students -- Provide female secondary school teachers as models
	vi Increased access to quality secondary education by special needs students	<ul style="list-style-type: none"> -- Improve and increase Special Needs Education facilities in existing colleges. -- Review policies related to orphans, other vulnerable children and SN Education -- Provide block grants to schools relevant to special needs
	v. Improve relevance of secondary education -- Post primary education revisited and curriculum revised by 2010	<ul style="list-style-type: none"> -- Introduce and implement curriculum responsive to needs of individuals and the nation by including academic and non-academic subjects. -- Provide trained guidance counsellors to all secondary schools. -- Introduce science and technology into the curriculum
	vi. Improved management of secondary education	<ul style="list-style-type: none"> -- Train school managers in planning, monitoring and supervision. -- Improve the procurement and distribution of teaching and learning materials. --Improve District Educational Management Information System (DEMIS) -- Improve education planning and equip planners with knowledge and skills in planning, monitoring and data management, including monitor the delivery of supplies in the schools
	vii. Improved financing mechanism of secondary education -- All Schools functioning as cost centres --Efficient and transparent financial systems in place	<ul style="list-style-type: none"> -- Improve flow of funds and train managers in financial management in public schools. --Establish School development funds in all schools --Consistent flow of funding to public schools --Implement cost sharing at schools --Train school managers in financial management

3.2 SUB THEME 2. C. Education - Tertiary		
Outcome – Medium Term Expected	Output Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
Increased undergraduate enrolment by 40% -- Increase post graduate enrolment ratio to 10% of the undergraduate student population (in take 7,400 in 2005)	i. Increased undergraduate and postgraduate intake	-- Recruit and train more adequate staff (50% at current levels, 70% at Master's level, 30% at PhD level) -- Develop new, parallel programmes (e.g. triple shifts), distance/virtual learning, and short courses. -- Develop a student financing policy including a student loan scheme. -- Promote local production of teaching and learning materials. -- Expand provision of internet services broad band internet access established campus wide.
Increased by 5% female enrolment by 2010 (girl participation 31% in 2005)	ii. Improved equity education for girls -- 30% bed space on campus for females by 2010 -- 40% recruited staff associates are female by 2008	-- Create an enabling environment to accommodate female students. -- Implement affirmative action for student selection -- Encourage girls to complete secondary schools by providing improvement in the secondary -- Develop a strategy for regional approach to supplying tertiary education to special needs students
	iii. Improved quality of higher education	-- Provide training PhD level to existing staff, provide training to new staff and establish external quality control and accreditation -- Develop comprehensive policies on research and development. -- Provide adequate teaching and learning materials.
Improved curriculum to respond to national needs	iv. Relevant academic materials	-- Provide relevant skills to academic staff through regular training of staff. -- Conduct regular curriculum reviews to match national needs and modularise courses -- Provide labs with adequate modern equipment
	v. Improved management of higher education -- education council for higher education developed	-- Provide trained personnel in management. -- Decentralize decision making processes -- Implement effective staff deployment policy -- Improve procurement and distribution system and monitor delivery of supplies -- Establish planning units and equip planners with appropriate knowledge and skills in planning, monitoring and data management -- Strengthen financial management

3.3 SUB THEME 3. Gender		
Outcome – Medium Term Expected	Output Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
<ul style="list-style-type: none"> -- Enhanced participation of women and men, girls and boys decision making and economic activities. -- Reduce gender inequalities (as measured by disaggregated access to services included in other parts of the Strategy). -- proportion of seats held by women in Parliament (15% 2005), in decision making positions (12.9% 2005), Gender Development Index (.396 in 2003) 	-- Mainstream gender in national development process	<ul style="list-style-type: none"> --Strengthen institutional capacity for effective co-ordination of gender policy implementation. --Undertake affirmative action to increase women decision makers in high levels of the public and private sectors. --Include gender equality provisions in the Malawi Constitution. --Break the cultural/traditional factors that create and perpetuate gender inequalities --<i>Specific strategies to increase women's access to services, and participation in economic activities are included in the related areas of the matrix (Theme 1 sub-theme 5; Theme 3 sub-theme 4, Theme 1, sub-theme 2). These include : education, access to finance and business training, women owned businesses)</i>
Improved socio-economic indicators for women and girls.	Enhanced participation of women and girls	Enhance the participation of women and girls in economic development activities

SUMMARY TABLE : THEME FOUR - INFRASTRUCTURE DEVELOPMENT

4.1 SUB THEME 1. Air and Rail Transport		
Outcome – Medium Term Expected	Output Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
1. Obtain smooth carriage of cargo in one transport chain	i. Improved coordination of all modes of transport	<ul style="list-style-type: none"> -- Initiate dialogue with neighbouring states to accede to the Multimodal Transport Convention; -- Harmonize all legislation and document on transport and customs with SADC/COMESA -- Publicise Multimodal Transport and INCOTERMS by mounting a series of seminars -- Establish and maintain a national transport forum
	ii. Updated Inland Waters Shipping Act and strengthened legal instruments.	-- Review and update all legislation on a regular basis
2. Attain and maintain a competitive, self sufficient <i>and sustainable</i> civil aviation environment that ensures safety in accordance with national and international standards and enables the provision of services in a reliable and efficient manner	i. Competitive, sustainable and efficient air transport industry with a view of stimulating economic growth	<ul style="list-style-type: none"> -- Implement the Yamoussoukro Declaration 2000 on African Air Transport Policy and other conventions that may be deemed of benefit to Malawi; -- Encourage technical and commercial joint ventures and marketing efforts in airline industry -- Ensure local participation in equity and technical partnerships of airlines; and -- Establish where feasible autonomous airport or Civil Aviation authorities.
	ii. Safe, efficient and reliable aviation infrastructure	<ul style="list-style-type: none"> -- Construct targeted landing strips for tourism related areas -- Institute and monitor maintenance programmes for both aerodromes and aviation equipment; and -- Promote participation of Private Sector in the maintenance/ provision of safe aviation infrastructure
	iii. Improved infrastructure for security for passengers and cargo.	<ul style="list-style-type: none"> -- Strengthen safety and security measures at all airports; -- Strengthen security enforcement provisions in the Aviation Act. -- Ensure infrastructure and operations do not negatively impact the environment
3. Provide well-managed, viable and sustainable railway system that promotes accessibility and safe, affordable, reliable movement of goods and people including the disabled)	i. Improved operational efficiency and commercial viability of railway companies	<ul style="list-style-type: none"> -- Identify the bridge that need to be replaced on the rail line (private sector) -- Provide reliable locomotives (Government and concessionaire) -- Review the railways act

4.1 SUB THEME 1. Air and Rail Transport		
Outcome – Medium Term Expected	Output Corresponds to the strategies to move to outcomes	Key Actions
	ii. Improved levels of service to all users including people with disabilities at an affordable cost;	
	iii. Improved railway safety and environmental protection	-- Prevent adverse environmental effects of rail construction and ensuring that the infrastructure is environmentally friendly

4.2 SUB THEME 2: Information, Communication Technology		
Outcome – Medium Term Expected	Output Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
1 Increased technical skills and updated knowledge are used by public and private sector institutions -- improve access to the nation's limited health facilities and resources.	i. A reliable, fast adaptive and robust national ICT infrastructure.	-- Modernize the operations of the health delivery system (theme three sub theme one) -- Support the provision of up-to-date global and local tourism information (theme one sub theme one) -- Promote the deployment and exploitation of ICTs to support the activities of the agricultural sector -- Equip the Department of Meteorological Services with modern weather monitoring, forecasting equip. -- Equip the Ministry of Water Development with modern water level monitoring equipment. -- Equip DAs with ICT services for collection and dissemination of environmental, disaster warning info -- Establish a wide area network for all organizations involved in disaster management. -- Provide radios to communities to be used for transmitting early warning messages. -- Establish communication link between DA and the Department of Poverty and Disaster Management
	iii. Developed and enhanced ICT industry.	-- Enact appropriate legislation that promotes and participation in the information age and economy. -- Create a working and efficient Government wide area network (GWAN). -- Develop ICT infrastructure in rural communities -- Encourage collaboration between local and international educational institutions to facilitate educational exchange and the promotion of ICT education and training.
	v. Improved access to ICTs to all communities.	-- Promote local and foreign investment, innovative production, R&D and diffusion of ICTs – private sector. -- Promote development of a Competitive Value-Added Services Sector through ICT -- Support the development of an innovative local industry for the manufacture, assembling, repair and maintenance of ICT products for domestic and export markets.
		-- Achieve universal basic ICT literacy and improve the level of ICT literacy in the country. -- Improve public access to information and services to facilitate business and administrative processes to increase productivity and economic growth. -- Promote active participation of all Malawians including women, youth and persons with disabilities in developing the information society.

4.2 SUB THEME 2: Information, Communication Technology		
Outcome – Medium Term Expected	Output Corresponds to the strategies to move to outcomes	Key Actions
2 Increased access to communications	i. Expanded coverage/network ii. Expanded and distribution of radio and TV communication -- increased working lines (78,000 in 2005)	--Continue liberalization of telecommunications sector --promote a private sector driven radio and communication sub-sector. --Expand the coverage and distribution of accurate and timely information and news. --Develop radio and TV broadcast infrastructure.

4.3 SUB THEME 3. Research, Science and Technology		
Outcome – Medium Term Expected	Output Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
Enhanced economic growth and development through the application of science and technology.	--Well coordinated science and technology generation and dissemination; --Effective and efficient operation of the science and technology institutions; --Increased uptake on productivity and enhancement of technologies; and --Prioritised and focused research and development.	--Establish a National Science and Technology Commission. --Strengthen the capacity of research, science and technology institutions. --Generate and disseminate appropriate technology through public-private partnerships. --Develop and commercialise science and technology --Promote the development and utilization of indigenous technology. --Establish research funding mechanisms to promote research by individuals and institutions

SUMMARY TABLE : THEME FIVE - IMPROVED GOVERNANCE

5.1 SUB THEME 1. Macro-economic Growth		
Outcome – Medium Term Expected	Output Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
Stable macroeconomic environment characterized by -- lower inflation, -- interest rate, -- sustainable debt service and -- stable real exchange rate	i. Improved public expenditure management. -- Status of 25 indicators on Public Expenditure and Financial Management (includes HIPC indicators)	-- Enforce adherence of line ministries and parastatals to Public and Finance Management Act – no provision of extra budgetary funding for the ministries. -- Negotiate multilateral debt write-downs. -- Strengthen the capacity of Treasury's Public Expenditure Monitoring Unit. -- Improve financial management systems and skills to operate them (MOF, Accountant General)
	ii. Improved predictability of donor financing. -- aid flows	-- Receive better donor aid assistance projections and improve funding flows. -- Strengthen the capacity of Debt and Aid Management Division to better co-ordinate donors and manage aid inflows. -- Negotiate with donors an action plan for harmonization, alignment and better aid coordination (possible mechanism through the Paris Declaration).

5.1 SUB THEME 1. Macro-economic Growth		
Outcome – Medium Term Expected	Output Corresponds to the strategies to move to outcomes	Key Actions
	iii. Improved economic environment for private sector borrowing and investment. <i>-- see Theme One – Sub theme 2</i>	-- Undertake tax reforms to improve the incentives for household saving and investment and the equity of tax administration. -- Enforce adherence of line ministries and parastatals to Public Finance and management Act – no provision of extra budgetary funding for the ministries.
	iii. Value-addition and reduced import content in existing export products, develop new export products with high potential for domestic value addition.	-- <i>See strategies for economic growth, specifically regional integration and enabling environment for private sector led</i>
	iv. Reduced risks of shocks on the economy (e.g. transport costs, food shortages, increases in import prices). v. Increase private sector investment.	-- <i>See theme one – and theme four</i>

5.2 SUB THEME 2. Public Policy Formulation, Fiscal Management, Public Sector Management and Corruption		
Outcome – Medium Term Expected	Output Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
1. The performance of the civil service is more transparent -- management decisions based on evidence -- responsive to national aspirations -- facilitates economic growth and pro-poor approach to service delivery	i. Capacity of public sector to formulate, implement and monitor the public policy and manage the Malawi Growth and Development Strategy -- statistical capacity score	-- Transparent appointment and promotion of personnel based on merit and performance. -- Implement pay reforms, address recruitment and retention problems, implementing performance management systems, and non-salary incentives. -- Control size and cost of public sector and focuses them on its priority areas, including donor funding for the public sector. -- Enforce human resource policies and systems. -- Articulates vision of its priorities for the public sector, including relationship with decentralisation, and implements them through annual budget. -- Implement the Monitoring and Evaluation Roadmap (includes coordination of donors and national statistical plan)
2. Reduced corruption and fraud	ii. Transparency and accountability for service delivery -- corruption cases prosecuted	-- Increase the number of specialized lawyers (fraud) for corruption cases. -- Improve the ACB's and Auditor General's reporting and accountability to Parliament. -- Enforcing greater clarity on separation of roles between Ministers and PSS. -- Develop and implement national anti-corruption strategy addressing root causes of corruption and involving public and private sectors. -- Strengthen the media capacity through training and access to and distribution of public inform. <i>Also see #3 on public awareness</i>
	iii. Effective and well managed division of responsibility between central and local Government, the private sector and NGOs for the provision of services to the public	-- Implement realistic decentralization plans – see that section <i>See strategy theme give subtheme three</i>

5.2 SUB THEME 2. Public Policy Formulation, Fiscal Management, Public Sector Management and Corruption		
Outcome – Medium Term Expected	Output Corresponds to the strategies to move to outcomes	Key Actions
3. Public is well informed to participate in national development and has an enhanced participation in socio-economic activities	i. Citizen access to timely and accurate information that is easy to understand	-- Establish an effective e-Government information system. (see theme four sub-theme four) -- Establish community information centres. -- Promote professionalism of media that delivers politically impartial news coverage -- Enact access to information legislation to allow media access to public information. -- Enact public service broadcast legislation
4. Parliament constructively engages in the national development process, as outlined in the constitution (public sector is held accountable for how funds are spent)	i. Strengthen parliamentary committees and parliament	-- Select legislators with relevant skills and knowledge into Committees. -- Provide adequate financial resources for functioning of the Committees.
5. Free and fair elections		-- <i>Provide national registration and identification to voting age persons.</i> -- Provide equal access to public media facilities.

5.3 SUB THEME 3. Decentralization		
Outcome – Medium Term Expected	Output Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
1. More transparent, accountable and effective local Government and better planning	i. Devolution of resources and authority to local Governments deepened	-- Complete sector devolution to districts. -- Expand local revenue generating capacity -- Build institutional capacity at the districts. -- Strengthen operational links between decentralization policy and national policy frameworks and the role in policy making
2. Improved community participation in local Government	ii. Empowerment of local communities	-- Train communities for active participation in development activities at the district. -- Define clear roles of all groups of stakeholders at the district.

5.4 SUB THEME 4. Justice and Rule of Law		
Outcome – Medium Term Expected	Output Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
1. More responsive and effective judicial authority which enables all people to obtain effective protection and redress, dispenses justices equitably, speedily and affordably to all -- Reduce the costs of bringing cases to court. Speed up procedures in the courts -- Decrease backlog -- Reduce delays in passing court judgments	i. Contemporary, applicable and relevant laws conforming to the Constitution and international applicable law and meeting national needs. -- Timely drafting and enactment of new legislation. -- Timely enactment of reviewed laws.	-- Undertake periodic review and reform of laws and procedures in light of constitutional provisions and applicable international law; -- Acknowledge customary laws and practices that are not in conflict with principles of human rights and the constitution; -- Review and simplify legal language to ensure a comprehensible justice system; -- Strengthen and streamline the legislative drafting process.
	ii. High level of professional conduct across the SSAJ sector.	-- Enact and implement legislation to ensure duty bearers enforce their functions and powers professionally. -- Increase the intake and training for various legal professional groups including specialized field; -- Appoint judges based on merit. -- Continue the Civil Service Reform Programme to retain legal professionals in the civil service. -- Increase number of court centres close to police stations and main trading centres.
	iii. Effective informal justice system equally accessed and protecting people.	-- Review primary and informal justice initiatives; -- Design policies and mechanisms for consultation and cooperation between formal and informal justice sector players and to improve enhanced accountability of primary justice agencies to the public; -- Facilitate the development of record-keeping systems -- Provide primary justice and dispute resolution training for traditional leaders
	iv. Consistent, acceptable and equitable application of customary law in traditional courts.	-- Develop and disseminate clear policies on the judicial role of traditional courts and the status and enforcement of their rulings. -- Design a programme for reviving traditional courts including an appropriate training element.
	v. Mechanisms for settlement of disputes through mediation, conciliation, arbitration, and negotiation.	-- Review forms of alternative dispute resolution and identify the most appropriate forms -- Establish information linkages between the police, courts, prisons. (piloted at one point- penal reform was coordinating) to improve case flow -- Promote dialogue through court user committees
	vi. SSAJ sector's ability to manage and obtain resources.	-- Generate funding support from Government and development partners. -- Develop a harmonized approach to budget formulation, presentation, allocation, distribution and accountability. -- Allocate resources between sector institutions effectively to achieve the sector mission.
3. The sector is supportive of the priorities of Government in MGDS	i. Efficient and business-friendly legal and regulatory framework and commercial court system	-- Review, and where appropriate reform, business and commercial-related laws. -- Create a fully functioning commercial division of the High Court.-- -- Review rules of procedure as they apply to commercial cases and enhance the role of the Small Claims Courts. -- Design and implement a strategy to address the administration and distribution of deceased estates.

5.4 SUB THEME 4. Justice and Rule of Law		
Outcome – Medium Term Expected	Output Corresponds to the strategies to move to outcomes	Key Actions
5.5 SUB THEME 5. Security		
Outcome – Medium Term Expected	Output Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
1. All people are safe from violence in their homes and communities and their property secure -- Reduced level of crime and fear of crime -- Fair, humane, respects human rights, equal access to justice, non discriminatory	i. Effective and harmonized approach to crime detection, investigation and prevention; -- timeliness to scene of crime	-- Design inter-agency approaches to prevention of crime. -- Recruit and train more police to reduce high police-population ratio. -- Recruit and train police personnel – both in traditional training and specialized areas including forensic support. -- Develop partnerships between the police and the local communities and local accountability of the police to the community, including civic education.
	ii. Physical structures and infrastructure that facilitate safe and accessible service delivery and provision throughout the SSAJ sector in accordance with international norms.	-- Provide safe, secure and appropriately designed building stock. -- Rehabilitate sub-standard structures (including addressing utility provision) to an acceptable standard. -- Encourage community ownership of installations and community participation in maintenance.
	iii. Strategies for the rehabilitation and reintegration of offenders;	-- Modify training programs to direct toward rehabilitation of prisoners -- Improve case management (legal) -- Develop linkages with other programs for ex- convicts to be part of the productive sector
	iv. Low levels of crime.	-- Control proliferation of firearms (with NGOs to set up national focal point to deal with issues of illicit trafficking and firearms) -- Conduct drug control programs (awareness raising through faith based organizations) -- Amend the immigration act. -- Introduce national registration and identification system.
	v. Partnership for risk management between private sector and police for protection of life and business assets.	-- Establish joint programs with companies and communities to tackle issues of anti-vandalism. -- Integration of police protection into industrial site plans. -- Educate Malawian establishments on the benefits for risk management for protection of assets. -- Develop Private Security Policy and Act that provides standards for inspection of private security firms.
5.6 SUB THEME 6. Corporate Governance		
Outcome – Medium Term Expected	Output Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
Increased domestic and foreign investment.	Adherence to good corporate governance practices	<ul style="list-style-type: none"> Promoting the adoption of good corporate governance code of best practices; Popularising the role of the Institute of Directors to facilitate the adoption of good corporate governance code of best practices; and

5.4 SUB THEME 4. Justice and Rule of Law		
Outcome – Medium Term Expected	Output Corresponds to the strategies to move to outcomes	Key Actions
		<ul style="list-style-type: none"> • Mobilizing the support of the private sector to facilitate the sustainable operations of the new institution.

5.7 SUB THEME 7. Human Rights		
Outcome – Medium Term Expected	Output Corresponds to the strategies to move to outcomes	Key Actions
Direct measures of the medium term expected outcomes	Lower level outputs and indicators to measure progress	(includes policy change/statement and key activities derived from focus actions)
Improved respect of human rights	Awareness of human rights	<ul style="list-style-type: none"> • Conduct civic education in places prone to human rights abuses • Ensure human rights are included in national school curriculum and other education providers • Undertake training in advocacy for CSOs working with vulnerable groups

ANNEX 2: MGDS DETAILED MATRICES

ANNEX 2.1: MGDS DETAILED MATRICES BY KEY PRIORITY AREAS

Key Priority 1: Agriculture and Food Security

Long- Term Goals	Medium Term Expected Outcomes	Constraints	Strategies	Focus actions / Activities
(a) Agriculture Productivity				
To increase agriculture productivity	a. Increased value-added to agriculture by rural farmers and orient smallholder sub-sector toward greater commercialisation and international competitiveness -- Smallholder share of GDP increased from 23.6% to 34.9% -- Increased trade volumes of agricultural products - Improve competitiveness of smallholder products in the region	Access to markets -- Inadequate linkages of small-scale farmers leading to unstable supply of raw materials for agro-processing -- Market failures in some rural areas due to few private sector operators -- High transport costs impacts on farmers access to fertilizer and other inputs, and communication network is undeveloped -- Weak and inadequate farmer organizations (few cooperatives, associations and trusts) -- Poor quality control mechanisms and inability to meet sanitary requirements -- Small land holdings/ -- Weak producer groups (except NASFAM, tobacco groups/club -- Inadequate access to capital	Strengthening linkages of farmers to markets by connecting rural communities, targeting rural roads and developing farmer organizations and market information, Encouraging the expansion and intensification of staple food production by smallholders, Providing effective extension services with more decentralized service delivery for agribusiness skills	Access to markets -- Improved distribution links to small scale farmers through connecting rural communities with feeder roads -- Target rural roads to increase accessibility for entry of private sector, and explore relationship of feeder roads and Public Works Programme (PWP) to supply gravel roads in rural areas-- Develop farmers organizations -- Provide effective extension services to improve farmers agribusiness knowledge and skills --Regional institutions and capacity to strengthen capacity of local training institutions
	b.--Increase smallholder productivity.	--Over dependence on rain-fed farming and low level of irrigation development. --Lack of regular maintenance and replacement of irrigation equipment. --Large public centrally managed irrigation schemes not performing	Reduce losses from weather related shocks for both food and cash crops ---- Measures of reduced losses from weather shocks (all crops including cash crops)	Use and Maintenance of Irrigation -- Increase land under small scale irrigation (e.g. water harvesting) and use winter cropping/water harvesting at the smallholder level -- Develop farmer groups/cooperatives to use irrigation systems and maintain irrigation

		-- Weak extension services. -- High cost of inputs	-- Promoting irrigation farming --Providing agricultural inputs subsidies	system -- Rehabilitate and construct community small dams -- Develop alternative energy supply to reach farmers for irrigation systems -- Develop national irrigation development plan -- Develop coherent inputs policy that does not distort markets
		Poor Farming Practices: --Poor varietal selection, -- declining soil fertility, -- Poor agricultural mechanization. --Weak public extension system --Ineffective and inefficient participatory technology testing, farmer coverage and communication to farmers --High incidence of pests and diseases reduce yield by approximately 30%.	Improving use of modern farm practices and inputs -- Shift in varietal selection -- Shift in mechanization -- Increased use of pest resistant or tolerant varieties	Technology and Knowledge --Provide effective extension services to improve farmers agribusiness knowledge and skills ---Improve efficiency and effectiveness of agricultural service delivery systems, demand driven, market oriented research and development -- Continue research on adoptable technologies -- Increase access to draught animals and animal drawn equipment and tractor hire scheme Pest Control -- Promote integrated pest management -- Source pesticides and spray equipment for migratory pest control, and monitor / forecast outbreaks Seeds, fertilizer and other inputs -- Facilitate the formation of credit cooperatives or village banks -- Improve access to credit through economic empowerment programmes -- Continue seed and fertilizer subsidies
		Post Harvest Losses --Poor handling, --Lack of storage facilities --High cost of pesticides --Lack of appropriate and timely transportation	Reducing post- harvest losses	Post Harvest Losses -- Promote processing, proper handling, and storage of agricultural products.

		Land degradation : -- Due to soil erosion, declining soil fertility, siltation of watercourses, water pollution, land fragmentation, decreasing land holding size, population pressure and deforestation	Improving farming practices to minimize land degradation.	<u>Soil fertility</u> -- Train farmers on low cost soil fertility management techniques through extension services. -- Promote soil, land and water conservation techniques,
	c. Increased livestock production	-- Minimal processing of livestock and related products (hides and skins). -- Livestock theft deters investment -- Population pressure -- Livestock feed and medication are costly -- High incidences of pests and diseases -- Weak and inadequate extension services.	Increasing investment in livestock production particularly in hybrid varieties	-- Strengthen advisory services in the production and marketing of livestock and its products -- Strengthen surveillance in the control of livestock pests and diseases -- Promote private sector production of hybrid breeds.

Long-Term Goals	Medium Term Expected Outcomes	Constraints	Strategies	Focus actions / Activities
(b) Agro-Processing				
To increase the contribution of agro-processing to economic growth, move up the value chain in key crops, and increase exportation of agro-processed products.	To substantially increase the contribution of agro-processing to GDP	-- Poor and inadequate infrastructure. -- Unfavourable macroeconomic environment. -- Low level of vocational skills. -- Weak marketing and distribution systems for raw crops. -- Low productivity of smallholders. --- High import duties on equipment.	Improving infrastructure for agro-processing, Reviewing the policy and regulatory frameworks impacting on agro-processing Building capacity for small scale enterprises, and	-- Promote irrigation for high value export crops -- Decrease duties on imported irrigation equip. -- Reduce cost of electricity for irrigation system. -- Promote large scale agricultural farming -- Encourage joint ventures and other strategic marketing arrangements.

			Improving productivity of smallholder farmers.	
	Tea : Increased production of tea especially clonal tea varieties to compete favourably on the world markets	<p>High operational costs.</p> <p>--Poor marketing system</p> <p>-- Poor processing capacity and marketing strategies of tea</p> <p>-- Lack of factory shells</p> <p>-- Type of tea produced is not as competitive as it could be</p> <p>-- High cost of nursery establishment</p> <p>-- High input costs and inadequate infrastructure for tea produced by smallholders where there is great potential for tea development</p> <p>-- disincentives to investment which include high import duties on equipment for irrigation, high tariff electricity, licensing or generation</p>	<ul style="list-style-type: none"> Promoting clonal tea variety to increase productivity, Refurbishing factories, Promoting market oriented processing of tea and Improving the marketing system. 	<p>-- Address specific inefficiencies in tea sub-sector</p> <p>-- Factory refurbishment, replanting and irrigation for estates to handle peak production (Private sector cost)</p> <p>-- Shift to clonal tea varieties and promote market oriented processing of tea (cost to private sector)</p>
	Tobacco : Add value to tobacco and maintain position of market leader in burley.	<p>-- Uncertainty of the future viability and competitiveness of the industry</p> <p>-- Poor pricing and marketing structure --</p> <p>Anti-smoking lobby impacts market</p> <p>-- Weak extension services</p>	<ul style="list-style-type: none"> establishing cooperatives, Promoting tobacco products processing, Providing farmers with inputs, and Enhancing extension services. 	<p>--Rationalize fees / levies for higher farmer incomes</p> <p>-- Create a more efficient and fair system between farmers and auction houses</p> <p>-- Strengthen contract farming</p> <p>-- Explore other markets for tobacco especially in the Eastern and Arab world (China, India, Japan)</p> <p>-- Revise taxation policy of tobacco</p>
	Sugar Increase production of sugar from 260,000 tons pa to 320,000 pa by 2009 (23% increase)	<p>-- Expensive capital equipment</p> <p>-- Inadequate linkages to ports.</p> <p>-- Poor infrastructure and transport systems for export</p> <p>-- Lack of financial facilities to develop smallholder production</p>	<ul style="list-style-type: none"> Negotiating Economic Partnership Agreements (EPAs) with European Union to ensure fair trading of sugar, Promoting out-grower schemes for smallholders, and Improving inter modal transport for effective linkages to ports. 	<p>-- Intensify out-grower schemes</p>
c) Integrated Cotton Industry				
To develop a vibrant	-- Increased production of	-- Weak linkages between the cotton sub	Producing raw cotton and	-- Improve pricing and marketing arrangements

cotton growing and processing industry	garments made from locally woven cotton cloth as opposed to imported synthetic fabrics	sector and textile and garment production. -- Low ginnery capacity utilization, and uncoordinated interventions -- Inadequate personnel in cotton extension services -- Poor marketing and pricing structure	ginning; ▯ Garment manufacturing for export markets; ▯ Reducing out of factory costs such as transportation; and ▯ Identifying and negotiating trade opportunities at the regional, and international levels.	-- Explore regional and international markets. -- Establish ginneries at rural growth centres -- Establish a cotton council
(d) Wheat				
To develop a vibrant wheat growing and processing industry.	- increased production of wheat from 2000 to 30,000 hectares.	--Poor agronomic practices: Lack of technical expertise by extension staff due to inadequate training, --Poor seed quality: Farmers rely on locally selected seed, --Lack of supporting inputs: Low application of fertilizer mainly due to poor access to credit, --Over reliance on rainfed agriculture: farmers mainly grow wheat under rainfed conditions more especially relying on the utilization of residual moisture' --No access to markets: bakers shun locally produced wheat due to its perceived inferior	<ul style="list-style-type: none"> • Promoting appropriate agro-economic for practices for wheat production such as extension, and training; • Providing improved seed varieties and other farm inputs to promote wheat productivity; • Promoting irrigation technology for wheat production; • Promoting small and medium term wheat processing, and • Promoting market oriented wheat production 	--promote use of high yielding seed varieties --promote use of irrigation to increased yield --Improve pricing and marketing arrangements -- Explore regional and international markets.

(e) Food Security				
To make Malawi a hunger-free nation	Food will be available for all Malawians in sufficient quantities and qualities, at affordable prices.	<ul style="list-style-type: none"> -- Over-dependence on rain fed agriculture -- Low incomes -- Chronic poverty, -- High cost of inputs -- Poor farming mechanization -- Poor functioning markets -- Weak private sector participation -- Inadequate transportation and high transport costs -- Low agricultural productivity, -- Poor infrastructure, inappropriate economic policies -- Limited arable land -- Poor early warning system. 	<ul style="list-style-type: none"> • Improve agricultural productivity • Implementing policies to improve the functioning of maize and other food crop markets; • Improving the ability to import and distribute food through better domestic and regional connectivity; • Implementing policies that do not distort the market and which reduce dependency on food aid; • Putting in place an effective early warning system; • Promoting income generating activities; • Improving the coordination and management of food aid and imports; and. • Constructing steel bin silos to improve medium to long term food storage capacity 	<ul style="list-style-type: none"> --Improve reliability of maize and fertilizer markets (linked to agro-processing, smallholder farmers) -- Predictability of support in maize markets -- Establish and enforce sanitary and phyto-sanitary rules and regulations -- Promote a coordinated approach to commercial import -- Promote a coordinated approach to planning and management of food aid -- Ensure that food aid conforms to the bio-safety and other related legislations -- Develop a reliable agricultural statistics and an early warning system -- Develop government ability to distribute food aid and target the most vulnerable -- construct silos in strategic places around the country

Key Priority 2: Irrigation and Water Development

Long-Term Goal	Medium Term Expected Outcomes	Constraints	Strategies	Focus Actions / Activities
To ensure that water resources are well protected and managed to meet both domestic and industrial demands.	<p>---Increased access to water resources averaging a distance of 500m from communities</p> <p>-- Decreased manufacturing costs and increased ability to enter into different forms of manufacturing that require water</p> <p>Decrease in water borne diseases</p>	<p>-- Ad hoc monitoring and evaluation system resulted in improper documentation of information</p> <p>-- lack of a consolidated database of water point allocations</p> <p>-- Lack of effective MIS,</p> <p>--Lack of capacity in the water sector</p> <p>-- Inadequate resources resulting in poor maintenance and rehabilitation of facilities.</p> <p>-- ineffective community based management</p> <p>-- Wide spread</p>	i. Empowering national authorities to manage water resources using integrated water resource management approaches	<p>Water Resource Management</p> <p>Empower national authorities to manage water resources using IWRM approach and establish monitoring systems</p> <p>-- Promote water resource conservation, harvesting and protection in an integrated manner including development of small community and large dams (including defining conservation areas)</p> <p>-- Proactively advocate management of water resources (establish water resource centres, demand management instruments and guidelines)</p> <p>-- Recognize and implement obligations to international agreements</p> <p>Promote local resource mobilization and project financing that supplement and compliment public investment in water</p> <p>-- Create enabling environment for public private partnerships in water supply and sanitation</p> <p>-- Establish and maintain register of all actors in water and sanitation, conduct research to establish resource potential and guides</p> <p>-- Appropriately integrate surface and groundwater resources management</p> <p>-- Revise Water Resources Act and Water Works Act</p> <p>-- Incorporate local governments and communities in planning and management of water supplies and sanitation</p> <p>--Broaden technology choices and provide incentives for Local Assemblies to promote community water-shed rehabilitation programs</p>

		<p>vandalism and theft of water supply and sanitation facilities.</p> <p>--Lack of coordination of water resources management</p> <p>-- Limited technology choices for community programs in the rural areas.</p> <p>More emphasis is placed on construction of water points and little efforts on rehabilitation and sustainability.</p>	<p>ii. Improving the quality of surface and ground water and developing a system for pollution control</p>	<p>Water quality and pollution control</p> <p>Established database on water quality</p> <p>Improve skills, technologies techniques in water quality monitoring and pollution control .</p> <p>Strengthen institutional arrangements for environmental management</p> <p>-- Advance water pollution control.</p> <p>-- Prevent importation and use of substances and aquatic plants that can pollute water resources.</p> <p>-- Facilitate self-monitoring systems for service providers and operators</p> <p>-- Develop and disseminate guidelines and standards on water quality and pollution control.</p> <p>-- Provide technical assistance to local government and stakeholders on water quality and pollution control (monitor and regulate private labs, undertake research).</p> <p>-- Develop national water and sanitation services regulatory framework.</p>
		<p>Rural Water Services</p> <p>More emphasis is placed on construction of water points and little efforts on rehabilitation and sustainability.</p>	<p>iii. Improving sustainable access to water supply and sanitation in urban, peri-urban and market centres.</p>	<p>Urban, Peri-Urban and Market Centres</p> <p>-- Establish water supply and sanitation systems using demand responsive and demand driven approaches.</p> <p>--Establish contingency water supply reserves and sanitation backup</p> <p>-- Promote management arrangements in urban areas.</p> <p>— provide economic incentives and opportunities for small scale water and sanitation service providers.</p> <p>-- Strengthen and support water utilities by establishing effective institutional and governance arrangements.</p>
			<p>v. Preventing water pollution from navigation vessels and plants.</p>	<p>Navigation Services</p> <p>-- Conduct inspections of waste disposal systems at point of entry to prevent weeds.</p> <p>-- Ensure appropriate environmental safeguards at ports.</p> <p>-- Manage and develop waterways that do not encourage cross transfer of aquatic life.</p>
			<p>vii. Increasing investment in water resources from energy sector.</p>	<p>Hydro-Power Generation</p> <p>-- Participate in multipurpose investment, water catchment management.</p>
			<p>viii. Improving use of water and coherence with water management policies for irrigation purposes</p>	<p>Agriculture and Irrigation Services-- Promote participation of MOA in IWRM</p> <p>-- Encourage MOA to provide water needs and demand for data collection</p> <p>-- Harmonize policies relevant to water management</p>

Key Priority 3: Transport Infrastructure Development

Long-Term Goal	Medium Term Expected Outcomes	Constraints	Strategies	Focus Actions Activities
a. Road Transport				
To reduce cost of road transportation in order to contribute positively to economic growth.	<p>Contribute to;</p> <ul style="list-style-type: none"> -- Reduced lead times on exports -- Decreased cost of domestic trucking -- Lower costs of cross-border and transit trade with neighbouring countries -- Lower cost to reach domestic, regional and international markets (supply and distribution) -- Improved mobility and connectivity of rural communities to markets -- Improved access of international travel (tourism) -- Improved access to health related facilities 	<ul style="list-style-type: none"> --Inadequate sector planning and no integration in the planning process --Insufficient funds for maintenance --Poor prioritisation and planning --Inappropriate standards of construction --Weak capacity of domestic contractors --Weak capacity of District Assemblies to plan,/ manage development and provide access -- Lack of construction policy 	<ul style="list-style-type: none"> • Providing adequate network of roads based on appropriate standards through rehabilitation and upgrading of "all weather" roads to meet sub-regional agreed standards; • Undertaking routine road maintenance to clear backlog through use of modified "Performance-Based Term Maintenance Contracts"; • Building the capacity of local private sector to construct quality roads; • Replacing timber-deck bridges with concrete decks; • Maintaining urban and rural road networks; • Upgrading all unpaved roads from fair to good condition; • Involving the private sector in the monitoring and operations of road transport services; • Implementing appropriate road user charges; • Harmonising the country's highway code, road signs, signals and axle-load regulations within the region; 	<p>Adequate network of roads based on appropriate standards</p> <ul style="list-style-type: none"> -- Rehabilitate and upgrade roads to meet regional agreed standards. --Build the capacity of the local private sector to build roads through the National Construction Industry Council (NCIC) -- Strengthen capacity of Roads Authorities --Replace timber-deck bridges with concrete decks. -- Review the fuel levy to make it in line with the threshold for maintenance in the next five years -- Maintain urban road networks <p>Environmental Impacts</p> <ul style="list-style-type: none"> -- Include EIAs in roads planning, construction and rehabilitation

			<ul style="list-style-type: none"> Improving information coordination on the flow of cargo of regional and international carriage by encouraging private sector freight forwarding companies; and Creating one stop border post on all major transport corridors to allow for the smooth flow of traffic and developing an integrated approach to road safety. 	
				Road Safety on all public roads --Develop an integrated approach to road safety. -- Provide and maintain road signs -- Undertake awareness campaigns for road safety; -- Review the road traffic Act and its use for road safety issues -- Coordinate the various enforcement players in the road safety area -- Strengthen the supervisory capacity for road safety on all existing roads which have poor safety records and as part of all new designs (includes enforcement vehicle weight limits, vehicle dimensions, driver competence, vehicle worthiness) --Earmark 10% of the road fund for enforcement of road safety issues (managed by NRA)
		Poor planning of cargo transport -- Monitor traffic flows	ii. Ensure smooth movement of traffic through the border posts	Domestic and cross-border trade and travel --Involve private sector in the monitoring and operations of road transport services -- Implement appropriate road user charges; -- Harmonise the country's highway code, road signs, signals and axle-load regulations in conformity with the region; -- Develop coordination of information on the flow of international cargo by regional and international carriage. -- Create one stop border post on all major transport corridors to allow for the smooth flow of traffic.

Key Priority 4: Energy Generation and Supply

Long-Term Goal	Medium Term Expected Outcomes	Constraints	Strategies	Focus Actions / Activities
To generate sufficient amount of energy to meet the economic and social demands.	<p>Accessible, reliable and sustainable energy supply:</p> <ul style="list-style-type: none"> -- Reduction in outages (blown outs, black outs) -- Increased access from the current 6% to 10% by 2010 and 30% by 2020 -- biomass-commercial energy mix target of 75% - 25% is set for 2010 and 50%-50% by 2020 difficult to achieve in the medium term 	<ul style="list-style-type: none"> -- Non functioning power plants and inability to generate sufficient amount of energy -- Siltation due to deforestation and poor farming practices (close to the rivers) -- Weeds and water hyacinth on the Shire River block hydro-generation -- Expensive spare parts inhibit maintenance of equipment - Obsolete equipment in the transmission and distribution (power lines) -- Limited resources within the public sector to supply energy -- Little progress on regional integration in power -- Fuel levy not servicing the energy sector 	<p>i. Make energy utilization efficient in generation, transmission and distribution</p> <ul style="list-style-type: none"> -- Minimum local generation capacity increased to 1000 MW -- Power supply is connected to the Southern African Power Pool (SAPP) 	<ul style="list-style-type: none"> -- Rehabilitate two stations for power distribution to Salima -- Engage in interconnection with Mozambique and rehabilitation of existing power generating (2007) -- Complete Kapichira Power Station -- Installation of Kapichira Phase II and Upgrading of Nkula A and B power stations -- Implement Pumped Storage Power Plant at Livingstonia -- Build a dam at Livingstonia and a power station (1,500MW capacity) which will use pumped water from Lake Malawi and from the Eastern Power Corridor to Tanzania -- Rehabilitate and expand the transmission and distribution network. --Complete the remaining part of Kapichira --Protect the catchment area to Shire River -- Explore alternative energy sources (gas, coal, solar, etc.) -- Promote the use of pre-wired boards and pre-paid meters -- Reduce the cost of connection by using affordable connection and metering methods -- Use both grid and off grid electrification options -- Prepare a plan and delineate implementation responsibilities for the reduction of siltation in reservoirs --Reform tariff structure and levels (consider life-line tariffs only for low household consumption) --Integrate electrification planning with those for transport, water and ITC.
			<p>ii. Targeting electrification for mining, irrigation, business, tourism, and other economic activities that would stimulate</p>	<p>Integrate electrification planning with investment planning and planning for transport, water and ITC.</p>

			economic growth	
			ii. Improving the financial viability of key utilities and reduce parastatal losses.	<ul style="list-style-type: none"> -- Accelerate the establishment of the Malawi Energy Regulatory Authority (MERA). -- Improve management of ESCOM, fair pricing and affordable rates. -- Develop public-private partnerships (PPPs) in infrastructure. -- Identification of reliable funding mechanisms. -- Proper framework for private sector to operate with the Government to finance in the electricity (institutional framework). -- Reform electricity tariff structure and levels. --Complete study on Electricity Sector Industry. --Consultancy services for preparation of private sector participation (ongoing under PURP). --Complete Power sector development and investment plan and present it to financiers. --Develop Rural Electrification funding mechanism to promote grid and off-grid rural electrification by public and private providers and ensure Fuel Levy is channelled to the Fund.
	2. Rural communities use alternative energy supplies for power in under served areas.	<ul style="list-style-type: none"> --Low funding levels for the establishment of coal distribution centres in rural areas. --Limited progress in developing energy alternatives for rural areas. 	iv. Increasing access to sustainable energy systems.	<p>Accelerate the Rural Electrification Programme (increase resources, promote development of micro hydro power stations and use of solar energy for off grid power supply)</p> <p>Using both grid and off-grid options.</p> <p><i>(see integrated rural development)</i></p>

KEY PRIORITY 5: INTEGRATED RURAL DEVELOPMENT

Long-Term Goals	Medium Term Expected Outcomes	Constraints	Strategies	Focus actions / Activities
To develop rural growth centers to contribute effectively to economic growth through the creation of employment opportunities thereby enhance redistributing wealth to all citizens and reduce rural-urban migration.	Developed rural growth centers will create employment that will enhance incomes for rural communities and in-turn reduce rural-urban migration trends.	<p>--Weak, poor and ineffective linkages between decentralization policy and other public policy reforms.</p> <p>--Poor and inadequate rural infrastructure such as roads.</p> <p>--Lack of connectivity to electricity.</p> <p>--Poor and inadequate utility infrastructure.</p>	<ul style="list-style-type: none"> • Provision of utilities and communications network to facilitate the linkage of production areas to markets; • Implementing rural electrification programme effectively. • Implementing a full and complete sector devolution. • Improving sustainable access to water supply and sanitation in rural areas 	<p>--construct and rehabilitate feeder roads that link production areas to markets.</p> <p>-- Expand telecommunications network to rural areas.</p> <p>Accelerate the Rural Electrification Programme (increase resources, promote development of micro hydro power stations and use of solar energy for off grid power supply) Using both grid and off-grid options</p> <p>-- Expand network to rural growth centres;</p> <p>--Create awareness of the use of renewable energy (solar, wind, biomass, and micro hydro).</p> <p>--operational links between decentralization policy and national policy frameworks</p> <p>--Strengthening the local government's role in policy making;</p> <p>-- Adopt demand driven and responsive approaches in provision of water and sanitation encourage further user participation in catchment protection, water conservation and sanitation activities</p> <p>-- Integrate rural water supply and participatory hygiene and sanitation transformation</p> <p>-- Promote community based management (develop guidelines)</p> <p>-- Promote use of alternative energy for supplying piped water in rural areas</p> <p>-- Promote diversification of technologies for provision of Water and Sanitation Standardization Policy</p> <p>-- Ensure smooth transfer of devolved functions of rural water supply and sanitation services.-- Advocate cost recovery in O&M</p>

KEY PRIORITY 6: HIV AND AIDS PREVENTION AND MANAGEMENT

Long-Term Goal	Medium Term Expected Outcomes	Constraints	Strategies	Focus Actions / Activities
To prevent further spread of HIV and AIDS and mitigate its impact on the socio-economic and psychosocial status of the general population and high risk groups.	<p>Spread of HIV in general population and in high risk sub groups reduced</p> <ul style="list-style-type: none"> - % of sexually active respondents who had sex with a non-regular partner within the previous 12 months: reduced from 26% in 2004 to 20% in 2007 and to 18% in 2009 for males and reduced from 8% in 2004 to 6.5% in 2007 and to 5% in 2009 for females - % of people reporting the consistent use of a condom: increased from 47% in 2004 to 55% in 2007 and to 60% in 2009 for males and increased from 30% in 2004 to 35% in 2007 and to 40% in 2009 for females - Median age at first sex among 15-24 year-olds: increased from 18.1 years in 2004 to 18.6 years in 2007 and to 19.0 years in 2009 for males and increase from 17.4 years in 2004 to 17.7 years in 2007 and 18.0 years in 2009 for females 	<p>Lack of willingness to change risky behaviour</p> <p>Inadequate resources to support the fight against HIV and AIDS</p> <p>Deep-rooted cultural values and traditions</p>	<p>Scale up effective, mutually reinforcing and culturally appropriate modes of communication</p> <p>Producing, enacting and enforcing HIV and AIDS legislation</p>	<p>Develop specific interventions for men, women, girls and boys on values of mutual faithfulness & abstinence as well as condom use</p> <p>Develop and support targeted communication interventions that address specific cultural and gender challenges</p> <p>Support and work with traditional, faith leaders and initiation counsellors to disseminate information that perpetuate the notion of community</p> <p>Increase coverage and mutual reinforcement of life skills education in schools, colleges and community</p> <p>Develop a communication strategy for the HIV/AIDS response which includes all communication interventions, positive approaches, defines their role and guides the scale up required.</p>
	Knowledge of HIV and AIDS	Lack of willingness to change risky	Scale up communication	Develop specific interventions for men, women, girls

	<p>prevention increased</p> <ul style="list-style-type: none"> - % of young people aged 15-24 who both correctly identify ways of preventing the sexual transmission of HIV and who reject major misconceptions about HIV transmission: improved from 37% in 2004 to 40% in 2007 and to 42% in 2009 for males and improved from 25% in 2004 to 28% in 2007 and 30% in 2009 for females - % of people in general population exposed to HIV and AIDS media campaign: expanded from 80% in 2004 to 90% in 2007 and 95% in 2009 for males and from 66% in 2004 to 70% in 2007 and 75% in 2009 for females 	<p>behaviours</p> <p>Deep-rooted cultural values and traditions</p>	<p>interventions that are evidence-based multidimensional, coordinated and based on the HIV and AIDS communication strategy</p> <p>Improving knowledge and capacity of young people, orphans, the elderly and physically challenged and other vulnerable groups to practice safer sexual intercourse and increase their access to HIV testing and counselling; and behaviour change.</p> <p>Building and strengthening the capacity of public and private organizations to mainstream HIV and AIDS into their core businesses;</p>	<p>and boys on values of mutual faithfulness & abstinence as well as condom use</p> <p>Develop and support targeted communication interventions that address specific cultural and gender challenges</p> <p>Support and work with traditional, faith leaders and initiation counsellors to disseminate information that perpetuate the notion of community</p> <p>Increase coverage and mutual reinforcement of life skills education in schools, colleges and community</p> <p>Develop a communication strategy for the HIV and AIDS response which includes all communication interventions, positive approaches, defines their role and guides the scale up required</p> <p>.</p>
	<p>Decreased stigma and discrimination among general population towards PLWAs</p> <ul style="list-style-type: none"> - % of population expressing accepting attitudes towards PLWH/As: increased from 29.7% in 2004 to 31% in 2007 and to 32% in 2009 for males and increased from 30.8% in 2004 to 32% in 2007 and 34% in 2009 for females 	<p>Deep-rooted cultural values and traditions</p>	<p>Transform gender dynamics that predispose various population categories to HIV and AIDS in the broader socio-cultural and economic environment</p> <ul style="list-style-type: none"> - Promote positive cultural values and practices and discourage harmful cultural practices that predispose people to infection with HIV 	<p>Identify and document cultural practices and values that affect the national response</p> <p>Support communication programmes that reach many people in communities e.g. Stepping Stones, "Mzake ndi Mzake", Rights of the child and HIV and AIDS, and Rights approaches to HIV and AIDS</p> <p>Intensify community mobilization based on meeting their perceived and actual needs and rights</p>

<p>Safer sex practices among high-risk groups and in high-risk settings promoted</p> <p>- % of schools with teachers who have been trained in life-skills-based HIV/AIDS education and taught it during the last curriculum year: increased fromin 2004 to 90% in 2007 and to 100% in 2009</p> <p>- Number of young people aged 15 – 24 exposed to life-skills-based HIV/AIDS education: increased from 133,946 in 2004 to 600,000 in 2007 and to 900,000 in 2009</p> <p>- Number of condoms distributed by social marketing agencies to retail outlets (i.e. for selling) or to clinics (for free distribution by clinics): increased from 29,272,493 in 2004 to 40,000,000 in 2007 to 60,000,000 in 2009</p>	<p>Lack of common understanding of safe sex</p> <p>Lack of knowledge of proper condom use</p>	<p>Intensify BCC interventions for behaviour change</p> <p>Increase appropriate access to and use of male and female condoms as directed by the strategy</p> <p>Promote mechanisms for targeting high risk groups</p>	<p>In the advent of treatment availability, conduct research among high risk groups and settings to examine implications for both risky and protective behaviour</p> <p>Ensure findings are incorporated into communication policy and interventions</p> <p>Develop programmes addressing risk reduction for high risk groups</p> <p>Increase access for high risk groups to information, condoms and medical services</p>
<p>Access by all Malawians to HIV testing and counselling services is equitable</p> <p>- % of <i>sites</i> VCT sites (integrated or stand alone) increased from 146 sites in 2004 to 215 sites in 2007 and to 230 sites in 2009</p>	<p>Lack of willingness of people to go for testing</p> <p>Availability of funds to establish enough testing centers</p>	<p>Expand the scope and coverage of HIV testing and counselling services throughout the country especially in rural areas</p> <p>Improve the quality of testing and counselling service provision, including referral to support services</p>	<p>Strengthen systems and capacity to support expansion of quality HIV testing and counseling services</p> <p>Increase access to HIV testing and counseling services e.g. through outreach, mobile services and workplace programs</p> <p>Integrate HIV testing and counseling in all health facilities to increase uptake</p>

	<p>- Number of clients tested for HIV at VCT sites and receiving their serostatus results: increased from 177,726 tested and 66,182 (37%) receive results in 2004 to 793,000 tested and 475,800 (60%) receive results in 2007 and to 993,000 tested and 794,400 (80%) receive results in 2009</p> <p>- % of clients who have been tested for HIV, who are HIV positive: reduced from 22% in 2004 to 18% in 2007 and to 15% in 2009</p> <p>- # of HIV positive VCT clients who are referred to care and support services in the past 12 months: <i>increased from 16,055 in 2004 to 215,000 in 2007 and to 477,000 in 2009</i></p>		Promoting HIV testing and counselling	<p>Increase the availability and referral to appropriate post test treatment and support services</p> <p>Support programs to address testing and counselling needs of special groups, for example, health service providers, youth and couples</p>
	<p>Quality services for prevention of mother to child transmission (PMTCT) of HIV expanded</p> <p>% of HIV+ pregnant women receiving a complete course of ARV prophylaxis to reduce the risk of MTCT (by type of provider): improved from 2.3% in 2004 to 73% in 2007 and to 80% in 2009</p> <p>% of health facilities providing at least the minimum package</p>	<p>Non availability of sustained conducive environment for PMTCT</p> <p>Lack of acceptability and affordability of mothers to appropriate alternative food to infants</p> <p>Lack of willingness by men to participate in the PMTCT program</p>	<p>Expand the scope, quality and coverage of PMTCT services</p> <p>Develop a conducive environment and support structure for PMTCT implementation</p>	<p>Develop and strengthen systems and capacity to support the expansion of PMTCT services</p> <p>Integrate quality PMTCT services into routine MCH services to better meet the needs of clients and increase uptake</p> <p>Ensure PMTCT service are of high quality through supportive supervision, operational research and client feedback</p> <p>Support HIV positive women and their partners to access ART and other HIV/AIDS -related services</p>

	<p>of PMTCT services (by location and district) <i>increased from 7% to 13.6% in 2007 and 17.9% in 2009</i></p> <p>% of pregnant women who have been counseled in PMTCT, tested and received their serostatus results (by age group (15 – 24, 25 – 49), type of institution (private/public) and district) <i>increased from 43,345 in 2004 to 230,000 in 2007 and 230,000 in 2009</i></p> <p>% of pregnant women that have been tested, who are HIV positive (by age group (15 – 24, 25 – 49) and district) <i>improved from 6,069 (14%) in 2004 to 46,000 (20%) in 2007 and to 46,000 (20%) in 2009</i></p> <p>- % of HIV positive pregnant women offered PMTCT who are referred for care and support services in the past 12 months (by district) <i>from 418 in 2004 to 27,600 in 2007 and 36,800 in 2009</i></p>			Strengthen follow -up and referral of infants born to HIV positive mothers for care and support services
	<p>Risk of HIV transmission through blood, blood products or invasive procedures prevented</p> <p>- % of health facilities that apply national guidelines for blood screening, storage,</p>		<p>Increasing access to safe blood, blood products and tissues services throughout the country</p> <p>Increasing availability of adequate infection prevention materials and procedures</p>	<p>Ensure all blood banks in all districts adhere to safe blood provision standards</p> <p>Ensure that provision of safe tissue services adhere to standards that comply with the provision of safe blood</p> <p>Develop capacity of health service providers to</p>

	<p>distribution & transfusions: increased to 80% in 2007 and 100% in 2009</p> <p>- % of health care facilities that apply national standards for infection prevention and health care waste storage and disposal: increased from 8% in 2004 to 57% in 2007 and 100% in 2009</p> <p>- % transfused blood units that have been screened for HIV according to national guidelines (by district): maintained at 100% from 2004 to 2009</p>		<p>Support communication interventions to increase awareness of infection prevention</p>	<p>ensure effective handling of blood products and tissue in health care system</p> <p>Ensure infection prevention products and materials are universally available and universal precautions and control followed</p> <p>Support initiatives for post exposure prophylaxis (PEP) services to professional groups and others at</p>
	<p>Access to quality STI syndromic management, counselling and information increased</p> <p>- % of patients with STIs at health facilities who have been diagnosed, treated, and counseled according to national management guidelines:</p> <p>- % of health facilities with STI drugs in stock and no STI drug stock outs of >1 week: increased from 35% in 2004 to 70% in 2007 and to 90% in 2009</p>	<p>Un availability of sustainable resources</p>	<p>Strengthening evidence-based STI communication interventions</p> <p>Strengthening STI surveillance system</p> <p>Improving the clinical diagnosis, treatment and management of STI patients</p>	<p>Strengthen human capacity to support expansion of quality STI services</p> <p>Ensure adequate STI equipment supply and supplies</p> <p>Promote integration of STI prevention and treatment in reproductive health services and HIV/AIDS clinics to better meet client needs and increase uptake</p> <p>Ensure STI services meet the needs of specific vulnerable groups</p> <p>Ensure the quality of STI management and service delivery</p> <p>Strengthen the STI drug procurement and delivery system throughout the country</p> <p>Strengthen a national STI surveillance system for</p>

	<p>- # of STI cases seen at health facilities (new case or referred partner) increased from 157,371 in 2004 to 300,000 in 2007 and to 350,000 in 2009</p>			<p>prevalence, incidence and distribution of STIs</p> <p>Develop routine referral mechanism between STI management and HIV testing and counseling</p> <p>Develop linkages with traditional healers to improve uptake of formal STI services</p>
	<p>Capacity for the health delivery system to provide equitable access to ARVs and drugs for management of HIV-related infections improved</p> <p>- # of persons with advanced HIV infection receiving ARV therapy: increased from 13,183 (6.6%) in 2004 to 50,000 in 2007 and to 80,000 in 2009</p> <p>- % of AIDS cases managed for OIs: increased from 4,649 in 2004 to 102,000 in 2007 and reduced to 76,500 in 2009</p> <p>- % of health facilities with drugs for OIs in stock and no stock outs of > 1 week: increased from 35% in 2004 to 70% in 2007 and to 90% in 2009</p> <p>- % of health facilities where ARV services are being offered with no ARV drug stock outs of > 1 week: maintained at 100% in 2007 and 2009</p>	<p>Inadequate financial and human resources</p> <p>Unwillingness of patients to adhere to ART</p>	<p>Strengthen an integrated ART infrastructure and logistic systems and a national quality assurance program for ART</p> <p>Increase and sustain the human resource capacity for delivery of high quality ART and management of HIV-related infections to both adults and children</p> <p>Increase equitable access to ARVs</p>	<p>Strengthen laboratories of health units with ART and HIV-related infections program</p> <p>Procure adequate ARVs and other drugs to treat HIV related diseases</p> <p>Procure and equip health service systems with testing kits and reagents</p> <p>Annually maintain infrastructure for ART and VCT</p> <p>Develop and implement mechanisms for tracking stock levels of drugs and other supplies</p> <p>Develop and implement a systematic pre-service and in-service training program for health care personnel in ART and management of HIV-related diseases</p> <p>Support provision of pediatric, OIs and ARV drug formulations</p>

	<p>- % of detected TB cases who have successfully completed the treatment: increased from 73% in 2004 to 80% in 2007 and to 90% in 2009</p>			
	<p>Access to high quality CHBC increased</p> <p>- # of households receiving external assistance to care for adults who have been chronically ill for 3 or more months: increased from 56,782 in 2004 to 80,000 in 2007 and to 90,000 in 2009</p> <p>- Number of persons enrolled at PLWA organisations per year: increased from 1,770 in 2004 to 5,000 in 2007 and 10,000 in 2009</p> <p>- Number of community home based care visits (by residence, district and by type of visit (health care worker / volunteer)): increased from 123,702 in 2004 to 250,000 (255,000) in 2007 and to 500,000 visits in 2009</p>	<p>Lack of common understanding of CHBC</p> <p>Unavailability of sustainable resources</p> <p>Lack of common understanding of Palliative care</p>	<p>Expand provision of CHBC including palliative care and psychosocial support</p> <p>Develop an integrated CHBC package that involves all health care providers including traditional healers, traditional birth attendants, social workers and civil society service providers</p> <p>Increase greater involvement of PLHA in CHBC</p> <p>Increase nos. & capacity of volunteers in provision of CHBC</p> <p>Develop a mechanism for retention of volunteers</p> <p>Ensure that CHBC link up at peripheral level with the provision of ARV therapy from health facilities</p>	<p>Standardise provision of CHBC including palliative care and psychosocial support</p> <p>Standardise CHBC kit</p> <p>Build the capacity of CBOs, FBOs and NGOs involved in CHBC</p> <p>Support CBOs, NGOs and FBOs to provide CHBC</p> <p>Support referral mechanisms between CHBC providers and facility-based care</p> <p>Promote greater involvement of PLHA and OVC in planning and implementation of CHBC</p>
	<p>Expanded programs and interventions for nutritional support and education for vulnerable PLHA within their communities</p>	<p>Inadequate resources to deliver nutrition programs</p>	<p>Establish and increase mechanisms to deliver nutritional support to vulnerable PLHAs</p> <p>Promoting adequate nutrition, including provision of nutrition therapy that cover assessment,</p>	<p>Establish nutritional needs of PLHA</p> <p>Identify & document local options & sources of meeting nutritional needs of vulnerable PLHAs</p> <p>Integrate nutrition support of PLHA in the comprehensive care package</p>

			counselling, education and demonstration, supplementary feeding, therapeutic feeding, referral to health facility and production of high nutritive value foods for a nutritious diet to HIV and AIDS individuals	Provide nutrition education & counseling to PLHA Provide nutritional education to caregivers of PLHA & affected families Provide nutritional supplements to hard hit households of PLHA
	<p>Economic and psychosocial effects of HIV/AIDS mitigated and the quality of life of PLHA, OVC, widows, widowers and the elderly affected by the epidemic improved</p> <p>Number of orphans and other vulnerable children receiving care/support (by type of support (psychosocial, nutrition, financial), district and gender): increased from 59,996 in 2004 to 200,000 in 2007 and to 300,000 in 2009</p> <p>Number of community initiatives or community organizations receiving support to care for orphans (by district): increased from 250 in 2004 to 500 in 2007 and to 800 in 2009</p>	<p>Uncertainty of availability of financial resources</p> <p>Lack of consensus on what constitutes psychosocial support</p>	<p>Strengthen mechanisms to promote sustainable economic & material support.</p> <p>Increase advocacy for micro-finance programs</p> <p>Strengthen capacities of communities and districts to provide psychosocial support to PLHA, OVC and affected families</p> <p>Increase capacity of PLHA associations and post test support groups to provide psychosocial support to other PLHA & affected families</p> <p>Advocate for enforcement of policies and laws that promote and protect rights of PHLA, OVC and widows</p> <p>Increase community awareness on legal, ethical & social rights of PLHA, OVC, widows & widowers</p> <p>Enhance access for OVC to essential quality services such as education, health, good nutrition.</p>	<p>Develop a conceptual framework and strategy for impact mitigation</p> <p>Determine the nature & skills of PLHA, OVC, widows, widowers and the elderly affected by HIV/AIDS to plan and manage simple IGPs</p> <p>Train beneficiaries on how to develop and manage IGPs</p> <p>Advocate for micro-finance programs to support IGPs for PLHA, OVC, carer of carers, widows and widowers</p> <p>Train counselors and counselor aides and other volunteers at the community and district levels</p> <p>Promote formation and capacity building of PLHA groups</p> <p>Promote formation and capacity building of OVC peer counseling groups</p> <p>Review existing laws and advocate for their amendments in order to reflect PLHA, OVC, widows and widower issues</p> <p>Develop new laws, where necessary, to enhance the protection of OVC, PLHA, widows and widowers</p>

			<p>water and sanitation and birth registration with increased support from social protection</p> <p>Strengthen the capacity of families and communities to care for OVC by providing support to enhance their economic security, social and emotional well-being</p>	<p>Train and support community-based paralegals to carry out community education campaigns on human rights, legal and ethical needs of affected groups</p> <p>Provide victims of abuse, violence, exploitation or trafficking with appropriate services</p> <p>Advocate for the integration of OVC in the national social safety net programs</p> <p>Increase school bursaries and school feeding programs</p> <p>Increase access of OVC to essential health package</p> <p>Mobilise support for the implementation of integrated care, protection and OVC support package</p> <p>Provide in school life skills training</p> <p>Provide alternative education & vocational skills training for out of school OVC</p>
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ANNEX 2.1: MGDS DETAILED MATRICES BY THEMES

THEME ONE: SUSTAINABLE ECONOMIC GROWTH

Sub Theme	Long-Term Goal	Medium-Term Outcome
1. Potential growth sectors	<ul style="list-style-type: none"> Increasing productivity, diversify the economy and achieve export led growth. Increasing the contribution of tourism to GDP from 1.8 percent to 8.0 percent by 2011. Increasing the contribution of the mining sector to GDP by at least 10 percent annually. Increasing manufacturing output with growing value addition, export development and employment creation. 	<ul style="list-style-type: none"> High growth is realised in tourism, mining, and manufacturing.; Increased productivity and protection of natural resources (fisheries, forestry, mining, environment). To establish Malawi as a principal and leading eco-tourism destination in Africa. To increase production output and value added by small, medium and large-scale miners
2. An enabling environment for private sector led growth	<ul style="list-style-type: none"> Increase private sector foreign and domestic investment 	<ul style="list-style-type: none"> Increased business enterprises that contribute positively to economic growth and increase domestic market supply; Increased foreign direct investment; Improved private sector competitiveness.
3. Export led growth	<ul style="list-style-type: none"> Malawi becomes a net exporter 	<ul style="list-style-type: none"> Increased number of businesses accessing the international markets with products
4. Conservation of the natural resource base	<ul style="list-style-type: none"> Reduced environmental degradation. to maintain fish species and bio-diversity. 	<ul style="list-style-type: none"> To ensure sustained fish availability for food and nutrition security as well as income generation. To ensure sustainable use and management of forestry resources. To ensure sustainable use and management of forestry resources.
5. Economic Empowerment	<ul style="list-style-type: none"> Reduce income disparity, Increase in employment, and income 	<ul style="list-style-type: none"> Increased employment and income of the poor from on and off farm activities; Increased productivity of rural communities / businesses and their contribution to economic growth; Women, youth and the disabled fully participate in economic activities.

6. Land and Housing	<ul style="list-style-type: none"> • Ensure tenure security and equitable access to land • Improved housing delivery systems, processes, procedures, and services with particular focus on vulnerable and low-income groups 	<ul style="list-style-type: none"> • efficient use of land and land based resources and equitable access to land by all productive Malawians and other investors. • Provision of adequate and conducive framework for improved access
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1.1 Potential Growth Sectors

Long-Term Goals	Medium Term Expected Outcomes	Constraints	Strategies	Focus actions / Activities
a. Tourism:				
Increase the contribution of tourism to GDP from 1.8 percent to 8.0 percent by 2011.	<p>1. To establish Malawi as a principal and leading eco-tourism destination in Africa.</p> <p>--Increased number of high spending tourists to Malawi.</p> <p>--Increased income to the sector from domestic and international tourists.</p> <p>--Increased revenue to government from the tourism industry.</p> <p>--Increased job creation by the sector.</p> <p>--Increased foreign exchange earnings.</p>	<p>Products and Services</p> <ul style="list-style-type: none"> • Poor and uncoordinated promotion activities, • Threats to flora and fauna, • High cost of hotel accommodation that does not match with value. • Lack of diversified tourism products and services • Lack of new, trendy, innovative and sustainable tourism investments in the sector 	<p>Develop quality and diversified products and services based on the natural and cultural resources heritage to attract tourists.</p> <p>--Invest in eco-tourism facilities to compete with those in the region.</p> <p>--Invest in cultural tourism facilities to economically benefit from diversified cultural heritage.</p> <p>--Invest in other forms of tourism facilities on other natural resources like mountains, islands.</p> <p>--Invest in conference facilities to service the passive demand of MICE tourism.</p> <p>--Implement more effective</p>	<p>Product Development and Services</p> <p>--Create a Malawi Tourism Development Investment Fund</p> <p>--Develop Eco-tourism facilities (lodges) in four sites as identified in the Strategic Tourism Development Plan for Malawi</p> <p>--Develop cultural facilities in a form of cultural villages in the identified four varied cultures in Malawi</p> <p>--Develop tourist facilities on mountains, like cable car, accommodation, camping and visitor centres to make economic use of available natural resources</p> <p>--Develop multi-purpose conference centre with accommodation and catering facilities</p> <p>--Develop a tourism database system for Malawi</p> <p>--Zone all areas with tourism potential along the lakeshore.</p> <p>--Encourage more investment in the sector to reduce monopolistic pricing.</p> <p>--Empower indigenous Malawians and build their</p>

			broad based economic empowerment strategies for indigenous Malawians.	capacity in tourism development investments. --Review tax and incentive regime for the benefit of the sector. Rural areas with potential for tourism development to be accorded preferential tax and incentive policy.
Bio-diversity Environment of lake and Forestry	2. Create an enabling, favourable and sustainable environment for the private sector to conduct tourism business	--Lack of incentives to the private sector to invest --Slow and difficult bureaucratic procedures. --Capital financing in the tourism difficult to come by, seen as risky by lending institutions. --Lack of capacity in the tourism industry. -- Very few qualified managers, and chefs, private sector not willing to invest in long term training. Infrastructure, Access --Poor road infrastructure leading to tourism attraction areas. --Poor access roads to tourism facilities. --Lack of supply of clean water, electricity, ICT, and waste management.	--Provide the tourism sector with tax incentives. --Streamline bureaucratic procedures --Deliberately pay attention to training needs of the tourism sector. Introduce curricula in colleges, provide scholarships --Prioritise construction, maintenance and upgrade of main roads and access roads to attraction areas.	--Construct and maintain all roads to tourism attraction areas (such as Mangochi and Nyika). --Upgrade to bitumen standard access roads leading to major tourism establishments (Mangochi, Salima, Nkhata Bay) . --Construct the new Mangochi airport and upgrade the Likoma Aerodrome and maintain other aerodromes in tourism areas. --Cooperate with utility firms to provide reliable utilities.
	3. Tourism establishments to meet acceptable standards to compete regionally and internationally	Regulation and Standards --Weak enforcement of the available tourism regulations. --Lack of knowledge by tourism operators on the new gazetted tourism regulations. --Uncoordinated approach by various regulatory bodies on the tourism establishments. --Lack of direction by operators on standard of facilities which may lead to distorted subjective pricing of products.	--Use the available law to enforce regulations. --Sensitise the tourism industry on the new regulations. --Create synergy in regulation and standardization.	Regulation and Standards --Tourism and Hotels Board to be financially empowered and detached from the Ministry to regulate and enforce laws and regulations. --Conduct sensitisation campaigns. --Tourism and Hotels Board, local assemblies, CAMA, MBS to work in harmony to ensure standards and avoid duplications. --In line with new regulations, classify accommodation units and restaurants into grades. --Undertake a comprehensive review of tourism laws.
	4. Malawi as a tourism destination to achieve growth in high	Tourism Promotion -- Lack of dedicated funding to undertake destination marketing. Marketing levy, usual practice of	--Develop a more reliable and sustainable way of financing	Tourism Promotion --Urgently make provisions for the setting up of a dedicated and sustainable fund for destination

	<p>spending tourists</p>	<p>raising funds for destination marketing globally, was withdrawn with no solutions.</p> <ul style="list-style-type: none"> -- Perception of health risks, bilharzia, malaria along the beaches of Lake Malawi, HIV and AIDS, negative publicity about famine -- Insufficient destination marketing efforts and strategy. -- Uncoordinated approach to tourism promotion by the industry 	<p>destination marketing.</p> <ul style="list-style-type: none"> --In medium to longer term, delink marketing activities to a separate authority. --Meanwhile, improve the reach of tourism products to domestic, regional and international markets. 	<p>marketing.</p> <ul style="list-style-type: none"> --Continue to undertake destination marketing in selected source markets using the most cost effective methods. --Formulate clusters for tourism promotion and development and allow for stronger linkages. --Encourage destination-based networks and strengthen private/public sector cooperation. --Undertake strategic marketing and promotion to target markets that have high propensity to spend on other emerging markets of the Far East (Japan, China). --Create statutory tourism authority with effective private sector representation for destination marketing. --Increase number of representation in major source markets (Far East).
<p>b. Mining:</p>				
<p>To increase the contribution of the mining sector to GDP by at least 10 percent annually.</p>	<p>Increased production output and value added by small, medium and large-scale miners, to supply industrial raw materials in the country (import substitution) and to begin exporting minerals.</p>	<p>Institutional Setting and Regulation of the Mining Sector</p> <ul style="list-style-type: none"> -- Institutional setting does not promote the sector or spearhead its development. -- Insufficiently trained personnel to support the sector and poor collaboration with training and research institutions (may not be necessary to undertake training separate from the large mining houses which will make this demand driven). -- Geological data and information about mineral resources is outdated and insufficient. -- Inadequate and unreliable electric power supply. -- Minerals sector is not included in international protocols and agreements. 	<p>i. Strengthening the institutional capacity of Geological Surveys to effectively promote mining, monitoring and enforcement of environmental safety standards</p>	<p>Institutional Setting</p> <ul style="list-style-type: none"> -- Accelerate geological and mineral data acquisition (<i>private sector sees this as an urgent priority</i>) -- Speed up Parliamentary consideration of the mining and minerals policy (<i>urgent priority</i>) -- Enhance capacity to compile, generate and interpret geological surveys and disseminate to potential investors and the public and to encourage private sector to invest in detailed phases of mineral exploration -- Include mineral sector in international protocols/agreements <ul style="list-style-type: none"> -- Make linkages with miners of industrial minerals to the market through local private

		-- Lack of harmonization of policies in areas toward tourism.		companies, thereby facilitating import substitution -- Promote opportunities through bulletins, websites and investor events/conferences -- Create another body like MIDCOR and use as a conduit for public-private partnerships
		Environment/ Compliance -- Risk of irreversible environmental damage -- Lack of supervision, monitoring and enforcement -- Small scale miners smuggle gemstones	ii. Ensuring compliance by small, medium and large scale miners with environmental and safety standards	Environment/ Compliance -- Decrease smuggling of gemstones -- Provide extension services to SSM
		Medium Scale Mining -- <i>Insufficient value adding capacity in mining</i> -- Outdated Minerals and Mining Act to give investors the necessary protection and certainty required when making large investments -- Lack of enacted fiscal and investment incentives that can be granted automatically and are sufficient to attract large-scale investment	iv. Increasing investment by private sector companies in medium and large scale mining	Medium Scale Mining -- Review taxation applicable to mining as Malawi is generally not competitive compared to other countries in the region -- Provide attractive fiscal incentives to investors. -- Re-examine how mining could benefit from EPZ -- Improve infrastructure (electricity, water, roads) -- Increase and maintain an effective skilled work force for the private sector (by private sector)
C. Manufacturing				
Increase manufacturing output with growing value addition, export development and employment creation	Increase the contribution of the manufacturing sector to economic growth	--Low capacity utilization due to poor management and high cost of doing business -- Incentives to investors are discretionary --Lengthy procedures of establishing investment. High cost of imported raw materials -- Highly risky environment (reliability of infrastructure, tax regime, responsiveness of supporting institutions) -- Large number of institutions to support businesses but overlapping, unclear mandates and inadequate funding -- Inadequate skills in the sector -- Obsolete technology which is used within the sector --Low quality and quantity of raw-materials from the agriculture sector	-- Improving the quality of products and productivity of both labour and capital; -- Enhancing skills through better integration of science and technology into vocational training; -- Enhancing the capabilities of Malawi Bureau of Standards and other related bodies to perform their functions;	Skills -- Develop skills and work with Science and Technology to help improve manufacturing -- Strengthen adherence to labor protection Standards -- Improve capacity of Malawi Bureau of Standards to certify rather than rely on overseas certifying agencies) -- Improve capacity of MBS to provide ISO certificates - Ensure that quality and standards are met by industry and provide mechanisms to strengthen value. Materials and Linkages -- Establish links with improving quality and quantity of raw materials, especially in the agricultural

		<p>-- Low quality products</p> <p>--Lack of linkages both intra- and inter industry</p>	<p>-- Developing additional incentives for investment including redefining the roles and responsibilities of support institutions, and working to target infrastructure phasing to the benefit of the manufacturing sector; and</p> <p>-- Reducing the cost of doing business by reviewing licences and taxes.</p>	<p>sector.</p> <p>Incentives for investment and costs</p> <p>-- Rework duty drawbacks and rebates, review taxes -</p> <p>- Redefine the roles and responsibilities of support institutions in the sector.</p> <p>-- Improve access to water, electricity, telecommunications and reduce cost (see infrastructure).</p> <p>-- Encourage processing in rural areas, sub-contracting, and use of modern technology.</p>
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1.2 Sub Theme Two: Enabling environment for private sector development

Long-Term Goals	Medium Term Expected Outcomes	Constraints	Strategies	Focus actions / Activities
To create an enabling environment for private sector participation to increase domestic and foreign investment.	1. Increased number of local firms producing goods that are competitive at regional and international markets.		Improving infrastructure especially access to reliable and seasonally priced electricity, water and improved inter-modal transport to regional and domestic markets through direct investment, privatisation, build, operate and transfer arrangements and public-private partnerships	Infrastructure <ul style="list-style-type: none"> -- Priority for roads and linkages to major market connections. -- Strengthen the distribution system and logistic chains. -- Pursue public private partnerships in infrastructure.
		-- Tax evasion and non-compliance		Tax <i>Undertake tax review to identify causes.</i>
		-- Cumbersome investment procedures -- Policy reversals damage investment -- Lack of trust between public and private sector		Regulatory and Policy Environment <ul style="list-style-type: none"> -- Strengthen public private partnerships -- Ensure statutory corporation, bodies and governmental agencies are appointed on the grounds of competence and relevant experience
		Inadequately skilled workforce with insufficient technical and vocational training opportunities <ul style="list-style-type: none"> -- Labour skills do not meet needs of private sector and the educational system is not producing enough graduates to meet future economic needs. -- Poor supply of training with inappropriate / irrelevant curricula, poor quality of trainers and poor management of training. -- Lack of science and technology training to support new skills for growth and lack of a plan to expand existing colleges into 	ii. Improve worker productivity and ability of firms to produce quality products. <ul style="list-style-type: none"> -- Reduce the incidence of occupational hazards and occupational diseases. -- Increase enrolment of general education students into vocational training programs. 	Skills – Vocational training and industry needs <ul style="list-style-type: none"> -- Review and update curriculum to be dynamic and oriented to economic needs (at vocational centres and in secondary schools) – develop competency based curriculum for formal and informal training. -- Update training equipment at vocational training schools to meet certification standards. -- Expand capacity of existing vocational training institutions, including training more instructors in vocational training areas. -- Encourage colleges to offer entrepreneurial and training in special. trades suited to self employment.

		<p>science and technology centers.</p> <ul style="list-style-type: none"> -- Insufficient number of vocational graduates with sufficient skills for businesses. -- Vocational training facilities have obsolete equipment and insufficient training programs with a high cost of machinery. -- Lack of community, village polytechnics to equip rural people with vocational skills -- Few linkages between informal and formal sector training programs in vocational areas. -- No institutional mandate to oversee technical programs previously offered by Polytechnics. 		<ul style="list-style-type: none"> -- Conduct career guidance and counselling in general education. -- Create new infrastructure in existing colleges and upgrade existing public technical colleges with infrastructure that meets standards. --Improve the TEVET system to be more favourable to the private sector.
		<p>Productivity losses from health related issues</p> <ul style="list-style-type: none"> -- Potential for losing trained staff to HIV/AIDS discourages investment in key staff or requiring investment in more duplicative staffing. -- Lost productivity from malaria, TB and other respiratory illnesses. --Absence of partnership between occupational safety, health, and MOH. 		<p>Health and Labour Safety</p> <ul style="list-style-type: none"> -- Implement occupational protection for labor on the job. -- Develop occupational programs, including inspection for diseases such as TB.
	<ul style="list-style-type: none"> --Increased number of Malawian firms that export directly or contribute to exportation from Malawi -- Increase number of Malawian firms servicing the domestic market supply 	<p>Access to land</p> <ul style="list-style-type: none"> -- Records for the physical planning of use of lands are not reliable and inconsistent across ministries. Little physical planning of lands and misallocation of demarcated areas. -- Cost of land on the market is high, and access to land is acute in cities where demand for land is very high, and takes long time to process applications for land -- Malawians who own land do not have title deeds to them. <p>Poor and inadequate information on</p>	<p>Enable Malawian entrepreneurs to participate in private sector ventures and access markets.</p>	<p>Land issues in urban areas and in enforcing demarcation</p> <ul style="list-style-type: none"> -- Implement a programme of land titling. -- Introduce reforms in the way land is allocated in cities. -- Reduce unnecessary delays in the processing of land applications. <p>Information on opportunities</p>

		business opportunities <ul style="list-style-type: none"> -- Information regarding business opportunities, tax and other incentives, and other key business information. (MIPA, MEPC and other Government institutions) 		<ul style="list-style-type: none"> -- Strengthen promotion activities. -- Implement economic empowerment policy.
		Inadequate promotion of products primarily in regional and international market		
		Incentives <ul style="list-style-type: none"> -- Incentives not applied consistently to investors. -- Lack of properly zoned land for specific development activities. -- Town planning that constrains investors. 		Incentives <ul style="list-style-type: none"> -- Set special incentives for high growth economic sectors. -- Increase efficiency of one stop shop bringing in outside operations, clarify laws to enable one stop shop. -- Revise statement of investment policies.
		Access to Credit <ul style="list-style-type: none"> -- Difficulties in accessing credit (for micro-finance see enabling environment) -- Supply of micro-finance unable to meet demand. -- Not a credible mass of MFI operating at a sustainable level -- Volatility of real interest rates and domestic debt -- Lack of a savings culture amongst Malawians -- Low uptake of science and technology -- Insufficient infrastructure for research and development 	Improving micro-finance schemes and programmes	Micro-finance Develop/ strengthen the micro-finance sector to serve small scale concerns and as part of the broader financial system
				Financial System <ul style="list-style-type: none"> -- Support finance institutions in designing differentiated financial products -- Establish an apex institution
				<ul style="list-style-type: none"> -- Strengthen linkages to vocational training -- Determine the best mechanisms for accessing scientific and technical knowledge and the optimum strategy for implementation -- Promote S&T oriented to value addition in high growth areas -- Develop an effective capacity in S&T that can meet the needs of Malawi

	2. Increase foreign investment	Disincentives for foreign investment <ul style="list-style-type: none"> -- Inadequate information available -- Incentives favour certain sectors but not other important ones -- Incentives once granted are not guaranteed -- Lack of employment policy 	Improving the quality of information on opportunities in Malawi for potential investors.	<ul style="list-style-type: none"> -- Produce good promotional materials -- Review investment policy -- Develop employment policy
		Perception of corruption <ul style="list-style-type: none"> -- High levels of corruption and bribery increasing the cost of doing business 	Improving the perception of the private sector concerning governance / corruption.	<ul style="list-style-type: none"> -- Integrate message of good governance into promotional themes

1.3 Sub Theme Three: Export-led Growth

Long-Term Goals	Medium Term Expected Outcomes	Constraints	Strategies	Focus Actions / Activities
To turn Malawi from being a net importer to a net exporter and effectively integrate it into regional and international markets.	Increased number of firms that are producing products that are competitive on regional and international markets.	Infrastructure and Access to Markets <ul style="list-style-type: none"> -- Long lead times and high transport costs, attributed to landlocked status; -- High costs magnified by policy and institutional constraints in road, rail, water and air -- Domestic trucking industry is uncompetitive and have high investment costs - Poor economic infrastructure including roads, rail, airports, ports, utilities and telecommunications, which undermines domestic and international trade; -- Poor management -- Unfavourable terms of trade 	i. Reducing cost of reaching external markets due to infrastructure by focusing on linkages through Mozambique, the Shire Zambezi waterway, and reduced restrictions on air transport	Infrastructure <ul style="list-style-type: none"> -- Strengthen economic infrastructure specific to international trade <ul style="list-style-type: none"> --Shire Zambezi waterway, Lake transport Mtwara corridor --Improve access to ports, Port security and capacity --Improve rail lines : Repair Nacala rail to the coast --Reduce restrictions - air transport landing rights/fees --Telecommunications -- Enforce regional harmonized standards (especially in terms of security issues, transit fees, etc.) -- Reduce impact of domestic trucking cartel and increase access to foreign truckers -- Modify tax structure for transport equipment/services -- Leverage public private partnerships for infrastructure

		Economic Infrastructure -- High customs tariffs on manufactured imports; -- Inconsistency and slowness in customs Narrow focus EPZ registration -- Unfavourable macroeconomic environment -- Corruption -- High cost of exporting/complex documents.	ii. Reducing lead times on export and improved efficiency by improving the efficiency of customs, harmonizing border crossing with neighbouring countries.	Economic Infrastructure specific to international trade: -- Efficiency of customs and tax administration. -- Harmonize border operating hours with neighbouring countries. -- Resolve grievances in the tax administration and increased tax collection (from informal sector) and reduce excessive delays in refunds of tax payments especially surtax payments. --Improve the efficiency in customs and tax drawback program. -- Develop speedy and standardized payment system.
		International Standards for Products -- Missed business opportunities due to weak SQAM infrastructure, high cost of using foreign certifying bodies -- Limited access of firms to conformity assessment services	iii. Improving marketability of products to international markets by improving certification (coupled with efforts under the enabling environment) and developing science and technology	International Standards for Products -- Strengthen MBS for national certification -- Improved compliance with international certification -- Start comprehensive SQAM capacity building program -- Establish ISO 9001 enterprises -- Develop science, industry and technology in framework of international standards
		Export Services -- Poor supply response to opportunities created by trade agreements (supply side constraints) -- Inadequate trade support services -- Limited access to trade and investment finance procedures	iv Improving trade network and information for firms for export	Increase information for potential exports for market potentials -- Reorient Malawi Export Promotion Council activities to ensure greater co-ordination of export promotion activities; -- Establish trade finance scheme -- Reform of the financial sector
		Trade Negotiation -- Lack of capacity to effectively negotiate participate in trade negotiations of WTO, EPA, EU -- Volatility of trade agreements	v Maximizing the benefits of trade through better knowledge	Upgraded skills of key staff in target institutions (trade related) -- Coordinate ministries and entities involved in trade better understand origin regimes and issues -- Strengthen analytical capacity for trade policy

		<ul style="list-style-type: none"> -- Inadequate trade missions; -- Lack of a clear trade strategy and supporting policies -- Weak analytical capacity for trade policy analysis and implementation -- Overlapping regional trade integration efforts -- Lack of coordination between institutions and stakeholders creating duplication of effort -- High level of informal cross-border trade. 		<ul style="list-style-type: none"> analysis and implementation -- Establish capacity to regulate liberalization Fair Trade Commission -- Strengthen the ability to negotiate and direct partnerships with international neighbours important to facilitate regional trade (efficiencies, security, completion of railways, etc.) -- Liase with Customs Department to accelerate improvement of customs facilitation at ports and border posts in SADC/COMESA
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1.4: Sub Theme Four: Conservation of the Natural Resource Base

Long- Term Goal	Medium Term Expected Outcomes	Constraints	Strategies	Focus actions / Activities
To improve management of fish species, forestry, wildlife biodiversity and reduce environmental degradation and conserve the natural resource base, while contributing to economic growth.	a. Fisheries Ensure sustained fish availability for food and nutrition security as well as income generation.	Productivity of Fishing <ul style="list-style-type: none"> -- Lack of appropriate fishing technology. -- Significant decline in fisheries levels in Lake Malawi due to overexploitation. -- High post-harvest losses due to poor handling by communities. -- Lack of knowledge on sanitary and phytosanitary issues that later impinge on fish exports. -- Ineffective enforcement of fishing laws. -- Inadequate institutional capacity and high staff attrition. -- Inadequate monitoring and evaluation (M&E). 	Increase the productivity of small and large scale fisheries in a manner that enables exportation of products and does so in a sustainable manner.	Productivity of Fishing <ul style="list-style-type: none"> -- Promote the use of modern technology by both local communities as well as private sector for deep water fishing. -- Provide fish landing facilities as well as train communities in modern fish processing methods -- Promote small scale profit oriented fish farming as well as largescale or industrial aquaculture. Competitiveness for Export Facilitate the accreditation of competent authority by providing training and laboratory facilities in order to export fish. Conservation of Water and Fish Resources <ul style="list-style-type: none"> -- Enforce legislation. -- Develop sustainable management of the fish supply. -- Train fishing communities in sustainable fishing practices. -- Establish sanctuary areas to protect endangered fish species.

				<ul style="list-style-type: none"> -- Promote deep water fishing, moving fishermen from shallow shore fishing. -- Adopt closed season fishing rules on Lake Malawi; control fishing gear to allow collapsing stock to recover; introduce fishing licensing.
	<p>b. Forestry Sustainable use and management of forestry resources. Share of forestry in GDP improved to at least 4% by 2008.</p> <p>An estimated 200,000 hectares of forest-land is expected to be replanted by year 2011 in order to reverse the negative impacts of deforestation.</p>	<ul style="list-style-type: none"> -- Low and declining investment in industrial forest plantations. -- Small and poorly structured forest products/industry sector with high costs -- High costs and low efficiency of managing and processing industrial wood -- Weak organization and investment promotion in the forest products sector. -- Poor security (with respect to fires, theft, vandalism, encroachments, tenure) for industrial forestry plantations -- High rate of deforestation -- Insufficient policy coherence impact on forestry resources in different ways (leasing national parks, coal exploration at cost of forestry, environmental protection /deforestation). -- High dependence on wood as a source of household energy. -- Low manpower levels and training opportunities for skills development. 	<ul style="list-style-type: none"> Improving productivity and value added by the industrial forestry sector, while balancing it with sustainable practices -- Registration with international standard bodies -- Increased number and types of value adding wood producing and processing establishments. -- Increase private sector involvement in industrial forestry development. -- Increase reforestation efforts for key areas -- Improving enforcement of regulations for forestry management -- South and Central Malawi : Replant and rehabilitate 150, 000 ha of softwood and 50, 000 ha of hardwood timber plantations by private producers. -- Introducing incentives for private sector participation in forestry. 	<ul style="list-style-type: none"> -- Review the concession arrangements for Forestry reserves. -- Introduce appropriate incentives to promote private sector investment in forest industries -- Initiate reforestation and environmental rehabilitation programmes in priority areas. -- Develop / integrate reforestation into public works programs focused on reforestation perhaps through MASAF or local assemblies -- Identify training needs and develop training programmes. -- Improve human resource capacity in the sector

	<p>C: Environmental Protection. Improved compliance with environment and natural resource management laws</p>	<ul style="list-style-type: none"> -- Weak enforcement of regulations and standards. -- Poorly coordinated management of natural resources conflicting service delivery. -- Inadequate environmental information systems. -- Low level of awareness of the importance of environment. -- Access and benefit sharing schemes not in place for biological resources. 	<p>i. Improving enforcement of environmental policies and legislation</p> <p>ii. Improving cooperation in environmental management, NRM and development</p> <p>ii. Raising awareness of issues of environmental protection.</p>	<p>Regulations, Standards and Enforcement Review policies and legislation for waste, sanitation and POPs</p> <ul style="list-style-type: none"> -- Recruit environmental lawyers and develop capacity to enforce standards -- Provide legal mandate for coordination -- Develop environmental standards for soil, water, air, and noise. -- Develop environmental legislation <p>Coordination</p> <ul style="list-style-type: none"> -- Establish coordinating committees for biodiversity, climate change, POPs and waste disposal. -- Harmonize sector-specific strategies for dealing with problems affecting common resources. -- Develop policies and strategies for coordination of common programmes and activities undertaken by the various stakeholders. -- Define institutional position of EDO and operationalise a decentralization strategy. -- Establish an appeals tribunal. <p>Environmental Education and Awareness</p> <ul style="list-style-type: none"> -- Incorporate environmental issues in school curricula -- Undertake public awareness campaign -- Develop environmental management information system -- Develop environmental data base on legal, state of environment indicators, policies and environmental impact assessment
	D. Wildlife	--Poaching of wildlife making the protected areas	--Enforcing wildlife law	Motivate and adequately equip staff

	To conserve, manage and develop wildlife resources to effectively contribute towards sustainable development of biodiversity and the tourism industry in Malawi.	<p>unattractive due to low numbers of animals</p> <p>--Understaffing and under development of protected areas</p> <p>--Tsetse fly infestation causes visitors and staff not to visit or live in some areas due to trypanosomiasis</p>	<p>--Re-introducing threatened and extinct wild animal species</p> <p>--Increasing law enforcement staff</p> <p>--Improving protected area infrastructure</p> <p>--Eradicating Tsetse fly in protected areas</p>	<p>--Provide logistical support for law enforcement (e.g. vehicles and base radios).</p> <p>--Develop tool boxes for enforcing wildlife regulation including trans-boundary agreements</p> <p>--Construct a sanctuary in Kasungu National Park.</p> <p>--Recruit additional staff and improve development resources.</p> <p>--Develop new and rehabilitate existing infrastructure (staff houses, roads, bridges, bore holes and electricity).</p> <p>- Procure materials and drugs for Tsetse fly control.</p>
	Strengthened collaborative management (CM)	<p>--Lack of awareness on values of wildlife</p> <p>--Poor community institutional set up.</p>	--Improve capacity and institutional building for CM	<p>---Develop legal community institutions for collaborative management</p> <p>--Develop guidelines, sensitise staff and communities on benefit and revenue sharing</p> <p>--Provide training on CBNRM to communities and staff</p> <p>--Provide diploma and certificate level training in wildlife conservation</p> <p>Establish wildlife based enterprises (ranching, farming, bee-keeping)</p>
	Reduced human/animal conflict	<p>--Inadequate training on better wildlife control techniques</p> <p>--Inadequate awareness on fencing importance</p> <p>--Lack of community wildlife control institutions</p>	--Improve capacity for problem animal control (PAC)	<p>--Develop a PAC strategy and guidelines</p> <p>--Construct new and rehabilitate existing perimeter electric fences for all protected areas</p> <p>--Translocate dangerous animals to PAs</p> <p>--Raise public awareness and train communities on approaches on problem animal control</p>
	Trade and marketing of wildlife and wildlife products strengthened	<p>--Poor infrastructure in most protected areas</p> <p>--Low value attached to wildlife assets</p>	--Improve eco-tourism in protected areas	--Develop concession and improve marketing strategies for wildlife resources
	Research and monitoring strengthened	<p>--Inadequate research and monitoring capacity</p> <p>--Lack of proper research equipment</p>	--Improve wildlife research and monitoring capacity	--Inventorise, develop and or improve all eco-tourism related resources and products in National Parks, Wildlife Reserves and Nature Sanctuaries(historical , cultural, natural, spiritual and archaeological sites)

				--Train additional research staff in active conservation management and monitoring to Masters & Ph.D. level --Conduct monitoring of key wildlife species --Develop research plan and guidelines --Procure high tech research and monitoring equipment
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1.5 Sub Theme Five: Economic Empowerment

Long-Term Goals	Medium-Term Expected Outcomes	Constraints	Strategies	Focus Actions / Activities
To create wealth for all people	1. Increased employment and income from on and off farm activities -	Linkages of smallholders and rural areas into the economy -- Inadequate transportation and communication -- Weak linkages to markets -- Lack of utilities	i. Targeting infrastructure development to ensure that rural roads link rural communities to markets	Linkages of smallholders and rural areas into the economy --Targeted linkage for rural integration into markets: feeder roads, rehabilitation and maintenance -- Strengthen the core function of ADMARC in geographical areas which are underserved by the private sector
--	2 Increased productivity of rural communities and urban poor businesses and thus their contribution to economic growth --- Increase in the ownership by Malawians and their value-added --- Increase in SME profitability --- Urban Poor are productively contributing to the economic development	Incentives and conditions do not foster productivity and investment --The culture of hand-outs and political patronage is wasteful and unsustainable --Negative impact of HIV and AIDS on productivity. -- Rural poor are increasingly migrating to urban areas.	ii. Developing rural cooperatives to lower transaction costs of dealing with rural entrepreneurs and collective bargaining	Communities are organized to produce outputs or develop local industry --Identify common community products for production, through One Village One Product concept --Develop a programme that will oversee the establishment of cooperatives in rural areas. -- Provide technical support from private sector programs (related to off farm employment)
		Limited availability of funds -- Low recovery rates, erosion of the capital	iii. Strengthening the policy environment for micro-	Micro-finance available to rural areas -- Harmonise loan conditions to enhance good

		<p>base, and poor design of credit schemes,</p> <ul style="list-style-type: none"> -- Need for better knowledge of actors in the sector on MFI -- Little creativity in developing new financial products and services to meet the needs of the lower end of the market. -- Inability to use land as collateral to access loans -- Some loan conditions do not create a conducive environment for profitable entrepreneurship. --Low levels of capacity of micro-finance credit providers.. 	<p>finance, including improved coordination of donor programs to decrease market distortions.</p>	<p>business activities (repayment period, frequency, amount)</p> <ul style="list-style-type: none"> --Develop special programs for women and youth -- Develop network of practioners in MFI -- Develop innovative financing mechanisms such as community development venture funds, community loan funds, supporting the traditional micro-loan funds granted by institutions such as MRFC, NABW and MARDEF -- Maintenance of capital base for banks (see financial sector in enabling environment section) --Enhance capacity of MFI to monitor and supervise clients -- Ensure access to loans and credits and training for women (HBI) -- Better coordination of donor supported micro-finance programs to decrease market distortions -- Strengthen policy understanding of micro-finance
		<p>Defaults hinder credit establishment</p> <ul style="list-style-type: none"> --High defaults rates --Lack of credit-referencing bureau allows borrowers move from one institution to another; 		<ul style="list-style-type: none"> --Establish a Credit Reference Bureau; Legislation for punishment of those who deliberately default on loans -- Enhance capacity of courts to handle business cases. -- Encourage financial institutions to design tiered loan packages to provide incentives to borrowers who are faithful in loan repayment
		<ul style="list-style-type: none"> -- Lack of business advisory services once businesses are operational. 	<p>iv. Improving business skills used by rural community businesses</p> <ul style="list-style-type: none"> -- includes women's skills 	<ul style="list-style-type: none"> --Provide training to all people who borrow for business purposes through the training unit of the NEEC
	3 Women, youth and the disabled fully participate in the productive economy	<p>Women</p> <ul style="list-style-type: none"> --Women are likely to have less access to education, credit, land, and property than 	<p>i. Developing targeted programs for building women, youth and people</p>	<p>Women</p> <ul style="list-style-type: none"> --Target training to women's entrepreneurial skills and ability to effectively manage their businesses

	<ul style="list-style-type: none"> -- Increase number of women in private and public sector organizations -- Increase number of youth employed 	men. <ul style="list-style-type: none"> -- Fewer employment opportunities than men -- Unequal access to technology and other key market information to support business activities 	with disabilities entrepreneurial skills and opportunities to participate in the economy. <ul style="list-style-type: none"> -- Provide opportunities for vocational training 	<ul style="list-style-type: none"> -- Develop a charter to increase the employment opportunities -- Review legislation to ensure supportive of women -- Enhance institutional framework supporting the development of women entrepreneurs
		People with disabilities <ul style="list-style-type: none"> -- Most affected by lack of access to assets and other facilities required to economically get empowered. . -- Poor infrastructure such as roads, communication, and buildings not designed to accommodate or meet their special needs. 		People with disabilities <ul style="list-style-type: none"> -- Enforce empowerment act -- Improve capacity of the Malawi Council for the Handicapped and other similar institutions that deliver serves to people with disabilities
		Youth <ul style="list-style-type: none"> -- Little prospect of securing a job, or engaging in entrepreneurial activities. -- Very few employers are willing to recruit and train them on the job. --Financial institutions are reluctant to extend credit to the youth --The curriculum of most education institutions has not changed much to allow for the development of an entrepreneurial cadre, -- Limited institutional framework specifically dedicated to youth 		Youth <ul style="list-style-type: none"> --Vocational training and skills

1.6 Sub Theme Six: Land and Housing

Long- Term Goal	Medium Term Expected Outcomes	Constraints	Strategies	Focus Actions / Activities
Ensure tenure security and equitable access to land for the attainment of broad-based social and economic development through optimum and ecologically balanced use of land and land-based resources.	Efficient use of land and land based resources and equitable access to land by all productive Malawians and other investors.	<p>Land Rights</p> <ul style="list-style-type: none"> -- Lack of awareness of land rights, content and objectives of National Land Policy -- Inheritance patterns encourage land fragmentation and discourage long-term investment in land improvement; -- Some cultural practices impose unnecessary restrictions in accessing land --Population pressures on Land <p>Land Markets</p> <ul style="list-style-type: none"> --Poor formal land markets--Physical planning of land has not been done and the allocation of land to its proper use -- Land demarcated areas are not enforced <p>Land Administration</p> <ul style="list-style-type: none"> -- Antiquated legislation resulted in centralized land administration --Non transparent land administration at the village level --Poor implementation of land policies and laws due to weak institutional structures. --Acute shortage of land in the Southern Region of the country because of population pressure. 	<p>promoting and facilitating opportunities for lowering land transaction costs and enhance the operation of effective land markets.</p> <p>supporting the privatisation of some land services in an effort to encourage the development of private sector participation in land sector activities.</p> <p>--promoting community participation and public awareness at all levels, -- ensuring the adoption of environmentally sustainable land use practices.</p> <p>-- Legislating land with provisions that enshrine tenure security not only to enhance tenure security, but also build confidence and encourage investment on land.</p> <p>-- Legislation of land that discourages discrimination on grounds of status, gender or vulnerability.</p> <p>-- Implementing transparent and accountable land allocation systems.</p> <p>▮ Increasing tax on land to realistic levels that will discourage underutilization and speculation.</p>	<p>Land Rights</p> <ul style="list-style-type: none"> -- Customary land tenure regularization, titling, and registration --Intensify resettlement and land development programmes -Promote public awareness on land rights and land policy in general -Ensure existing land rights, especially customary rights are recognized, clarified and secured by appropriate legislation <p>Land Markets</p> <ul style="list-style-type: none"> --Customary land reform program to address tenure insecurity and access to land on customary estates -- Establish viable land markets <p>Land Administration</p> <ul style="list-style-type: none"> -- Development of a carefully structured programme on land administration and land records --Registration of individual and family title to customary land with legal and fiduciary provision for protecting the direct inheritance of property by remaining spouse and children --Devolve land administration by development of new legislation or amendment of existing one -Create land allocation committees and land tribunals to deal with administration and dispute settlement. -- Undertake customary land tenure regularization, titling and registration - Accelerate the passing and enforcement of land act

		<p>Uncertainty deters integration to markets</p> <ul style="list-style-type: none"> -- Unfavourable macroeconomic environment -- Differential access to resources particularly for female-headed households -- Little pro-active identification and development of markets for Malawi's products -- Inordinate focus on production, assuming markets will develop on their own. 		<ul style="list-style-type: none"> -- Develop micro-finance opportunities that could help decrease the risk averse behaviour
		<ul style="list-style-type: none"> -Inadequate funding to the housing sector due to its low priority status by Government -Lack of a comprehensive Housing Policy -Inadequate access to land for housing development -Poor access to land for the urban poor and low-income groups -Lack of housing finance, particularly for the poor and low-income groups 	<ul style="list-style-type: none"> -Lobbying with Government and stakeholders to appreciate the role of housing in poverty reduction and national development -Reviewing the 1999 National Housing Policy in order to re-align it to the new National Land Policy and other Government policies and protocols -Devolving some functions in housing delivery and management to local authorities -Encouraging stakeholders to mobilize resources to meet varying housing demands, particularly rental housing for low-income and vulnerable groups -Harnessing the potential of non-traditional financing sources by encouraging communities to form housing and multi-purpose community development cooperatives, especially for providing low-income housing. 	<p>Lobbying with Government and stakeholders.</p> <p>Develop the National Housing Policy to create an enabling environment for housing development and management</p> <p>Facilitation of the decentralization functions to local assemblies.</p> <p>Mobilisation of financial institutions to support special housing schemes for the disadvantaged groups.</p>

		High building standards and high costs of building materials	<p>-Encouraging banks/lending institutions to formulate special funding schemes for groups in poverty and the most vulnerable groups</p> <p>-Reviewing the draft Building Regulations and Standards, and conduct research in building materials that would result in housing development being affordable by the majority of Malawians.</p>	Reviewing of the building regulations and standards.
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THEME TWO: SOCIAL PROTECTION

Summary of Theme 2: Social Protection

Sub Theme	Long Term Goals	Medium Term Expected Outcomes
Protecting the Most Vulnerable	Improvements in the socio-economic indicators of the most vulnerable	The most vulnerable with limited factors of production are sufficiently cared for as are the vulnerable who can be negatively impacted by economic shocks
Disaster Risk Management	Reduction in the socio-economic impact of disasters.	The impact of disasters on the vulnerable is reduced

2.1 Sub Theme One: Protecting the Vulnerable

Long- Term Goals	Medium Term Expected Outcomes	Constraints	Strategies	Focus Actions / Activities
To improve lives of the most vulnerable	<p>Increased assets of the poor to enable them to meaningfully engage in sustainable growth and contribute to poverty reduction.</p> <p>-- Improved health and nutritional status of under five children, school age children, orphans, pregnant and lactating mothers, destitute families</p>	<p>Malnourishment of children, orphans, lactating mothers, destitute families</p> <p>-- Lack of focus on implementing cost-effective interventions that would prevent and reduce high prevalence of stunting and wasting in young children under two years of age.</p>	<p>i. Providing efficient and effective support to the most vulnerable with very limited factors of production</p>	<p>-- Formulate a Social Protection Policy</p> <p>-- Formulate a monitoring and evaluation system of social protection/social protection programmes</p> <p>-- Practice better prioritisation, design, delivery, monitoring and evaluation of social protection programmes</p> <p>-- Provide supplementary feeding to malnourished pregnant, lactating mothers and under five children</p> <p>-- Provide therapeutic feeding to severely malnourished under five children</p> <p>-- Sustain targeted School Feeding Programme to the most vulnerable</p>
		<p>-- Insufficient data regarding the characteristics, location, challenges and needs of the very poor;</p> <p>-- Inadequate knowledge regarding existing processes, resource transfer mechanisms, power dynamics, and incentive structures of target communities;</p>		<p>-- Expand small stock and grain mills programme for the most vulnerable</p> <p>-- Introduce conditional and unconditional cash transfers to the infirm, the elderly, the disabled, Orphans and Other Vulnerable Children (OVCs)</p> <p>-- Support the most vulnerable with welfare transfers (food, blankets and clothes) for their upkeep</p> <p>-- Provide nutritious food and Home Based Care Kits to those infected by HIV and AIDS</p> <p>-- Provide low cost housing to the poor and vulnerable (elderly, infirm, households keeping Orphans and other Vulnerable Children)</p> <p>-- Practice better prioritisation, design, delivery, monitoring and evaluation of social protection program</p>

		<ul style="list-style-type: none"> --Insufficient understanding of existing processes and modes of operation at the national and local government level; and, poor donor and stakeholder coordination in the design and delivery of programs --Lack of coordination of social protection programmes and projects 		
	--Increased income for the poor	<p>Empower Farmers and Transitional Poor</p> <ul style="list-style-type: none"> --Poor targeting of programmes --High input costs of crop production --large number of uncoordinated programs --Effectiveness of programs in asset opportunities and growth opportunities are uncertain -- The poor have limited resources to purchase agricultural inputs -- The culture of handouts and political patronage is wasteful and unsustainable 	<p>ii. Provide opportunities for the poor to graduate from poverty by asset accumulation and increased agricultural productivity.</p>	<ul style="list-style-type: none"> -- Provide access to poor farm families to agriculture inputs through conditional and unconditional transfers (e.g. revolving mechanisms) -- Undertake Public Works Programmes that create high income earning for poor focused on graduating out of poverty (river diversion for irrigation, afforestation, reservoir/dam construction, dykes, roads including non traditional PWP e.g. brick manufacturing, manure making, bush clearing) -- Promote savings culture in PWP -- Enable the land constrained poor to have alternative sources of livelihoods to supplement their income from the land through providing capital for income generating activities (IGAs) -- Impart entrepreneurial skills to the poor -- Review effectiveness of current PWP, feeding programmes, targeted inputs programme

2.2 Sub Theme Two: Disaster Risk Management

Long-Term Goal	Medium-Term Expected Outcomes	Constraints	Strategies	Focus Action / Activities
Reduction in the socio-economic impact of disasters as well as building a strong disaster management mechanism..	Reduced impact of disasters by improved disaster risk management.	<ul style="list-style-type: none"> -- Lack of capacity to effectively respond to disasters -- Lack of an early warning system Inadequate response and coping mechanisms. -- Inadequate funding and resources. 	<ul style="list-style-type: none"> Enhancing disaster management planning and response Developing and strengthening institutions responsible for disaster risk management, Instituting necessary disaster and risk management mechanisms Implementing mitigation measures in disaster prone areas. Establishing an effective early warning system. 	<ul style="list-style-type: none"> --Promote the integration of disaster risk management into sustainable development planning and programming at all levels; --Establish an effective early warning system. --Develop and strengthen institutions, mechanisms and capacities at all levels, that contribute to building resilience to hazards through the incorporation of risk reduction approaches in the design and implementation of disaster risk management programmes --Provide timely emergency relief assistance to affected people; --Implement mitigation measures in disaster prone areas.

THEME THREE: SOCIAL DEVELOPMENT

Summary of Theme Three: Social Development

Theme: Social Development		
Sub-theme	Goals	Medium Term Expected Outcomes
Health & Population	<p>To improve health status of people at all levels in a sustainable manner</p> <ul style="list-style-type: none"> • Increase life expectancy. • Decrease maternal mortality rates from 894 deaths per 100,000 by 50 %. f. • Decrease child morbidity and mortality including deaths due to diarrhoea especially in children under 5 years of age 	<ul style="list-style-type: none"> • People have better access and use of qualified care for essential health care issues (TB and Malaria)¹⁷ <ul style="list-style-type: none"> -- Decreased cases of preventable diseases (e.g. malaria and TB) -- Improved use of ORT for diarrhoea control -- Use of modern contraceptives -- ARV treatment regime are followed . -- Increased vaccination rates --Increase life expectancy at birth from 40 to 45 years. • Reduce malaria cases by 50 %. • Improve TB cure to 70 %.
Education	<ul style="list-style-type: none"> • Primary: To equip students with basic knowledge and skills to enable them to function as competent and productive citizens in a free society 	<ul style="list-style-type: none"> • Reduced absenteeism, increased net enrolment, reduced dropout among girls and boys • Improved learning outcomes • Retain girls to complete the primary cycle • Reduced absenteeism to 5% by 2012 • Increased net enrolment to 95% by 2012 • Reduced dropout by 50%
	<ul style="list-style-type: none"> • Secondary: To provide the academic basis for gainful employment in the informal, private and public sectors 	<ul style="list-style-type: none"> • Reduced absenteeism by 50% by 2012 • Increased net enrolment from 30% to 50% by 2012 • Reduced dropout to 5% • Retain girls to complete the primary cycle
	<ul style="list-style-type: none"> • Tertiary: Provide high quality professional training in all fields 	<ul style="list-style-type: none"> • Increase undergraduate enrolment by 40% • Increase post graduate enrolment ratio to 10% of the undergraduate student population • 35% female enrolment by 2010 • Improve curriculum to respond to national needs
Gender	<ul style="list-style-type: none"> • Contribution to socio-economic indicators and 	<ul style="list-style-type: none"> • Enhance participation of women and men, girls and boys

Theme: Social Development		
Sub-theme	Goals	Medium Term Expected Outcomes
	economic growth	<ul style="list-style-type: none"> Reduce gender inequalities.

A. Health and Population

Longer Term Goals	Medium Term Expected Outcomes	Constraints to achieving the medium Term outcomes	Strategies that need to be in place to move toward those medium term expected outcomes	Focus actions / Activities
A: Health				
To improve health status of people at all levels in a sustainable manner	<ul style="list-style-type: none"> -- Decreased cases of preventable diseases -- Improved TB cure rates to over 70% -- Improved use of ORT for diarrhoea control -- Modern contraceptive use -- ARV treatment regimes are followed 	Shortage of human resources <ul style="list-style-type: none"> -- Inadequate training capacity -- Failing to retain workers due to low incentives – (pay, long working hours, non-conducive environment, huge workloads) -- High attrition of health personnel. -- Non availability of modern equipment. 	<ul style="list-style-type: none"> - Population/doctor ratio reduced - Population / nurse ratio reduced -- Improved referral time -- Attendance of trained health workers for births 	i. Human Resources <ul style="list-style-type: none"> -- Increase student intake into medical training institutions (requires investment of equipment and infrastructure at the medical schools) -- Develop strategy to sustainably maintain qualified health workers after the six year period of salary top ups for the six year period for front-line health workers -- Encourage local service providers to provide incentives for front line health workers such as food service, promotion, opportunities for training. -- Recruit external health care workers funded (as currently funded by donors) and volunteers (under the frontiers program) -- Ensure ARVs available to health workers -- Ensure working hours for medical personnel conform to the recommended standards
	<ul style="list-style-type: none"> -- Decrease incidence of malaria by 50% -- Increase vaccination rates 	Shortages of drugs, bed-nets and key medical supplies <ul style="list-style-type: none"> -- Inadequate finances to purchase the drugs to meet supply -- Weak drug management and distribution systems. -- Leakage of drugs from the system. 	ii. Increasing the availability of drugs at health facilities and eliminating theft of drugs <ul style="list-style-type: none"> -- Bed nets at clinics/ communities -- Vaccines delivered to clinics/communities 	ii. Pharmacy, medical supplies <ul style="list-style-type: none"> -- improve drug management system from central issues of timely procurement and reach health centres (e.g. bed-nets, and ARVs) -- Undertake CMS reforms -- Undertake close monitoring of drug utilization trends and patterns -- Improve effective stock management including tracking systems, capacity to project drug

		-- Lack of access to prenatal care		needs -- Improve distribution system and transport network -- Promote and strengthen community monitoring of use of drugs -- Strengthen training capacity in college of medicine for pharmacy qualifications --
		-- Insufficient number of health facilities mostly in the rural areas -- Lack of maintenance of equipment at health facilities -- Lack of basic utilities, electricity/water -- Most facilities are unable to provide maternity services -- Most clinics do not have means of communication (two way radio or other telecommunications facilities) -- Bicycle ambulances not accepted in some areas. -- Inadequate equipment.	iii. Increasing access to well equipped facilities -- more than 80% of the population live within 5 km of a health facility	iii. Infrastructure -- Implement facilities development program for 420 facilities (mostly rural areas) by 2011 (includes rehabilitation of existing facilities, provision of telecommunications (cellular phones and two way radios) electricity on grid, and construction of new facilities where they do not exist) -- Improve maternity infrastructure including buildings, equipment, -- Strengthen partnerships with other providers through service agreements (i.e. mission facilities) -- Develop facilities in district and central hospitals based on the needs of those hospitals with the ideal of every district having a hospital -- Support services (training institutions and laboratories) -- Enforce minimum health standards, conducts in public and private health facilities -- Provide motorcycle ambulances as a medium term measure, specifically in rural areas with an idea of phasing out in the long term
		-- Limited availability of water supply for rural health facilities		Water -- Work with Ministry of Water Development in areas connected to pipe/water board system and develop backup for solving water shortages -- For health facilities not connected to running water systems, develop boreholes as part of the facility development program of the 420

				facilities
				Roads --Target roads in some areas where access is difficult through "integrated infrastructure project" (districts identified and assessments made)
				Electricity -- Provide electricity to facilities which are on grid but do not have electricity as part of the facilities development program
		-- Shortage of equipment largely due to financial constraints (e.g. diagnostic, labs, x-ray, theatre) -- Insufficient maintenance of equipment due to lack of skills, lack of spare parts, inadequate financial resources -- Current equipment is old and these models do not have spare parts available due to stoppage of manufacturing -- 90% of equipment is imported so spare parts are constrained by forex issues and time to import	iv. Improving diagnosis and treatment at health care facilities, especially maternity services	iv. Equipment -- Implement facilities development program for 420 facilities (mostly rural areas) by 2010 (includes equipment purchases) -- Strengthen equipment maintenance ability in the Ministry through training through regional and district maintenance units -- Start system of bulk purchasing of spares for most of the equipment needs -- Start public private partnership arrangements with a legitimate companies engaged in management of MoH equipment -- Link to qualified health care workers
		-- Complications of budgeting and provision of equipment maintenance due to decentralization and unclear relationships from central to district level -- Money does not flow in timely fashion to the districts for various reasons	v. Improving the flow of resources to health facilities	v. Finances -- Improve planning and budgeting at all levels through systems development at the central and district level -- Undertake close monitoring of financial flows and usage

		(weak planning systems, problems at treasury, financial management systems are weak)		
		--Weak support system to monitoring and supervise services delivery (FM, procurement, M&E) --Weak surveillance and response system -- Fragmented health care delivery system. - Oversight is weak -- Inadequate integration of district health systems with MOH	vi. Developing good monitoring, supervision and utilization of health care facilities	vi. Systems -- Recruitment and training of health personnel. -- Operations at district and central hospital level -- Provide community level structures (such as village health committees) for support of meeting, training, transport, equipment, etc.) -- Support and strengthen range of community level structures for health services delivery
		--Little focus on preventative care, mainly on curative -- need to bring information into the educational curriculum, on prevention -- Shortage of bed nets and declining effectiveness of the treatment regime for malaria		
	2. Central hospitals are able to provide satisfactory level of referral services and able to financial self-sustain	-- Limited resources and staff shortages impact the central hospital delivery of services -- In absence of district hospital in the urban areas, the central hospitals play the role of a district hospital and takes much of their time –		
	Reduce incidence of	Absence of partnership	Improve working environment	

	occupational hazards and diseases	between occupational safety and health and MOH lack of governing body lack of governing body		--Regular inspection of work places; Policy formulation --Health and safety standards and guidelines
	Reduction in incidence of water borne diseases -- Reduction in deaths due to diarrhoea especially in children under 5 years of age	--Low level of access to clean water results in diseases --Poor access to sanitary facilities	ii. Access to safe drinking water (both rural and urban areas) Access to hygienic sanitation facilities (both rural and urban areas)	Introduction of VIP latrines and other appropriate rural water sanitation technologies.
B: Population				
Long-Term Goals	Medium Term expected outcomes	Constraints	Strategies	Focus Actions / Activities
<p>Increase the number of people with good living conditions.</p> <ul style="list-style-type: none"> • Lower fertility in all reproductive age groups. • Reverse the declining trend in life expectancy. • Increase awareness on the benefits of family planning and smaller family sizes. 	<p>Reduced annual population growth rate.</p> <p>Increased life expectancy at birth from 40 to 45 years.</p> <p>Increased number of facilities providing family planning services across the country.</p>	<p>--Low literacy levels.</p> <p>--Negative cultural practices</p> <p>--Poor access to family planning services.</p>	<p>--Institute sustainable measures on the provision of quality social services of education and health.</p> <p>-- Increase capacity to provide family planning services across the country.</p>	<p>-- Provide comprehensive health services package that include treatment of diseases and infections, awareness programmes and education through Government and private hospitals.</p> <p>-Disseminate revised National Population Policy</p> <p>-Develop action plan for the implementation of the National Population Policy</p> <p>-Train sectoral and district assembly planners in the integration of population variables in development planning</p> <p>-Train sectoral and district planners in the collection, analysis and utilization of data for development planning</p> <p>-Develop research based advocacy strategies and materials</p> <p>-- Incorporate issues of population in school curricula.</p>

3.2 Sub Theme Two: Education

Primary Education				
Long-Term Goals	Medium Term expected outcomes	Constraints	Strategies	Focus Actions / Activities
To equip students, especially at the basic education level with basic knowledge and skills to enable them function as competent and productive citizens	<ul style="list-style-type: none"> -- Reduced absenteeism to 5% by 2012 -- Increased net enrolment to 95% by 2012 -- Reduced dropout by 50% 	<ul style="list-style-type: none"> --Inadequate school infrastructure -- internal inefficiencies -- Hunger and poverty -- Distance to schools -- Cost of schooling -- Cultural attitude -- Overlapping shifts --Poor learning environment 	i. Increasing equitable access to quality primary education	Expand and improve existing infrastructure and maximize its use <ul style="list-style-type: none"> --Provide adequate school infrastructure -- Reduce primary school cycle to 7 years from 8 years -- Provide conducive learning environment (overlapping shifts) --Introduce School health and nutrition programmes
	<ul style="list-style-type: none"> Improved learning outcomes -- Mastery levels (proficient reading and writing skills at higher level) 	<ul style="list-style-type: none"> -- Inadequate qualified teachers --Inadequate teaching and learning materials Ineffective deployment of teachers (more teachers in urban areas than in rural areas). -- Inadequate monitoring, supervision, inspection and advisory services -- Curricula overload and ineffective implementation --Lack of appropriate incentives for teachers 	ii. Improving the quality of primary education	Increase the supply of qualified teachers and maintain them in the system <ul style="list-style-type: none"> -- Train more teachers -- Provide teachers with attractive terms and conditions of service, especially to go to rural areas -- Provide continued professional development -- Adequate supply of teacher learning materials -- Provide child-centred and human-rights friendly environment -- Improve overall management and monitoring of inspection, supervision and advisory services -- Provide effective school inspection, supervisory, and advisory team -- Provide continuous assessment of educational achievement -- Provide effective monitoring through action research Social mobilization and community participation in primary school management <ul style="list-style-type: none"> -- Implement national strategy on community participation in primary school management

	Retain girls to complete the primary cycle Reduce girls absenteeism, repetition and drop out rates.	<ul style="list-style-type: none"> --Cultural factors to girls education; Gender insensitive school environment --Gender-based violence --Disparity between male and female teachers in rural areas --Ineffective implementation of gender-based policies --Inadequate collaboration with health personnel 	iii. Make primary education more accessible to girls	<ul style="list-style-type: none"> -- Review policies related to girls -- Block grants to schools to address equity issues -- Strengthen implementation of national strategy for community participation in the management of primary education to get girls to go to school
		<ul style="list-style-type: none"> --Inadequate SNE teachers and staff teaching and learning materials and devices -- Inadequate special needs schools -- Lack of appropriate infrastructure 	Increasing access to quality primary education for special needs students	<ul style="list-style-type: none"> -- Review policies related to orphans, other vulnerable children and special needs education -- Provide block grants to schools relevant to special needs. -- Direct assistance to schools to address equity issues (relevant textbooks and brail) -- Strengthen the implementation of national strategy for community participation in the management of primary education to get special needs students go to school -- Establish a college for special needs teacher education. -- Design standardized sign language for the deaf and hard of hearing.
		<ul style="list-style-type: none"> -- Unresponsive curriculum to individual and national needs -- Curriculum does not prepare students for the world of work 	iv. Increase the relevance of school curriculum	<ul style="list-style-type: none"> Continuous revision of curriculum and effective orientation of teachers. -- Introduce PCAR curriculum and effective orientation of teachers. -- Improve the relevance of the curriculum to include academic and non academic needs of pupils.
		<ul style="list-style-type: none"> --Inadequate teacher capacity in terms of numbers and skills --Low teacher morale due to lack of incentives and promotion prospects 	v. Improve the management and planning of primary education	<ul style="list-style-type: none"> --Provide effective personnel -- Provide in service training to school managers, inspectors and senior teachers --Improve education planning --Equip school planners with appropriate knowledge and skills in micro-planning, monitoring and data management

Education – Secondary Education				
Long-Term Goal	Medium Term expected outcomes	Constraints	Strategies	Focus Actions / Activities
To provide the academic basis for gainful employment in the informal, private and public sectors	<p>Reduced absenteeism by 50% by 2012</p> <p>Increased net enrolment from 30% to 50% by 2012</p> <p>Reduced dropout to 5%</p>	<p>-- Inadequate infrastructure</p> <p>-- Internal inefficiencies-</p> <p>-- Inadequate qualified teachers</p>	i. Increasing access to secondary education	<p>Rehabilitate all existing school facilities</p> <p>-- Identify and rehabilitate dilapidated schools (five year maintenance cycle for all schools).</p> <p>-- Construction of new secondary schools.</p> <p>-- Increase private sector participation</p> <p>-- Encourage private school association of Malawi to establish more and higher quality schools via MOU.</p> <p>-- Introduce double shifting in urban schools – each division to identify schools for double shifting.</p> <p>-- Increase access to secondary distance education and open learning at secondary level.</p>
	<p>Improved learning outcomes</p> <p>-- Mastery levels (reading and writing skills at higher level)</p>	<p>-- Inadequate teaching and learning materials</p> <p>-- Lack of sufficient number of qualified teachers</p> <p>-- Inadequate instructional materials including ICT</p> <p>-- Inadequate school inspection and supervision</p> <p>-- Inadequate control of the establishment of CDSS and private schools</p>	ii. Improving quality of secondary education	<p>Adequate supply of qualified teachers (CDSS and conventional schools)</p> <p>-- Student-qualified teacher ratio to be at 40:1 in all secondary schools and CDSS.</p> <p>-- Improve terms and conditions of service for teachers,</p> <p>-- Continually revise policies on teacher education and development.</p> <p>Up-grade under-qualified teachers</p> <p>-- Provide in-service education and training to under-qualified teachers.</p> <p>Ensure effective inspection and supervision – (public and private)</p> <p>-- Undertake at least one inspection visit per schools per year.</p> <p>-- provide frequent advisory visits to schools.</p> <p>-- hold seminars with teachers at cluster level.</p>
	<p>Reduce girl dropout rate to 5%</p> <p>Reduce repetition rate by 5%</p> <p>Reduce girls absenteeism by 50%</p>	<p>-- Inadequate user-friendly facilities available for girl-students</p> <p>-- Long distances to schools</p> <p>Poverty and culture</p> <p>-- Teenage pregnancies</p> <p>-- Early marriages</p> <p>-- Little choice for girls on attending school due to family pressures</p>	iii. Improving equity in secondary education	<p>Upgrade CDSS to conventional secondary schools</p> <p>-- Provide user-friendly facilities in all secondary schools</p> <p>-- Increase bursaries for the needy secondary students</p> <p>-- Provide girls accommodation in all secondary schools</p> <p>-- Provide more female secondary school teachers as role models</p>

Improve girls learning outcomes	<ul style="list-style-type: none"> --Inadequate SNE teachers and staff teaching and learning materials and devices -- Inadequate special needs schools -- Lack of appropriate infrastructure 	iv. Increase access to quality secondary education by special needs students	<ul style="list-style-type: none"> -- Improve and increase Special Needs Education facilities in secondary schools -- Improve use of sign languages -- Review policies related to orphans, other vulnerable children and SN Education -- Provide block grants to schools relevant to special needs education
	<ul style="list-style-type: none"> -- Irrelevant curriculum for national and individual needs -- Irresponsive curriculum especially to blue collar jobs / non academic curriculum 	v. Improve relevance of secondary education	<ul style="list-style-type: none"> -- Post primary education revisited and curriculum revised by 2010 -- All secondary schools to have a Guidance Counsellor trained and functioning -- Implement counselling programs -- introduce and implement curriculum responsive to needs of individuals and the nation by including academic and non-academic subjects -- Introduce science and technology into the curriculum
	<ul style="list-style-type: none"> -- Inadequate capacity in terms of numbers and skills of managers -- Low morale due to lack of incentives and promotion prospects -- Poor deployment policy of teachers -- Inefficient procurement system 	vi. Improve management of secondary education	<p>Training of school managers in planning, monitoring and supervision</p> <ul style="list-style-type: none"> --Hire effective personnel -- Provide in-service training for school managers, inspectors and senior teachers --Strengthen divisional management --Improve District Educational Management Information System (DEMIS) --Improve education planning -- Equip planners with knowledge and skills in planning, monitoring and data management <p>Improve the procurement and distribution of teaching and learning materials</p> <ul style="list-style-type: none"> --monitor the delivery of supplies in the schools
	<ul style="list-style-type: none"> -- Inadequate finances to sustain a sound education system -- Poor financial management -- Lack of diversified funding sources at the school level 	viii. Improve financing mechanism of secondary education	<ul style="list-style-type: none"> --Establish School development funds in all schools --Consistent flow of funding to public schools --All schools functioning as cost centres --Implement cost sharing at schools --Train school managers in financial management --Efficient and transparent financial systems in place

Tertiary Education

Tertiary and Vocational Education				
Long-Term Goals	Medium-Term expected outcomes	Constraints	Strategies	Focus Actions / Activities
to produce high quality professionals with relevant knowledge and skills in relevant fields	<p>Increased access and improved quality and relevant education for both sexes and students with special needs.</p> <p>--Increase undergraduate enrolment by 40%</p> <p>--Increase post graduate enrolment ratio to 10% of the undergraduate student population</p>	<p>-- Inadequate academic staff</p> <p>-- Under-utilization of existing infrastructure</p> <p>-- Lack of program diversification/lack of innovativeness</p> <p>-- inadequate teaching and learning materials</p>	<p>i. Increase undergraduate and postgraduate intake</p> <p>Increase access and flexibility to double intake by 2010</p>	<p>Recruit and train more adequate staff</p> <p>-- Recruit 50% more staff</p> <p>--70% of all academic staff trained at Masters level</p> <p>--30% of all academic staff trained at PhD level</p> <p>Increase intake through new, parallel programmes, distance and virtual learning, and short courses</p> <p>--Utilize existing infrastructure through triple shifts</p> <p>-- Introduce non-residential parallel programmes</p> <p>--Introduce new programmes</p> <p>-- Promote graduate programmes</p> <p>Develop a student financing policy including a student loan scheme</p> <p>--Government to institute sustainable student loan scheme (including girls)</p> <p>Promote local production of teaching and learning materials</p> <p>-- Establish a publishing and printing facility</p> <p>--Expand provision of internet services broadband internet access established campus wide</p>
	<p>-- 35% female enrolment by 2010</p>	<p>--Lack of affirmative action in student selection for female students</p> <p>-- Inadequate financial support for female students in vocational training.</p> <p>-- Inadequate facilities for female students</p>	<p>ii. Improving Equity</p> <p>Ensure equity in student enrolment</p>	<p>Create an enabling environment to accommodate female students</p> <p>-- Implement affirmative action in student selection</p> <p>-- Encourage girls to complete secondary schools by providing girls hostels and other environment improvement in the secondary schools</p> <p>-- 30% of bed space on campus to be for females by 2010</p> <p>Identify and recruit promising young female graduates as staff associates</p> <p>-- 40% of staff associates to be recruited by 2008 should be female</p> <p>-- Develop a strategy for regional approach to supplying tertiary education to special needs students</p>

		<ul style="list-style-type: none">--Inadequate numbers of senior and experienced academic staff--Lack of comprehensive policy on research and development--Lack of external quality control and accreditation--Inadequate capacity at middle management level--Inadequate teaching and learning materials and equipment	iii. Improving Quality <ul style="list-style-type: none">--Improving quality of higher education--Enhancing quality in teaching and learning to produce quality and efficient graduates--Influencing the improvement of quality of education in primary and secondary schools	Recruit more qualified and experienced staff <ul style="list-style-type: none">-- Provide training at PhD level to existing staff,-- provide training to new staff and-- establish external quality control and accreditation Develop comprehensive policies on research and development <ul style="list-style-type: none">-- Develop policies to guide research work in the university-- Train many research oriented staff-- Improve research equipment and materials--Establish links with reputable universities in the area of Research and Development Provide adequate teaching and learning materials <ul style="list-style-type: none">--Establish capacity for producing teaching and learning materials-- Encourage use of internet for academic referencing and provide locally made materials-- Establish printing and publishing services
Improved curriculum to address national needs	<ul style="list-style-type: none">--Lack of competence in curriculum development and review processes-- lack of dialogue between tertiary education and the job market--Inadequate information on country's actual needs by the tertiary institutions--Lack of innovativeness	iv. Providing relevant academic materials	Provide relevant skills to academic staff – train staff <ul style="list-style-type: none">-- Build capacity in program development review and evaluation-- Provide knowledge and skills in curriculum review and assessment-- Provide skills in teaching and learning material development Conduct frequent curriculum reviews <ul style="list-style-type: none">-- Conduct needs assessment studies-- Match national needs to curriculum development-- M&E curriculum development process-- Modulise courses-- Produce appropriate teaching and learning materials – increase and update instructional technology-- provide labs with adequate modern equipment	

		<ul style="list-style-type: none"> -- Inadequate capacity in terms of numbers and skills -- Low morale due to lack of incentives / promotion prospects -- Absence of planning unit in higher education institution --Lack of human resources in planning --Over-dependence of government subvention --Centralized university administration 	v. Improve management of higher education	<ul style="list-style-type: none"> -- Provide trained personnel in management -- Decentralise decision making processes -- Education council for higher education -- Implement effective staff deployment policy -- Improve procurement and distribution system -- Monitor delivery of supplies -- Establish planning units -- Equip planners with appropriate knowledge and skills in planning, monitoring and data management -- Constant reviews of tertiary education programmes -- Strengthen financial management -- Establish higher education loan
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3.3 Sub Theme Three: Gender

Long-Term Goal	Medium Term expected outcomes	Constraints	Strategies	Focus Actions / Activities
To mainstream gender in the national development process to enhance equal participation of both sexes for sustainable development.	Reduced gender inequalities (as measured by disaggregated access to services included in other parts of the strategy)	<ul style="list-style-type: none"> --Women are marginalized in social and economic spheres --Women are unable to effectively contribute to social, economic, and political development --Low literacy levels in Women --Limited access to means of production for women --Limited control of productive resources or opportunities for participation in development --Increasing gender based violence --Weak coordination of gender related policies 	<p>Strengthening the institutional capacity for effective co-ordination of gender policy implementation;</p> <p>Taking affirmative action to increase women and children decision makers in high levels of the public and private sectors; and</p> <p>Promoting gender equality through advocacy.</p>	<ul style="list-style-type: none"> --Strengthen institutional capacity for effective co-ordination of gender policy implementation --Undertake affirmative action to increase women decision makers in high levels of the public and private sectors -- Promote gender equality through advocacy programmes --Break the cultural/traditional factors that create and perpetuate gender inequalities --Establish-- gender-based violence support units.

THEME FOUR: INFRASTRUCTURE DEVELOPMENT

Summary of Theme Four: Infrastructure Development

Sub-theme	Long and medium term goals	Expected Outcome
Transport	Ensure the provision of a coordinated transport environment that fosters a safe and competitive operation of commercially viable, financially sustainable, and environmentally friendly transport services and enterprises	<ul style="list-style-type: none"> Improved mobility and accessibility of the population to key road corridors within Malawi and out of Malawi and facilitate the continued development of the country's rural areas. By 2011, 71% of the road network will be in good condition, 18 % in fair condition with only 11 % in poor condition.
ICT Telecommunications	Ensure universal access, connectivity and affordable information and communications technology	Formation of public/private sector partnerships in the provision of telecommunications services. Increased technical skills and updated knowledge are used by public and private sector institutions Developed broadcast infrastructure using the modern telecommunication technologies and develop the sub-sector to be private sector driven and oriented.
Information Technology	Improve use of technology in companies, education, and service delivery	
Broadcasting	Empower the nation and accelerate economic growth and development through the collection, analysis, processing and dissemination of accurate and timely information.	
Research, Science & Technology	Develop, disseminate and promote utilization of technology to improve productivity and quality of goods and services	Well-coordinated science and technology generation and dissemination. Effective and efficient operation of science and technology institutions.

4.1 Sub Theme One: Air and Rail Transport:

Long-Term Goal	Medium Term Expected Outcomes	Constraints	Strategies	Focus Actions / Activities
(a) Air Transport				
To reduce the cost of air transportation while ensuring international competitiveness.	Attain and maintain a competitive, self sufficient and sustainable civil aviation environment that ensures safety in accordance with national and international standards and enables the provision of services in a reliable and efficient manner	-- High air freight cost-- landing rights restrictions and -- landing fees are prohibitive hence uncompetitive --Poor airport facilities	i. Promoting and facilitating a competitive, sustainable and efficient air transport industry	-- Implement the Yamoussoukro Declaration of 2000 on African Air Transport Policy and other conventions that may be deemed of benefit to Malawi; -- Establish where feasible autonomous Airport or Civil Aviation authorities to operate and manage airports, and aviation equipment on commercial principles; Encourage technical and commercial joint ventures and marketing efforts in airline industry; -- Ensure local participation in equity and technical partnerships of airlines.
			ii. Providing a safe, efficient, reliable aviation infrastructure that complies with international standards	-- Construct targeted landing strips for tourism related areas -- Institute and monitor maintenance programmes for both aerodromes and aviation equipment; -- Promote the participation of the Private Sector in the maintenance and provision of safe and reliable aviation infrastructure.
			iii. Attaining and maintaining a civil aviation environment that ensures safety and security of passengers, cargo and infrastructure in accordance with international standards	-- Strengthen safety and security measures at all airports (equipment and security personnel) -- Strengthen security enforcement provisions in the Aviation Act. -- Prevent adverse effects of the construction of aviation Infrastructure and ensure that the infrastructure and operations on the environment are safe
(b). Rail Transport				
An efficient, affordable and effective rail network that eases pressure from the road network and	A well-managed, viable and sustainable system that promotes accessibility as well as affordable and reliable movement of goods and people	-- Poor condition of railway infrastructure -- Inability of the concessionaire to maintain the railways because of the bottlenecks in Mozambique. -- Rivers are changing their course	i. Improving operational efficiency and commercial viability of railway companies	Undertake hydrographic studies to identify bridges that need to be replaced on the rail lines Provide reliable locomotives -- Review the Railways Act

provides an alternative means of transport both to people and transportation of goods.		so this impacts the bridges for the rail line		
			ii. Improve levels of service to all users including people with disabilities at an affordable cost;	
			iii. Promote railway safety and environmental protection	Prevent adverse environmental effects of rail construction and ensuring that the infrastructure is environmentally friendly
c) Multi Modal Transport				
	Obtain smooth carriage of cargo in one transport chain		I: Improve the coordination of all modes of transport .	<ul style="list-style-type: none"> -- Initiate dialogue with the country's neighbouring states so that they accede to the Multi-modal Transport Convention; -- Encourage corridor service providers to increase reliability of rail, port and road transport services; -- Harmonize all legislation and document on transport and customs with SADC/COMESA -- Publicise Multi-modal Transport and INCOTERMS by mounting a series of seminars targeted at the business and public sectors; -- Establish and maintain a national transport forum
			ii. Ensure that the Inland Waters Shipping Act and other legal instruments are updated periodically and strengthened	-- Review and update all legislation on a regular basis to consider the operational needs of people with disabilities.

4.2: Sub Theme Two: Information, Communication and Technology (ICT)

Long-term goal	Medium Term Expected Outcomes	Constraints	Strategies	Focus Actions / Activities
(a) Telecommunications				
To ensure universal access to, connectivity and affordable information and communications technology.	Increased access to telecommunications services	<ul style="list-style-type: none"> --Lack of ICT knowledge --Underdeveloped regulatory framework --High tariff rates --Poor and under developed infrastructure --Inadequate distribution of ICT services and infrastructure --Slow adaptation to global regulatory changes. --Lack of competition 	<ul style="list-style-type: none"> --Creating a conducive environment to attract investment in telecommunication. --Enhancing the capacity of the regulatory body (MACRA) to act as a competent referee in order to level the playing field. --Developing, monitoring and periodically reviewing regulations. 	<ul style="list-style-type: none"> --Provide telecommunications fund for rural telecommunications development. --Provision of model telecentres. --Procurement and installation of modern telecommunications equipment. --Strengthen the regulatory body (MACRA). --Sensitise the public and service providers on the role of the regulatory body (MACRA). --Facilitate research on issues of self regulation.
(b) Information Technology (IT)				
To improve service delivery in both public and private sector institutions through the use of IT.	Well developed IT infrastructure and improved e-governance.	<ul style="list-style-type: none"> --High costs of IT equipment --Inadequate trained IT personnel -- Poor IT support infrastructure 	i. Developing a reliable, fast adaptive and robust national IT infrastructure.	<ul style="list-style-type: none"> -- Enact appropriate legislation that promotes and facilitates the country's participation in the information age. -- Create a working and efficient government wide area network (GWAN). -- Develop IT infrastructure in rural communities -- Encourage collaboration between local and international educational institutions to facilitate educational exchange and the promotion of IT education and training.
	<ul style="list-style-type: none"> --Increased IT skills in both public and private sector institutions --Increased tele-density -- Reduced cost of communication and increased 		ii. Improving e-government systems <ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> -- Facilitate the establishment of an efficient intra-and inter-departmental, inter-sectoral, national and sub-national system of communication, for the necessary feed-back in policy formulation and programme implementation, monitoring and review -- Modernize the operations of the Public Services through the deployment and utilization of ITs -- Develop an e-government interoperability framework to

	access			<p>facilitate cross-departmental operations of ICT systems/services</p> <ul style="list-style-type: none"> -- Introduce electronic electoral processes. -- Establish an ICT network for corruption-prevention institutions. -- Develop inter-linked ICT-based National Identity systems
				<ul style="list-style-type: none"> -- Modernize the operations of the health delivery system -- Support the provision of up-to-date global and local tourism information -- Promote the deployment and exploitation of ITs to support the activities of the agricultural sector -- Equip the Department of Meteorological Services with modern weather monitoring and forecasting equipment (weather radars, high speed computers and radio-sounding equipment). -- Equip the Ministry of Irrigation and Water Development with modern water level monitoring equipment. -- Equip District Assemblies with IT services for collection and dissemination of environmental and disaster warning information. -- Establish a wide area network for all organizations involved in disaster management. -- Provide radios to communities to be used for transmitting early warning messages. -- Establish communication link between District Assemblies and the Department of Poverty and Disaster Management Affairs (DoPDMA).
			iii. Developing and enhancing the IT industry.	<ul style="list-style-type: none"> -- Promote local and foreign investment, innovative production, R&D and diffusion of ITs by the private sector. -- Promote development of a Competitive Value-Added Services Sector through the exploitation and utilization of ITs. --Support the development of an innovative local industry for the manufacture, assembling, repair and maintenance of IT products for domestic and export markets.
			iv. Improved access to ITs by all communities.	<ul style="list-style-type: none"> -- Achieve universal basic IT literacy and improve the level of IT literacy in the country. -- Improve public access to information and services to facilitate

				business and administrative processes to increase productivity and economic growth. -- Ensure the active participation of all Malawians including women, youth and persons with disabilities in developing the information society.
(C) Broadcasting				
To improve the dissemination of accurate, unbiased and timely information to the general public for informed decision making.	Developed broadcasting infrastructure using modern telecommunication technologies	--High cost of broadcasting equipment. --Lack of rural electrification. --Inadequate and inappropriate infrastructure. --Inadequate technical human capacity. --Inadequate financial resources.	<ul style="list-style-type: none"> • Developing and rehabilitating broadcast transmitting stations. • Improving broadcast distribution, and coverage • . • Developing local capacity to generate reliable and accurate news and programmes. • Improving quality and unbiasedness of local-content programme production. • Promoting the participation of private broadcast stations. • Promoting community broadcasting services. 	--Acquisition of broadcasting equipment. --Building of purpose built stations. -- Capacity building through training. --Promotion of private sector participation in broadcasting. --Rehabilitate and computerize the existing TV and radio stations.

4.3 Sub Theme Three: Research, Science and Technology Development				
Long-Term Goal	Medium-Term Expected Outcomes	Constraints	Strategies	Focus Actions / Activities
To enhance development through the application of science and technology.	<ul style="list-style-type: none"> Well-coordinated science and technology generation and dissemination. Effective and efficient operation of science and technology institutions. Increased uptake of productivity and quality enhancing technologies. Prioritised and focused research and development 	<ul style="list-style-type: none"> Lack of integration of science and technology in the national development plans. Poor coordination of research, science and technology generation. Weak capacity of research, science and technology generation and dissemination institutions. Inadequate funding to relevant institutions. 	<ul style="list-style-type: none"> Capacity building of technology research and development institutions Promoting the development and utilization of indigenous technologies. Establishing sustainable funding mechanism for technology research, development and dissemination mechanism. Initiating promotion and management of regulatory framework of science, Technology and innovation <p>Developing and commercializing of S&T</p>	<ul style="list-style-type: none"> -- Establish the National Science and Technology Commission to coordinate technology research, development, dissemination and evaluation of utilization. --Train staff in specialized technology generation. -Establishment of the University of Science and Technology. --Lobby for establishment of S&T Committee at Parliamentary level. --Establishment of a Technology Park and Incubation Centre. --Support STI Programs in the local communities. -- Integration of S&T into School curriculum. -- Lobby for minimum allocation of 1% of GDP for S&T programs. --Design STI capacity building programs to produce S& T expertise. --Promote recruitment and retention of qualified S&T experts. --Review policy and regulatory framework Science and Technology. -- Review S& T Act. -Promote innovative schemes and culture. -- identify and transfer competitive technologies. -- Establish financing mechanism that supports commercialization of technologies. -- Support commercialization of technologies in key areas including cotton, tobacco, sugar, cassava and mining. --Strengthen public/private partnership in usage of science, technology and innovation. -Promote utilization and development of beneficial indigenous technology. -- Re-introduction of the "Malawi Award for Scientific and Technological Achievement (MASTA) and the Most Innovative Technology Stand (MITS)" at the Malawi International Trade Fair.

THEME FIVE: IMPROVING GOVERNANCE

Summary of Theme Five: Improving Governance

Sub Theme	Long-Term Goals	Medium-Term Expected Outcomes
Macroeconomic Growth	Sustain economic growth, reduce dependency on foreign aid and generate investor confidence.	A favourable macroeconomic environment having low inflation rates at 5.0 %, lower interest rates, stable exchange rates, reduced Government borrowing and sustainable debts.
Public Policy Formulation	Free flow of information to consolidate democracy	Public well informed to participate in national development.
Fiscal Management	Eliminate distortions in macroeconomic fundamentals	Improve budget implementation
Corruption	Improve donor confidence	Corruption and fraud will be reduced.
Public Sector Management	Affordable, highly motivated, results oriented and productive civil service.	Improve the delivery of quality public goods and services.
Decentralization	Improve the efficiency and effectiveness of the public sector in service delivery to the communities	Local assemblies in full control of development planning and implementation
Justice and rule of law	Increase access to justice and entrenched rule of law	More responsive, efficient and effective judicial authority.
Security	Safe, secure and crime free nation	Reduced crime levels
Corporate Governance	Increased private sector investment	Increased domestic and foreign investment.

5.1 Sub-Theme One: Macroeconomic Growth

Long-Term Goal	Medium Term Expected Outcomes	Constraints	Strategies	Focus Actions/Activities
To attain sustainable macroeconomic growth and development.	Favourable macroeconomic environment -- lower inflation (below 5%), -- lower interest rate, -- sustainable debt service and -- stable real exchange rate -- reduced government borrowing.	<ul style="list-style-type: none"> -- High level of government domestic debt and cost of debt servicing -- Considerable debt servicing on international loans -- Poor management of parastatals -- Unpredictable donor financing -- Weak fiscal discipline 	i. Improving public finance management	<ul style="list-style-type: none"> -- Enforce adherence of line ministries and parastatals to the provisions of Public Finance Management Act-- Improve financial management systems and skills through implementation of IFMIS -- Reduce public sector domestic borrowing -- Negotiate multilateral debt write-downs -- Include all aid flows for public sector activities on the budget -- Strengthen the capacity of Treasury's Public Expenditure Monitoring Unit (Ministry of Finance)
		<ul style="list-style-type: none"> -- Uncoordinated donor initiatives and examples of independent negotiations between donors and line ministries without involvement of central ministries -- Unpredictable donor financing 	ii. Increasing predictability of donor financing and holding donors accountable to their commitments	<ul style="list-style-type: none"> -- Receive better indication from donors of commitments in forward years -- Study the impact of aid flows on macro-economics and the provision of public services -- Strengthen the capacity of Debt and Aid Management Division to better co-ordinate donors and manage aid inflows --Negotiate with donors an action plan for harmonisation, alignment and better aid coordination (possible mechanism through the Paris Declaration) -- Develop better understanding with donors on the predictability of aid disbursements in a year, especially budget support donors
		<ul style="list-style-type: none"> -- Mismatch between issues and maturities of OMO instruments results in expansionary monetary stance -- High interest rate spread between borrowing and saving rates in the banking sector. 	iii. Improving the environment for private sector participation by reducing the crowding-out effects for private sector borrowing and the introduction of favourable tax reforms	<ul style="list-style-type: none"> -- Tax reforms to improve the incentives for household saving and investment and the equity of tax administration -- Enforce adherence of line ministries and parastatals to Public Finance Management Act.
		-- Insufficient import cover	iii. Improving value-addition	

			and reducing import content in existing export products	-- develop new export products with high potential for domestic value addition
		-- High prices of food, petroleum products and farm inputs,	iv. Reducing risks of shocks on the economy (e.g. transport costs, food shortages, increases in import prices)	(Addressed under Sustainable Economic Growth and Infrastructure)

5.2 Sub Theme Two: Public Policy Formulation, Fiscal Management, Public Sector Management and Corruption

Long-Term Goal	Medium Term Expected Outcomes	Constraints	Strategies	Focus Actions/Activities
A. Public Policy Formulation				
To promote free flow of information to allow the public to participate effectively in decision-making processes	A well informed public to participate in national development activities	Media <ul style="list-style-type: none"> -- High cost of computers, televisions sets, radios, telephone rates -- Inadequate number of public libraries, -- High costs of newspapers, -- Inadequate information centres, -- Lack of media policy and related media legislations (access to information bill) -- Weak institutional capacity of Malawi News Agency and publications section of ministry of information and tourism --Weak institutional capacity of radio and television broadcast companies -- High levels of illiteracy 	i. Improving public access to timely and accurate information that is easy to understand	Establish an effective e-government information system <ul style="list-style-type: none"> -- Establish community information centres -- Enact rural development communication legislation --Promote professionalism of media that delivers politically impartial news coverage (e.g. MBC, TVM) -- Develop mechanisms to ensure the public has access to information on public policy, plans, and implementation -- Strengthen operation of Central Office of Information – public information system -- Establish community multimedia information centres -- Produce and screen development documentary to rural audiences regularly --Enact public service broadcast legislation
		--- Lack of libraries in schools and constituencies <ul style="list-style-type: none"> -- No custom made national archive or record 	ii. Strengthening information collection, processing, storage and retrieval and	<ul style="list-style-type: none"> -- Procure equipment for public news agencies -- Introduce wire news subscription to Government ministries and departments

		<p>management centres</p> <p>-- Poor record management practices</p> <p>-- Absence of access to information legislation</p>	<p>publication infrastructure</p>	<p>-- Establish record management system in public sector</p> <p>-- Enact access to information legislation</p>
	<p>4. Parliament constructively engages in the national development process, as outlined in the constitution (public sector is held accountable for how funds are spent)</p>	<p>-- Debate on issues and bills is not on substance, but rather on party lines</p> <p>-- At times Parliamentarians do not adequately understand what is being put forward (e.g. bills and budget)</p>	<p>iii. Strengthening Parliamentary Committees and Parliament</p>	
	<p>5. Free and fair elections</p>	<p>--The party in power monopolizes media so the opposing party does not have equal use for campaign purposes</p> <p>--Those in opposition feel that those in governing political party abuse campaign resources</p>		
b. Fiscal Management				
<p>Adhere to sound fiscal management practices by spending within the available financial resources.</p>	<p>Improved Government budget implementation</p>	<p>-- Poor implementation of the MTEF</p> <p>-- Non predictability of donor flows</p> <p>--Too many sector policies that lack focus and coherence</p> <p>-- Inadequate resources</p>	<p>Ensuring that resources are spent on priority areas;</p> <p>Eliminating extra budgetary expenditures;</p> <p>Adhering to the Public Finance Management Act, Public Audit Act and Public Procurement Act;</p> <p>Improving Integrated Financial and Management Information System (IFMIS); and</p> <p>Linking the output-based budget to the Government accounting system.</p>	<p>--Capacity building in planning and budget formulation</p> <p>-- Roll out IFMIS to the remaining ministries and department</p> <p>-- Build capacity for parliament to perform their oversight role diligently.</p> <p>-- Enforce PFM Act, Public Audit Act and Public Procurement Act</p>

C. Corruption				
To make Malawi a corruption-free country	Reduced corruption and fraud	<ul style="list-style-type: none"> -- Inadequate enforcement of existing rules and regulations -- Mistrust among different arms of Government -- Statutory framework insufficient for independent scrutiny -- Bureaucratic delays -- Inadequate number of investigators and lawyers to handle cases -- Inadequate resources and systemic weakness for prevention and detection of fraud and corruption -- Public cynicism about honesty and efficiency of financial management 	<p>Improving transparency and accountability for service delivery</p> <p>Reducing political interference in the public sector by redefining and separating roles between Cabinet Ministers and Principal Secretaries</p> <p>Promoting transparency and accountability in the procurement and delivery of goods and services by enforcing the relevant rules and regulations</p>	<ul style="list-style-type: none"> -- Recruitment more specialists -- Improve the ACB's and Auditor General's reporting and accountability to Parliament -- Take appropriate disciplinary action against public officials found guilty of corruption, using transparent processes -- Reduce inappropriate political interference in public sector -- Develop and implement national anti-corruption strategy -- Strengthen the media capacity through training, removal of taxes for broadcast equipment -- Strengthen access and distribution of information system -- Implement M&E Master plan -- Development of the NSS Master Plan.
D. Public Sector Management				
To have a highly motivated, results oriented and productive civil service	<p>A highly motivated civil service leading to improved performance and services delivery</p> <ul style="list-style-type: none"> -- Evidence-based management decisions -- responsive to national aspirations 	<ul style="list-style-type: none"> -- Poor civil service conditions which are not conducive for performance (e.g. pay in the civil service is not competitive with market rates) -- Poor management -- Distorted incentive structures for civil service employees -- Retention and recruitment problems -- Rigid and bureaucratic government structures 	<p>Building capacity through appropriate training in the public sector for effective service delivery</p> <p>Continuing with wage policy reforms in order to raise incentives in the civil service</p>	<ul style="list-style-type: none"> --Standardize training across public service -- Appoint and promote staff based on merit and performance --Implement pay reforms -- Address recruitment and retention problems -- Implementing performance management systems and non-salary incentives -- Control size and cost of public sector and focuses them on its priority areas, including donor funding for the public sector

		--Political interference --Non-compliance to existing systems and regulations by the public sector		--Enforce human resource policies and systems -- Articulate Government's priorities for the public sector
		Capacity and Coordination -- Inadequate numbers of personnel and quality of personnel to conduct monitoring and evaluation -- Unqualified M&E staff at Ministries and District levels -- Lack of up-to-date information -- Stand alone project M&E systems are not part of Government system, and donors do not use Government formats and systems for M&E -- Lack of coordination of M&E activities	Capacity building through training of M&E officers	-- Implement the Monitoring and Evaluation Roadmap (includes coordination of donors, national statistical plan)

5.3 Sub Theme Three: Decentralization

Long- Term Goal	Medium Term Expected Outcomes	Constraints	Strategies	Focus Actions / Activities
To enhance decision-making and participation of local communities in development planning and implementation.	1. Improved community participation, efficient accountability, good governance systems, vibrant monitoring and evaluation (M&E) systems, clear and strengthened linkages of various policy reforms, and reduced conflicts of roles among various stakeholders at the	--Weak, poor and ineffective linkages between decentralization policy and other public policy reforms. --Persistent power struggle and conflicts of roles between elected members such as Members of Parliament, Councillors and Traditional Authorities. --Weak institutional capacity --High turn over of key staff like accountants, economists and other	Implementing full and complete sector devolution; Redefining roles of various local Government players to reduce operational conflicts and promote effective contribution to the development process; Establishing a vibrant M&E system which will ensure transparency and accountability. Building capacity through training of	-- implement sector devolution -- develop appropriate legal frameworks --institutional capacity building -- develop operational links between decentralization policy and national policy frameworks --Strengthening the local government's role in policy making;

	district level.	specialists. --Lack of information, knowledge and skills. --Inadequate financial resources among others.	various stakeholders to enhance their participation in development planning.	
		-- Small size of the local revenue base -- no mechanism for monitoring fees collected at the local level. -- slow pace of decentralization due to capacity constraints and fear by the center to have no direct control over resources. -- poor operational linkages between the national strategies and development plans and the local level (conceptual link, but not operational)	Deepen the process of devolution of resources and authority to local governments	-- Fiscal devolution and financial management : Expansion of local revenue generating capacity
	2. Local assemblies will have full control of the process of development planning.	Low effective participation of local communities in district planning -- communities are not knowledgeable of issues to meaningfully participate in planning. --inadequate local level institutional structures for collaboration	Empower local communities	-- Local governance and democratic culture -- local development planning Strengthen mechanisms between communities and their local governments for planning and implementation of local initiative -- cross cutting issues

5.4 Sub Theme Four: Developing a Strong Justice System and Rule of Law

Long- Term Goal	Medium Term Expected Outcomes	Constraints	Strategies	Focus Actions / Activities
To increase access to justice and entrenched rule of law.	1. A more responsive and effective judicial authority with sustained administration of justice. -- Increased public confidence in the legal systems	--Shortage of legal experts to effectively and timely handle legal cases and shortage of support staff -- Lack of capacity by Staff Development Institute and University of Malawi to train more legal experts -- Political interference in legal system	i. Improving and sustaining capacity of the Government to provide legal services equitably	Professionalization of the judiciary -- Enact and implement legislation to ensure duty bearers enforce their functions and powers professionally -- Increase the intake for various legal professional groups; -- Train magistrates, judges and paralegals

	-- Improved ability of the private sector to obtain equitable and fair settlement of disputes in reasonable time and at reasonable cost.	-- Expensive legal system		-- Establishing court centres close to police stations and main trading centres; -- Ensure judicial appointments are entirely based on merit and performance; -- Continue the Civil Service Reform Programme aimed at retaining the legal professionals in the civil service; -- Increase the number of court centres.
				Implement contemporary, applicable and relevant laws which conform to the constitution and international laws
			ii. Improve civil dispute mechanism	-- Reintroduce traditional courts -- Develop an appropriate legal framework for traditional courts with appropriate jurisdiction
		-- Inadequate formal system that results in informal justice systems where standards will vary as well as dispensing justice		-- Develop Informal justice system that is accessible, efficient and dispenses justice equitably -- Create awareness where the traditional leaders understand the end point of what can be handled in this system (code of conduct)
		Slow and costly dispute resolution -- court system is not easily accessible to people, as a result they get frustrated – most of cases do not get to the courts -- inadequate coordination across related government agencies involved -- poor case and record management -- delays in passing judgements	iii. Reduce the costs and time required to bring cases to court.	Addressing the costs and speed of dispute resolution -- Strengthen alternative dispute resolution mechanisms that include records of cases and decisions -- Establish information linkages between the police, courts and prisons to improve case flow -- Promote dialogue through court user committee meetings

5.5 Sub Theme Five: Security

Long-Term Goals	Medium Term Expected Outcomes	Constraints	Strategies	Focus Actions / Activities
To make Malawi a safe, secure and crime free nation	Reduced crime levels; improved methods of promoting public order; and improved partnership and participation of members of the public on all issues of safety and security	<ul style="list-style-type: none"> -- Inadequate specialised police officers -- Absence of comprehensive crime prevention strategy -- Reluctance of the public to report crimes to the police -- Inadequate number of properly staffed police units, especially in rural areas, due to community responsibility for their provision -- Inadequate equipment and skills for using forensic science 	i. Improving the responsiveness of police officers to communities security needs (timely detecting, deterring crime and apprehending criminals) <ul style="list-style-type: none"> -- Rapid response to crime scenes -- Improving public perception of population to police force 	<ul style="list-style-type: none"> -- Recruit and train police personnel (Reduce the police / population ratio from the current 1 / 1600 to 1 / 1000) -- Improve distribution of police officers across the country -- Establish round the clock police coverage
		<ul style="list-style-type: none"> -- Proliferation of illegal firearms -- Increased use of illicit drugs and drug trafficking --Lack of equipment for detection of drugs -- Porous borders -- Weak immigration Act which does not include issues of illegal immigrants -- Lack of national registration 	ii. Reducing the possibility of crime <ul style="list-style-type: none"> -- reducing illegal firearms -- reducing illegal drug trafficking -- Reducing the number of illegal immigrants 	<ul style="list-style-type: none"> -- Implement programs to control proliferation of firearms in collaboration with NGOs to set up national focal point to deal with issues of illicit trafficking and firearms -- Implement drug control programs -- Amend the Immigration Act -- Establish a national registration and identification system
		<ul style="list-style-type: none"> -- Lack of coordination between communities and the police -- Lack of integrated development planning 	iii. Improving the integrated approach to crime prevention at the community level, and increase community participation in the detection and reporting of crime	<ul style="list-style-type: none"> -- Develop and implement a crime prevention strategy (multi-sector approach) -- Civic education through community policing and other programs (working with youth, chiefs, communities of interest) -- Develop partnerships between the police and the local communities.

		-- Poor rehabilitation programs in prisons -- untrained prison wardens -- Few skill training programs for prisoners Inhumane conditions in prisons Poor and inadequate prison facilities -- Facilities do not have good security systems leading to escapes -- delays in judgements	iv. Rehabilitation of repeat offenders	-- Develop rehabilitation programmes of prisoners -- Rehabilitate infrastructure to reduce overcrowding of prisons -- Improve case management -- Develop linkages with other programs for ex- convicts to enable them to be part of the productive sector, including changing mindset of employers to prisoners
	-- Reduced costs of crime and security measures on private sector businesses	-- Inadequate public private partnerships between private sector and police (to increase security of assets) -- No proper regulation or standards for running security firms	v. Strengthening partnership for risk management between private sector and police for protection of people and assets	-- Undertake joint programs with agencies and private sector companies (eg. ESCOM) to tackle issues of anti-vandalism -- Improve integration of police protection into industrial site plans -- Educate Malawian establishments on the benefits for risk management for protection of assets, promote asset insurance -- Develop Private Security Policy and Act that provides standards and issues of inspection of private security firms
				-- Build capacity of Ministry of Home Affairs and Security to play its rightful role of providing civilian oversight for prisons and immigration (advocacy, information)
			vi. Implementing Anti money laundering Act	-- Enforce the money laundering Act

5.6 Sub Theme Six: Corporate Governance

Long-Term goal	Medium Term Expected Outcomes	Constraint	Strategies	Focus Actions / Activities
To institute good corporate governance practices in the private sector	Reduced corruption and fraud and improved investor perceptions of Malawi as an attractive investment destination.	-- Lack of a code of good practices.	<ul style="list-style-type: none"> Promoting the adoption of good corporate governance code of best practices; Popularising the role of the Institute of Directors to facilitate the adoption of good corporate governance code of best practices; and Mobilizing the support of the private sector to facilitate the sustainable operations of the new institution. 	<ul style="list-style-type: none"> -- Develop and Implement the good governance and code of best practices. -- Conduct awareness programmes for the code of good governance and best practices. -- Mobilisation of private sector to recognise and implement the code of best practices.

5.7 Sub Theme Seven: Human Rights

Long-Term goal	Medium Term Expected Outcomes	Constraints	Strategies	focus Actions / Activities
To increase awareness and upholding of human rights among all Malawians, particularly the most vulnerable through the promotion and protection of human rights.	Enhanced awareness and practice of human rights and responsibilities among all Malawians, particularly the most vulnerable groups.	<ul style="list-style-type: none"> - Lack of public awareness on human rights issues. - Poor coordination of governance institutions - Inadequate experts in human rights - Inadequate funds to implement programmes - Low literacy rate - Lack of income generating activities for vulnerable groups 	<ul style="list-style-type: none"> • Raising awareness among vulnerable groups about their rights and how to exercise them, and the roles of the human rights bodies in promoting and protecting people's rights • Using the outcomes of litigation, research and complaints received by the Human Rights Commission and other bodies to raise general awareness about topical human rights issues • Ensuring that economic, social and cultural rights, and the rights of vulnerable groups, receive adequate attention • Ensuring investigations, conciliation, monitoring, enquiries, research etc to resolve human rights grievances • Ensuring effective treaty-body reporting system as a mechanism for improving human rights compliance and a ensuring a rights-based approach to development 	<ul style="list-style-type: none"> • Advocate women and children rights as provided in the CEDAW and CRC • Conduct civic education in places prone to human rights abuses • Incorporate human rights into the school curriculum. • Undertake training in advocacy for CSOs working with vulnerable groups • Develop and produce materials to raise awareness of the human rights bodies. • Conduct public hearings and come up with recommendations on the rights of the vulnerable groups • Investigate and take appropriate actions on human rights violation especially on the most vulnerable groups • Provide litigation services on matters of human rights including social, economic and cultural rights • Develop an appropriate legislative and administrative framework for the protection and promotion of human rights. • Provide mediation, conciliation and alternative dispute resolution to complainants

ANNEX 3

MGDS ACTIVITY COSTING AND PRIORITIZATION

Annex 3.1: Detailed Prioritization And Costing By Key Priority Area

FISCAL YEAR	2006/07	2007/08	2008/09	2009/10	2010/11	TOTAL	Priority
KEY PRIORITY AREAS OF THE MGDS							
1. Agriculture and Food Security							
Promote large scale agricultural farming							P1
Strengthen agricultural research to improve agricultural productivity	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	500,000,000	P2
Promote new farming technologies including farm mechanization and oxanization programmes	194,728,394	194,728,394	194,728,394	194,728,394	194,728,394	973,641,968	P1
Shift to clonal tea varieties and promote market oriented processing of tea	150,000,000	100,000,000	80,000,000	50,000,000	20,000,000	400,000,000	P2F
Factory refurbishment, replanting and irrigation of estates to handle peak production	75,000,000	25,000,000	0	0	0	100,000,000	P2F
Rationalize fees/levies in tobacco for higher farmer incomes	4,090,100	865,000	0	0	0	4,955,100	P2F
Revise tobacco taxation policy	3,190,000	1,650,000	0	0	0	4,840,000	P2
Strengthen contract farming	5,234,000	2,190,000	1,090,000			8,514,000	P2
Intensify out-grower schemes	150,000,000	50,000,000	0	0	0	200,000,000	P2
Facilitate the provision of business support services to agro-processors in Malawi	15,000,000	15,000,000	15,000,000	15,000,000	10,000,000	70,000,000	P1
Research and develop appropriate technologies for use in agro-processing	20,000,000	40,000,000	10,000,000	10,000,000	10,000,000	90,000,000	P2
Enhance capacity building for entrepreneurs in agro-processing	4,500,000	4,500,000	5,000,000	5,000,000	5,000,000	24,000,000	P1
Promote processing of goods and provision of services	41,600,000	41,600,000	41,600,000	36,600,000	36,600,000	198,000,000	P2

Increase knowledge of and skills for agribusiness for farmers and cooperatives	2,075,620	2,075,620	2,075,620	2,075,620	2,075,620	10,378,100	P2F
Increase access to markets or to agro-processing firms	5,921,200	5,921,200	5,921,200	5,921,200	5,921,200	29,606,000	P2
Develop farmers' organizations	8,648,400	8,648,400	86,484	86,484	86,484	17,556,252	P3
Provide market knowledge to farmers through extension services	5,189,050	5,189,050	5,189,050	5,189,050	5,189,050	25,945,250	P2F
Increase land under irrigation (irrigation perimeter)							
Construction of irrigation structures such as earth dams, schemes etc	646,529,000	646,529,000	646,529,000	646,529,000	646,529,000	3,232,645,000	P1
Rehabilitation of existing irrigation structures	78,080,000	78,080,000	78,080,000	78,080,000	78,080,000	390,400,000	P1
Promote modern irrigation technologies such as motorised and treadle pumps	817,600,000	817,600,000	100,000,000	100,000,000	100,000,000	1,935,200,000	P1
Development and use of water harvesting	315,000,000	315,000,000	0	0	0	630,000,000	P2
Reach farmers with extension services	8,718,931	8,718,931	8,718,931	8,718,931	8,718,931	43,594,655	P1F
Source pesticides and spray equipment for migratory pest control	41,000,000	28,000,000	28,000,000	28,000,000	28,000,000	153,000,000	P2
Monitor/forecast outbreaks of migratory pests	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	27,500,000	P2F
Promote processing and proper handling and storage of agricultural products via extension services	358,886	358,886	358,886	358,886	358,886	1,794,430	P2F
Train farmers on low cost soil fertility management techniques through extension services	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	25,000,000	P3F
Establish cooperatives/associations	18,000,000	18,000,000	20,000,000	20,000,000	20,000,000	96,000,000	P1
Facilitate access to credit, equipment and technology to assist in value addition	3,500,000	9,000,000	6,000,000	2,400,000	1,500,000	22,400,000	P2
Establish small scale cottage industry units in selected areas	0	25,000,000	10,000,000	5,000,000	0	40,000,000	P1
Undertake skills upgrading	10,000,000	5,000,000	5,000,000	4,000,000		24,000,000	P3
Put in place strategies to help livestock farmers reach markets	2,650,000	2,650,000	2,650,000	2,650,000	2,650,000	13,250,000	P1F

Strengthen advisory services in the production and marketing of livestock and its products	12,116,100	12,116,100	12,116,100	12,116,100	12,116,100	60,580,500	P1F
Expand small stock (poultry, goats, sheep) populations through procurement and distribution of start-up stocks	16,845,095	9,450,000	6,320,000	4,520,000	4,520,000	41,655,095	P1
Strengthen surveillance in the control of livestock and crop pests and diseases	24,232,200	24,232,200	24,232,200	24,232,200	24,232,200	121,161,000	P2F
Garments/cotton							
Establish a Cotton Council in order to promote cotton	68,090,000	68,090,000	68,090,000	68,090,000	68,090,000	340,450,000	P2
Undertake value chain analysis of the garment/cotton sector	3,000,000	0	0	0	0	3,000,000	P1
Increase market access for apparel in international markets (AGOA)	5,000,000	10,000,000	10,000,000	15,000,000	15,000,000	55,000,000	P1
SUB THEME 3 Food Security							
Improve reliability of fertilizer markets	3,467,000	3,467,000	3,467,000	3,467,000	3,467,000	17,335,000	P1
Establish and enforce phyto-sanitary rules and regulations	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000	16,000,000	P2
Manage strategic grain reserve effectively (NFRA)	72,000,000	72,000,000	72,000,000	72,000,000	72,000,000	360,000,000	P1
Develop a reliable agricultural statistics and an early warning system	8,377,000	8,377,000	2,750,000	2,750,000	2,750,000	25,004,000	P1
Promote a coordinated approach to planning and management of food aid	3,653,000	3,653,000	3,653,000	3,653,000	3,653,000	18,265,000	P1
Construct steel bin silos	110,000,000	110,000,000	110,000,000	110,000,000	110,000,000	110,000,000	P1
Priority 1 Sub Total	2,957,093,976	2,776,389,781	1,582,355,865	1,539,865,865	1,494,965,865	10,350,671,350	
Key Priority 2: Irrigation and Water Development							

Empower national authority to manage water resources using IWRM approach and establish monitoring systems including the establishment and maintenance of a register of all actors in water and sanitation, conduct research to establish resource potential and guides	3,250,000	16,250,000	21,666,667	16,250,000	7,583,333	65,000,000	P1
Promote water resource conservation, harvesting and protection in an integrated manner including development of small community and large dams (conservation areas defined), and the development of lake-level regulatory structures at Liwonde and Mangochi	4,333,333	9,316,667	17,604,167	38,404,167	32,175,000	101,833,333	P1
Proactively implement management of water resources and incorporate local governments and communities in planning and management of water and sanitation including catchment protection and rehabilitation	2,166,667	16,250,000	9,100,000	9,100,000	9,100,000	45,716,667	P1
Develop Management Information System (MIS) for the water and sanitation	43,333,333	65,000,000	45,500,000	10,833,333	10,833,333	175,500,000	P2
Recognize and implement obligations to international agreements	2,166,667	3,250,000	4,333,333	4,333,333	4,333,333	18,416,667	P3
Revise Water Resources Act of 1969 and Water Works Act	21,666,667	13,000,000				34,666,667	P1
Provide incentives for LA to promote community water-shed rehabilitation programs	10,833,333	16,250,000	21,666,667	21,666,667	21,666,667	92,083,333	P1
Build capacity in IWRM	10,833,333	10,833,333	10,833,333	10,833,333	10,833,333	54,166,667	P1
Develop integrated water resources management master plans and investment strategies	21,666,667	13,000,000				34,666,667	P1
Water quality and pollution control							
Rehabilitate, construct and equip water laboratories	54,166,667	54,166,667				108,333,333	P1
Establish database on water quality	3,250,000	5,416,667	5,416,667	2,166,667	2,166,667	18,416,667	P2
Improve skills, technologies, techniques in water quality monitoring and pollution control (catchment rehabilitation, determining water quality)	2,166,667	2,166,667	3,250,000	3,250,000	2,166,667	13,000,000	P2

Strengthen institutional arrangements for environmental management	3,250,000	2,166,667	2,166,667	2,166,667	2,166,667	11,916,667	P3
Develop and disseminate guidelines and standards on water quality and pollution control	10,833,333	10,833,333	10,833,333	10,833,333	10,833,333	54,166,667	P2
Provide TA to local government and stakeholders on water quality and pollution control	2,708,333	3,250,000	3,250,000	2,708,333	2,166,667	14,083,333	P3
Urban, Peri-Urban and Market Centres							
Develop national water and sanitation services regulatory framework	10,833,333	21,666,667				32,500,000	P1
Rehabilitate existing water supply systems	66,516,667	399,750,000	399,750,000	333,233,333	66,516,667	1,265,766,667	P1
Extend existing urban water supply systems	13,000,000	270,833,333	1,083,333,333	813,583,333	270,833,333	2,451,583,333	P1
Construct new water supply systems	3,250,000	189,583,333	812,500,000	1,354,166,667	352,083,333	2,711,583,333	P1
Establish contingency water supply reserves and sanitation backup	16,250,000	21,666,667	27,083,333	32,500,000	32,500,000	130,000,000	P3
Promote management arrangements in urban areas – provide incentives for small scale providers	2,708,333	3,250,000	4,333,333	3,250,000	2,708,333	16,250,000	P2
Priority 2 TOTAL	309,183,333	1,147,900,000	2,482,620,833	2,669,279,167	840,666,667	7,449,650,000	
Priority 3: Transport Infrastructure Development							
Roads							
Routine maintenance, periodic maintenance, rehabilitation and upgrading of the road network, replacement of timber decked bridges	1,387,880,000	1,489,020,000	1,523,730,000	1,587,170,000	1,625,910,000	7,613,710,000	P1
Develop an integrated approach to road safety	6,500,000	4,000,000	4,200,000	5,800,000	5,900,000	26,400,000	P1
Modernisation and maintenance of Malawi Traffic Information System (MALTIS)	50,000,000	30,000,000	20,000,000	30,000,000	30,000,000	160,000,000	P2
Infrastructure development	20,000,000	20,000,000	2,000,000	2,000,000	2,000,000	46,000,000	P1
Harmonize country's highway code, road signs, signals and axle-load regulations within the region	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000	P2

Involve private sector in the monitoring and operations of road transport services	3,200,000	3,800,000	3,200,000	3,800,000	4,000,000	18,000,000	P2
Improved mobility and accessibility of rural communities to goods and services in the rural areas	540,000,000	594,060,000	653,466,000	718,812,600	790,694,260	3,297,032,860	P1
Shipping							
Provide navigations and hydrographic charts	195,000,000	65,000,000	0	0	0	260,000,000	P1
Review concession agreements for inland shipping	0	5,200,000	0	0	0	5,200,000	P2
Develop, rehabilitate and maintenance of port facilities	195,000,000	390,000,000	455,000,000	390,000,000	227,500,000	1,657,500,000	P2
Strengthen the marine search and rescue	0	26,000,000	26,000,000	13,000,000	0	65,000,000	P2
Establish international shipping line and negotiate with Mozambique on ports							P3
Strengthen the national maritime administration		6,500,000	6,500,000			13,000,000	P1
Resuscitate the National Shippers Council and maintain selective membership in international organisations		0	130,000,000	65,000,000	0	195,000,000	P2
Shire Zambezi waterway (10% Govt Contribution)	6,500,000,000	6,500,000,000	6,500,000,000	6,500,000,000	6,500,000,000	6,500,000,000	P1
Key Priority 3 Sub Total	8,899,580,000	9,135,580,000	9,326,096,000	9,317,582,600	9,188,004,260	19,866,842,860	
Priority 4: Energy Generation and Supply							
Rehabilitate two more stations for power distribution and complete the ones under construction (e.g. Kapichira power station) and upgrade existing ones (Nkula A and B)	431,300,000	431,300,000				862,600,000	P1F
Engage in interconnection with Mozambique and rehabilitation of existing power generation (2007)	210,000,000	210,000,000	210,000,000	210,000,000	210,000,000	1,050,000,000	P2F
Rehabilitate and expand the transmission and distribution	30,000,000	30,000,000	30,000,000			90,000,000	P2
Protect the catchment area along the lake and Shire river	50,000,000	30,000,000	30,000,000	20,000,000	20,000,000	150,000,000	P3

Reduce the cost of connection by using affordable connection and metering methods (e.g. use of pre-wired boards and pre-paid meters)	100,000,000	68,750,000	68,750,000	68,750,000	68,750,000	375,000,000	P3
Prepare a plan and delineate implementation responsibilities for the reduction of siltation in reservoirs and protect catchment area to lake Shire	20,000,000	20,000,000				40,000,000	P2
Explore alternative energy sources (gas, coal, solar, etc.)	70,000,000	29,375,000	29,375,000	29,375,000	29,375,000	187,500,000	P2
Implement pumped storage power plant at Livingstonia					120,000,000	120,000,000	P3
Integrate planning of electrification, investment and transport, water and ITC	6,300,000	6,300,000	6,300,000	6,300,000	6,300,000	31,500,000	P3F
Accelerate the establishment of the Malawi Energy Regulatory Authority	25,000,000					25,000,000	P1
Improved management of ESCOM (including reform electricity tariff structure) and improve the financial and operational performance of ESCOM	36,300,000	36,300,000				72,600,000	P3
Implement framework for private sector to operate with the Government (PPP) to participate in the electricity sector (institutional framework, etc.)	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	37,500,000	P1
Rural communities use alternative energy supplies for power in under served areas							
Create awareness of the use of renewable energy (solar, wind, biomass, and micro hydro)	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	20,000,000	P2F
Key Priority 4 Total	990,400,000	873,525,000	385,925,000	345,925,000	465,925,000	3,061,700,000	
Priority 5: Integrated Rural Development							
Ensure smooth transfer of devolved functions of rural water supply and sanitation services	1,083,333	2,166,667	3,791,667	5,416,667	1,083,333	13,541,667	P3

Construct and rehabilitate and extend rural piped water systems	130,000,000	270,833,333	452,833,333	396,500,000	227,500,000	1,477,666,667	P1
Construct and rehabilitate boreholes and shallow wells	86,666,667	162,500,000	390,000,000	390,000,000	97,500,000	1,126,666,667	P1
Accelerate the rural electrification programme (promote grid and off-grid rural electrification by public and private providers)	125,000,000	125,000,000	125,000,000	125,000,000	125,000,000	625,000,000	P2
Expand network to rural growth centres	70,000,000	70,000,000	70,000,000	70,000,000	70,000,000	350,000,000	P1
Expand telecommunications to rural areas.	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000	5,000,000,000	P1
Key Priority 5 Sub Total	1,412,750,000	1,630,500,000	2,041,625,000	1,986,916,667	1,521,083,333	8,592,875,000	
Key Priority 6: Prevention and Management of Nutrition Disorders, HIV and AIDS.							
Prevention and Behaviour change							
Expand and scale up the scope and depth of HIV and AIDS communication at local level	3,275,609,350	3,950,670,750	2,353,423,150	1,189,598,150	1,189,598,150	11,958,899,550	P1
Promote and support HIV protective interventions especially designed for young people	165,945,000	147,745,000	147,745,000	148,232,500	148,232,500	757,900,000	P1
Reduce the vulnerability of Malawians to HIV infection, especially girls and women	282,029,735	119,042,235	282,029,735	119,042,235	119,042,235	921,186,175	P1
Strengthen socio-cultural values and practices that prevent the spread of HIV	6,630,000	14,430,000	10,725,000	14,917,500	14,917,500	61,620,000	P1
Promote safer sex practices among the high-risk groups and in high-risk settings	264,030,000	253,539,000	318,916,000	357,266,000	357,266,000	1,551,017,000	P1
Increase district and community level outreach for changing practices	256,061,000	330,161,000	263,373,500	232,661,000	232,661,000	1,314,917,500	P1
Increase access to quality STI syndromic management, counselling and information	410,579,000	383,037,200	387,353,200	379,462,200	379,358,200	1,939,789,800	P1
Expand the scope, coverage and equal access by all Malawians to HIV testing and counselling services especially in rural areas	990,748,200	1,193,203,700	1,338,498,200	1,512,178,200	1,512,178,200	6,546,806,500	P1
Expand the scope, quality and coverage of PMTCT services throughout the country	316,782,050	242,093,800	238,583,800	139,965,800	139,965,800	1,077,391,250	P1

Increase access to safe blood, blood products and tissue services throughout the country including availability of adequate infection prevention materials and procedures	168,018,500	169,318,500	132,106,000	51,018,500	51,018,500	571,480,000	P1
<i>Equitable treatment for PLHA and mitigate the health impacts of HIV/AIDS</i>							
Increase equitable access to ARVs and OI drugs	2,786,875,000	3,656,250,000	4,525,625,000	5,395,000,000	5,395,000,000	21,758,750,000	P1
Strengthen an integrated ART infrastructure and logistic systems and a national quality assurance program for ART	95,048,200	119,384,200	29,918,200	25,888,200	25,888,200	296,127,000	P2
Expand provision and access to high quality and integrated community home-based care (CHBC) services	193,505,000	708,500,000	129,376,000	94,276,000	94,276,000	1,219,933,000	P2
Establish mechanisms and Expand delivery of nutritional support/ therapy to PLHA	949,053,300	1,467,772,800	1,468,097,800	1,457,372,800	1,457,372,800	6,799,669,500	P2
<i>Mitigation of socio-economic and psychosocial impacts of HIV/AIDS</i>							P2
Promote sustainable income generation and advocacy for micro-finance programs for the infected and affected	377,858,000	454,675,000	253,500,000	245,180,000	245,180,000	1,576,393,000	P2
Promote and protect the rights of those infected and affected	85,930,000	91,780,000	66,430,000	52,780,000	52,780,000	349,700,000	P2
Strengthen capacities of communities, districts, PLHA Associations and FBOs to provide psychosocial support and counselling	406,608,800	342,076,800	332,846,800	224,965,000	224,965,000	1,531,462,400	P2
Improve OVC access to essential social and community based services	1,914,218,800	1,821,138,800	1,843,628,800	1,704,788,800	1,704,788,800	8,988,564,000	P1
Promote food security and nutrition among HIV affected households	8,242,000	8,242,000	6,292,000	6,292,000	6,292,000	35,360,000	P2
<i>Effective and efficient implementation of HIV/AIDS response across the public and private sectors</i>							

Develop capacity and partnerships for a shared and common understanding of mainstreaming in both public and private sectors including civil society, NGOs, CBOs and FBOs	927,392,700	145,293,200	89,048,700	80,650,700	80,650,700	1,323,036,000	P2
Increase the capacity of District Assemblies to oversee HIV/AIDS activities in their districts	93,394,600	62,324,600	64,326,600	15,849,600	15,849,600	251,745,000	P2
Improve HIV/AIDS data collection, dissemination and utilization at both national and district levels	288,611,700	705,424,200	396,492,200	137,532,200	137,532,200	1,665,592,500	P2
Improve planning, coordination and resource mobilisation in the spirit of the three ones	541,937,500	433,420,000	340,080,000	333,190,000	333,190,000	1,981,817,500	P2
Implement strategic approach to research and development	534,472,900	566,668,700	585,707,200	613,072,200	613,072,200	2,912,993,200	P2
SUB TOTAL	15,339,581,335	17,386,191,485	15,604,122,885	14,531,179,585	14,531,075,585	77,392,150,875	
10% Govt Contr	1,533,958,134	1,738,619,149	1,560,412,289	1,453,117,959	1,453,107,559	7,739,215,088	
Nutrition							
Promotion of adoption of appropriate diet and healthy lifestyles through education and counselling	47,790,210	47,790,210	47,790,210	47,790,210	47,790,210	238,951,050	P1
Promotion of control, prevention and treatment of micronutrient deficiency disorders particularly those caused by Vitamin A, Iodine and iron deficiencies	27,690,000	27,690,000	14,690,000	14,690,000	13,000,000	97,760,000	P1
Promotion of control, prevention and treatment of diseases that have direct impact on nutrition and health status	44,980,000	44,980,000	35,984,000	28,787,200	23,029,760	177,760,960	P1
Policy coordination, implementation and monitoring of nutrition programmes	39,000,000	39,000,000	39,000,000	39,000,000	39,000,000	195,000,000	P1
Build capacity of nutritionists, dieticians and community nutrition workers	19,500,000	13,000,000	13,000,000	100,000,130	13,000,000	158,500,130	P1
Nutrition surveillance	5,850,000	6,500,000	6,500,000	6,500,000	6,500,000	31,850,000	P1

Establishment of nutrition resource centres at all levels (i.e. central, districts and community levels)	45,500,000	39,000,000	39,000,000	39,000,000	39,000,000	201,500,000	P1
Enhance data collection, analysis and dissemination on nutrition	7,800,000	7,800,000	7,800,000	7,800,000	7,800,000	39,000,000	P1
Increase access and availability of services and information to prevent consumers from health hazards	18,200,000	18,200,000	18,200,000	18,200,000	18,200,000	91,000,000	P2
Review and include nutrition in the curricula of all learning and training institutions	78,000,000	6,500,000	5,200,000	3,900,000	13,000,000	106,600,000	P2
Policy design, dissemination, legislation and enforcement	45,500,000	2,600,000	2,600,000	3,250,000	13,000,000	66,950,000	P2
Advocacy and lobbying	32,500,000	15,600,000	15,600,000	15,600,000	15,600,000	94,900,000	P2
Initiate research on socio-economic impact of Nutrition	11,700,000	11,700,000	11,700,000	11,700,000	11,700,000	58,500,000	P2
Harmonize and improve and nutrition security information system for evidence based intervention	16,250,000	2,600,000	2,600,000	2,600,000	2,600,000	26,650,000	P3
Conduct Nutrition fairs at all levels	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	32,500,000	P3
Observe international Nutrition days	3,900,000	3,900,000	3,900,000	3,900,000	3,900,000	19,500,000	P3
SUB TOTAL	450,660,210	293,360,210	270,064,210	349,217,540	273,619,970	1,636,922,140	
SUB THEME 3 Interaction of Nutrition, HIV and AIDS	2006/07	2007/08	2008/09	2009/10	2010/11	TOTAL	Priority
Nutrition for positive living	4,050,000	4,050,000	4,050,000	4,050,000	4,050,000	20,250,000	P1
Nutrition management of HIV-related illnesses	6,500,000	7,800,000	9,360,000	11,232,000	13,478,400	48,370,400	P1
Management of ARV interactions with food and nutrition	10,700,000	10,700,000	10,700,000	10,700,000	10,700,000	53,500,000	P2
Therapeutic feeding for moderately and severely malnourished HIV-positive children and adults	17,200,000	20,640,000	24,768,000	29,721,600	35,665,920	127,995,520	P1
Infant and young child nutrition for HIV exposed children	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	25,000,000	P1

Palliative care and community coping mechanisms	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	175,000,000	P2
Nutrition Education for the infected and affected households	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	500,000,000	P1
Nutrition Demonstration	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	50,000,000	P2
Nutrition Assessment Equipment for HIV & AIDS patients	10,192,000	10,192,000	10,192,000	10,192,000	10,192,000	50,960,000	P2
Production of Nutrition, HIV and AIDS training materials and eating guidelines for PLWHAs	20,000,000	10,000,000	5,000,000	5,000,000	5,000,000	45,000,000	P3
Development of monitoring and evaluation tools	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	25,000,000	P3
SUB TOTAL	223,642,000	218,382,000	219,070,000	225,895,600	234,086,320	1,121,075,920	
10% Govt Contribution	22,364,200	21,838,200	21,907,000	22,589,560	23,408,632	112,107,592	
Priority 6 Total	2,006,982,544	2,053,817,559	1,852,383,499	1,824,925,059	1,750,136,161	9,488,244,820	
ALL PRIORITIES GRAND TOTAL	16,575,989,852	17,617,712,339	17,671,006,196	17,684,494,356	15,260,781,285	58,809,984,029	

Annex 3.2: Prioritization And Costing By Theme

FISCAL YEAR	2006/07	2007/08	2008/09	2009/10	2010/11	TOTAL	Priority
THEME 1 SUSTAINABLE ECONOMIC GROWTH							
SUB THEME 1 Contribution to Economic Growth							
Tourism							
Development of ecotourism facilities in five priority sites	214,370,000	190,580,000	397,150,000	83,720,000	115,180,000	1,001,000,000	P2
Develop cultural villages for the Yao, Chewa, Lomwe and Ngoni cultures in Malawi	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	150,000,000	P1
Upgrade to bitumen standard access roads leading to major tourism areas and establishments (e.g. Mangochi, Salim, Nkhata Bay)	31,616,000	65,988,000	88,920,000	0	0	186,524,000	P1
In line with current tourism regulations, inspect and classify accommodation units and restaurants into grades	24,500,000	24,500,000	24,500,000	24,500,000	24,500,000	122,500,000	P1
Tourism and Hotels Board to be financially empowered and detached from the Ministry to regulate and enforce tourism regulations and standards	124,000,000	0	0	0	0	124,000,000	P3
Conduct sensitisation campaigns on tourism regulations	4,000,000	3,000,000	0	0	0	7,000,000	P3
Undertake destination marketing in selected source markets using the most cost-effective methods	105,000,000	105,000,000	105,000,000	105,000,000	105,000,000	525,000,000	P1
Development of website for destination marketing	130,000	130,000	130,000	130,000	130,000	650,000	P2
Dollars	4,104,738	3,224,600	4,966,923	1,871,923	2,113,923	16,282,108	
Mining							

Update geological and mineral data acquisition (remapping the geology of Malawi)	50,000,000	25,000,000	25,000,000	25,000,000	25,000,000	150,000,000	P1F
Revision of Mines and Minerals Act	18,000,000	10,000,000	0	0	0	28,000,000	P1
Provide infrastructure for key mining companies (e.g. electricity, water, roads)	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000	750,000,000	P1
Enhance capacity to compile and interpret geological information and disseminate to potential investors and the public and to encourage private sector to invest in detailed phases of mineral exploration	37,500,000	31,250,000	31,250,000	25,000,000	25,000,000	150,000,000	P1
Promotion of Mineral Sector	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	22,500,000	P2
Promotion of Small Scale Miners	86,400,000	90,720,000	95,256,000	100,018,800	105,019,740	477,414,540	P1
Enforce regulatory framework for standards in Mineral Sector, including occupation healthy and safety and environment	25,500,000	26,775,000	28,113,750	29,519,438	30,995,409	140,903,597	P2
Enhance Geohazard Mitigation through seismology and disaster preparedness including for landslides and earthquakes	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	100,000,000	P3
Creation of a Mining, Investment and Development Body to use as a conduit for public- private partnerships	200,000,000	210,000,000	220,500,000	231,525,000	243,101,250	1,105,126,250	P2
Garments/cotton							
Establish a Cotton Council in order to promote cotton	68,090,000	68,090,000	68,090,000	68,090,000	68,090,000	340,450,000	P2
Undertake value chain analysis of the garment/cotton sector	3,000,000	0	0	0	0	3,000,000	P1
Increase market access for apparel in international markets (AGOA)	5,000,000	10,000,000	10,000,000	15,000,000	15,000,000	55,000,000	P1
Manufacturing							
Create a conducive policy and regulatory environment for the operations of the manufacturing sector	3,500,000	3,500,000	7,500,000	1,500,000	1,500,000	17,500,000	P1

Promote and coordinate products/services research, innovations and development to support production in Malawi	7,000,000	10,000,000	10,000,000	10,000,000	10,000,000	47,000,000	P2
Establish links for improving quality and quantity of raw materials and processors, especially agricultural sector	4,500,000	4,500,000	5,000,000	5,000,000	5,000,000	24,000,000	P2
Identify, source and transfer manufacturing technologies, machinery and plants to improve production	50,000,000	25,000,000	25,000,000	25,000,000	25,000,000	150,000,000	P2
Strengthen adherence to labour protection and labour services	105,600,000	105,600,000	105,600,000	105,600,000	105,600,000	528,000,000	P1
Establish and operationalise a National Productivity Centre	10,000,000	70,000,000	20,000,000	10,000,000	10,000,000	120,000,000	P2
Build capacity of Malawi Bureau of Standards to certify rather than rely on overseas certifiers	100,000,000	50,000,000	40,000,000	0	0	190,000,000	P1
Encourage processing in rural areas, sub-contracting and use of modern technology	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	125,000,000	P3
Facilitate and implement Export Processing Zones (EPZs)	3,000,000	3,000,000	4,000,000	4,000,000	4,000,000	18,000,000	P2
Promote production of goods and services (OVOP)	4,500,000	4,500,000	4,500,000	3,000,000	3,000,000	19,500,000	P1F
Agriculture							
Promote large scale agricultural farming						0	P1
Strengthen agricultural research to improve agricultural productivity	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	500,000,000	P2
Promote new farming technologies including farm mechanization and oxanization programmes	194,728,394	194,728,394	194,728,394	194,728,394	194,728,394	973,641,968	P1
Shift to clonal tea varieties and promote market oriented processing of tea	150,000,000	100,000,000	80,000,000	50,000,000	20,000,000	400,000,000	P2F
Factory refurbishment, replanting and irrigation of estates to handle peak production	75,000,000	25,000,000	0	0	0	100,000,000	P2F
Rationalize fees/levies in tobacco for higher farmer incomes	4,090,100	865,000	0	0	0	4,955,100	P2F

Revise tobacco taxation policy	3,190,000	1,650,000	0	0	0	4,840,000	P2
Strengthen contract farming	5,234,000	2,190,000	1,090,000			8,514,000	P2
Intensify out-grower schemes	150,000,000	50,000,000	0	0	0	200,000,000	P2
Facilitate the provision of business support services to agro-processors in Malawi	15,000,000	15,000,000	15,000,000	15,000,000	10,000,000	70,000,000	P1
Research and develop appropriate technologies for use in agro-processing	20,000,000	40,000,000	10,000,000	10,000,000	10,000,000	90,000,000	P2
Enhance capacity building for entrepreneurs in agro-processing	4,500,000	4,500,000	5,000,000	5,000,000	5,000,000	24,000,000	P1
Promote processing of goods and provision of services	41,600,000	41,600,000	41,600,000	36,600,000	36,600,000	198,000,000	P2
Increase knowledge of and skills for agribusiness for farmers and cooperatives	2,075,620	2,075,620	2,075,620	2,075,620	2,075,620	10,378,100	P2F
Increase access to markets or to agro-processing firms	5,921,200	5,921,200	5,921,200	5,921,200	5,921,200	29,606,000	P2
Develop farmers' organizations	8,648,400	8,648,400	86,484	86,484	86,484	17,556,252	P3
Provide market knowledge to farmers through extension services	5,189,050	5,189,050	5,189,050	5,189,050	5,189,050	25,945,250	P2F
Increase land under irrigation (irrigation perimeter)							
Construction of irrigation structures such as earth dams, schemes etc	646,529,000	646,529,000	646,529,000	646,529,000	646,529,000	3,232,645,000	P1
Rehabilitation of existing irrigation structures	78,080,000	78,080,000	78,080,000	78,080,000	78,080,000	390,400,000	P1
Promote modern irrigation technologies such as motorised and treadle pumps	817,600,000	817,600,000	100,000,000	100,000,000	100,000,000	1,935,200,000	P1
Development and use of water harvesting	315,000,000	315,000,000	0	0	0	630,000,000	P2
Reach farmers with extension services	8,718,931	8,718,931	8,718,931	8,718,931	8,718,931	43,594,655	P1F
Source pesticides and spray equipment for migratory pest control	41,000,000	28,000,000	28,000,000	28,000,000	28,000,000	153,000,000	P2
Monitor/forecast outbreaks of migratory pests	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	27,500,000	P2F
Promote processing and proper handling and storage of agricultural products via extension services	358,886	358,886	358,886	358,886	358,886	1,794,430	P2F

Train farmers on low cost soil fertility management techniques through extension services	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	25,000,000	P3F
Establish cooperatives/associations	18,000,000	18,000,000	20,000,000	20,000,000	20,000,000	96,000,000	P1
Facilitate access to credit, equipment and technology to assist in value addition	3,500,000	9,000,000	6,000,000	2,400,000	1,500,000	22,400,000	P2
Establish small scale cottage industry units in selected areas	0	25,000,000	10,000,000	5,000,000	0	40,000,000	P1
Undertake skills upgrading	10,000,000	5,000,000	5,000,000	4,000,000		24,000,000	P3
Put in place strategies to help livestock farmers reach markets	2,650,000	2,650,000	2,650,000	2,650,000	2,650,000	13,250,000	P1F
Strengthen advisory services in the production and marketing of livestock and its products	12,116,100	12,116,100	12,116,100	12,116,100	12,116,100	60,580,500	P1F
Expand small stock (poultry, goats, sheep) populations through procurement and distribution of start-up stocks	16,845,095	9,450,000	6,320,000	4,520,000	4,520,000	41,655,095	P1
Strengthen surveillance in the control of livestock and crop pests and diseases	24,232,200	24,232,200	24,232,200	24,232,200	24,232,200	121,161,000	P2F
Natural Resources							
Increase use of modern technology by local communities and private sector for deep water fishing	14,020,000	12,920,000	0	0	0	26,940,000	P1
Provide fish landing facilities and train communities trained in modern fish processing	13,940,000	3,400,000	2,200,000	2,530,000	2,909,500	24,979,500	P3
Promote fish production from fish farming	83,700,000	98,200,000	42,500,000	48,875,000	56,206,250	329,481,250	P1
Carry out capture fisheries programmes	7,450,000	9,450,000	14,600,000	16,790,000	19,308,500	67,598,500	P3
Develop accreditation facilities for fish export	65,960,000	45,400,000	27,200,000	31,280,000	35,972,000	205,812,000	P2
Promote regional and international trade	20,900,000	46,600,000	30,900,000	35,535,000	40,865,250	174,800,250	P1F
Forestry							

Review the sustainability of de-linking the commercially productive component of the industrial forest plantations of the forestry department from the protection and extension forestry components	2,000,000	2,000,000	3,000,000	2,000,000	0	9,000,000	P3F
Introduce appropriate incentives to promote investment in forest industries	2,000,000	2,000,000	3,000,000	0	0	7,000,000	P3
Registration with international standard bodies	4,000,000	3,000,000	2,000,000	1,000,000	1,000,000	11,000,000	P3
Undertake national surveys and documentation of forestry industry statistics	2,000,000	2,000,000	1,000,000	0	0	5,000,000	P3
Improve forest products marketing and develop standards and value added in the forestry industry	15,000,000	18,000,000	12,000,000	12,500,000	10,000,000	67,500,000	P3
Reforestation programme	955,900,000	1,044,600,000	1,007,100,000	955,900,000	1,204,300,000	5,167,800,000	P1
Identify training needs and develop training programmes	2,000,000	2,000,000	1,000,000	1,000,000	0	6,000,000	P2
Improve human resources capacity in the forestry sector	55,000,000	57,500,000	59,000,000	60,000,000	56,000,000	287,500,000	P2
Enforce forestry law	6,050,000	6,300,000	6,410,000	6,420,000	6,550,000	31,730,000	P2
Regulations, Standards, Enforcement							
Review policies and legislation for waste, sanitation and POPs	3,500,000	4,025,000	4,628,750	0	0	12,153,750	P1
Recruit and retain environmental lawyers and develop capacity to enforce standards	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	15,000,000	P2
Design and implement economic instruments to promote sound environmental management	13,000,000	13,000,000	5,000,000	0	0	31,000,000	P1F
Development environmental standards	8,000,000	8,000,000	8,000,000	0	0	24,000,000	P2
Strengthen legal framework	30,000,000	26,200,000	22,496,000	22,895,680	20,407,334	121,999,014	P2
Establish and implement coordinating mechanism for implementing international environmental conventions: biodiversity, climate change, POPs, waste management, Montreal, desertification etc.	7,500,000	8,100,000	8,748,000	9,447,840	10,203,667	43,999,507	P2F

Coordinate implementation of Clean Development Mechanism	12,500,000	13,500,000	14,580,000	15,746,400	17,006,112	73,332,512	P2
Harmonize sector-specific strategies for dealing with problems affecting common resources	0	0	10,000,000	10,000,000	10,000,000	30,000,000	P2F
Develop policies and strategies for coordination of common programme and activities undertaken by the various stakeholders	0	0	15,000,000			15,000,000	P1
Define institutional position of EDO and operationalise the environmental decentralization strategy	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	150,000,000	P1
Environmental Education and Awareness							
Incorporate environmental concerns in school curricula	0	8,000,000	4,000,000	0	0	12,000,000	P1
Undertake public awareness campaign	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	125,000,000	P1
Develop Environmental Information Management System (EIMS)	20,000,000	10,000,000	5,000,000	5,000,000	5,000,000	45,000,000	P2F
Develop environmental databases such as for state of environment indicators policies, EIAs and legal aspects	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	15,000,000	P1
Conservation and Wildlife							
Provide logistical support for law enforcement (e.g. vehicles, base radios)	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	100,000,000	P1
Construct a sanctuary in Kasungu National Park in order to repopulate the park	10,000,000	7,500,000	5,000,000	2,500,000		25,000,000	P1
Develop new and rehabilitate existing infrastructure (including staff houses, roads, bridges, bore holes, electricity supply)	40,000,000	40,000,000	40,000,000	40,000,000	40,000,000	200,000,000	P1
Procure materials and drugs for tsetse control	11,250,000	10,000,000	10,000,000			31,250,000	P3
Support communities to establish wildlife based enterprises (e.g. ranching, farming, bee keeping)	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	25,000,000	P2
Develop a PAC strategy and guidelines	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	25,000,000	P2
Construct new and rehabilitate existing perimeter electric fences for all protected areas	36,000,000	27,000,000	1,800,000	5,000,000	4,000,000	73,800,000	P1

Translocate dangerous animals to Protected Areas (Pas)	15,000,000	20,000,000	25,000,000	10,000,000	5,000,000	75,000,000	P3
Conduct monitoring of key wildlife species	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	25,000,000	P2
Develop research plan and guidelines	3,250,000	3,000,000				6,250,000	P2
Procure high tech research and monitoring equipment	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	15,000,000	P3
SUB THEME 1 TOTAL	5,868,037,714	5,628,155,381	4,459,335,288	3,868,100,945	4,123,264,801	23,946,894,128	
SUB THEME 2 Enabling Environment for Private Sector Led Growth							
Competitiveness							
Implement occupational safety and health for labour	5,000,000	20,000,000	20,000,000	20,000,000	15,000,000	80,000,000	P1
Expand capacity of existing vocational training institutions, including training more instructors in vocational training areas (TEVET)	225,000,000	225,000,000	500,000,000	500,000,000	500,000,000	1,950,000,000	P1
Update curriculum and equipment for economic needs (vocational centres)	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	60,000,000	P3
Increase enrolment of general education students in vocational programme	20,000,000	20,000,000	20,000,000	30,000,000	30,000,000	120,000,000	P3
Increase efficiency of one-stop-shop for attracting outside investors and clarify laws to enable this	2,000,000	2,500,000	2,500,000	3,000,000		10,000,000	P1
Develop and implement the National Export Strategy	20,000,000					20,000,000	P1
Design, develop and implement Private Sector Development Strategy and action matrix	7,000,000	60,000,000	80,000,000	100,000,000	100,000,000	347,000,000	P1
Enhance coordination amongst micro finance institutions	2,000,000	2,000,000	2,500,000	0	0	6,500,000	P2
Increase loanable funds for SMEs	200,000,000	300,000,000	400,000,000	500,000,000	500,000,000	1,900,000,000	P2
Improve infrastructure for SMEs	15,000,000	100,000,000	150,000,000	0	0	265,000,000	P2
Increased Investment						0	
Review of policies and laws affecting domestic trade	10,000,000	8,000,000	1,000,000	1,000,000	0	20,000,000	P1

Develop employment and labour policy	30,000,000	15,000,000				45,000,000	P1
Integrate message of good governance into promotional themes	15,000,000	25,000,000	25,000,000	15,000,000	5,000,000	85,000,000	P1
SUB THEME 2 TOTAL	563,000,000	789,500,000	1,213,000,000	1,181,000,000	1,162,000,000	4,908,500,000	
SUB THEME 3 Food Security							
Improve reliability of fertilizer markets	3,467,000	3,467,000	3,467,000	3,467,000	3,467,000	17,335,000	P1
Establish and enforce phyto-sanitary rules and regulations	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000	16,000,000	P2
Manage strategic grain reserve effectively (NFRA)	72,000,000	72,000,000	72,000,000	72,000,000	72,000,000	360,000,000	P1
Develop a reliable agricultural statistics and an early warning system	8,377,000	8,377,000	2,750,000	2,750,000	2,750,000	25,004,000	P1
Promote a coordinated approach to planning and management of food aid	3,653,000	3,653,000	3,653,000	3,653,000	3,653,000	18,265,000	P1
SUB THEME 3 TOTAL	90,697,000	90,697,000	85,070,000	85,070,000	85,070,000	436,604,000	
SUB THEME 4 Export Led Growth							
Harmonise standards for cross border and transit trade with neighbouring countries	2,000,000	1,500,000	500,000	500,000	500,000	5,000,000	P2
Increase trade information and access to market	75,000,000	50,000,000	20,000,000	15,000,000	15,000,000	175,000,000	P1
Reorient Malawi Export Promotion Council	5,000,000	4,000,000	4,000,000	4,000,000	4,000,000	21,000,000	P2
Establish trade finance scheme	50,000,000	100,000,000	100,000,000	150,000,000	200,000,000	600,000,000	P2
Upgrade trade related skills of key staff in target institutions	2,000,000	3,000,000	4,000,000	5,000,000	5,000,000	19,000,000	P2
Enhance capacity building for producers and exporters	5,000,000	7,000,000	7,000,000	7,000,000	7,000,000	33,000,000	P2
Strengthen analytical capacity for trade policy analysis and implementation	37,500,000	0	0	0		37,500,000	P2
Establish Fair Trade Commission	112,480,000	112,480,000	50,000,000	50,000,000	50,000,000	374,960,000	P1
Export Promotion Council enabled to coordinate adequately export promotion activities in Malawi/Re orient MEPC	90,000,000	90,000,000	70,000,000	70,000,000	70,000,000	390,000,000	P1

SUB THEME 4 TOTAL	378,980,000	367,980,000	255,500,000	301,500,000	351,500,000	1,655,460,000	
SUB THEME 5 Economic Empowerment							
Strengthen the policy environment for micro finance	8,000,000	1,000,000	1,000,000	0	0	10,000,000	P1
Strengthen core function of ADMARC in geographical areas which are underserved by the private sector including through reform of ADMARC	540,000,000	540,000,000	540,000,000	540,000,000	540,000,000	2,700,000,000	P1
Promote the deployment and exploitation of ICTs to support the activities of the agricultural sector	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	60,000,000	P2
Develop a programme that will oversee the establishment of cooperatives in rural areas	6,919,000	6,919,000	0	0	0	13,838,000	P2
Strengthen policy environment for SMEs and Cooperatives	2,000,000	3,000,000	500,000	0		5,500,000	P2
Develop a national economic empowerment act	15,000,000	20,000,000	20,000,000	10,000,000	10,000,000	75,000,000	P1
Establish National Economic Empowerment Council	20,000,000	45,000,000	45,000,000	25,000,000	25,000,000	160,000,000	P2
Provide technical support from private sector programs (related to off farm employment)	50,000,000	50,000,000	60,000,000	40,000,000	50,000,000	250,000,000	P1
Establish programmes for increasing opportunities to participate in economic activities including through creation of a Product Development Fund	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	500,000,000	P2
Introduce tax incentives for private sector institutions participating in rural industries	35,000,000	35,000,000	5,000,000	5,000,000	5,000,000	85,000,000	P2
Review the possibility of providing grants to match private sector funding for empowerment related projects	14,000,000	14,000,000	14,000,000	0	0	42,000,000	P2
Review the role played by public institutions such as SEDOM, DEMAT in the Empowerment Programme	12,000,000	15,000,000	0	0	0	27,000,000	P1
Strengthen institutions providing entrepreneurial and business training	45,000,000	50,000,000	5,000,000	0	0	100,000,000	P1

Malawi Growth and Development Strategy

Improve infrastructure for SMEs	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	500,000,000	P2
Establish an SME Apex institution	12,300,000	9,000,000	4,500,000	2,500,000	0	28,300,000	P3
Formulate and execute an improved training programme on small scale business management (OVOP) - capacity building	66,600,000	66,600,000	66,600,000	39,100,000	39,100,000	278,000,000	P1
Promote marketing of goods and services (OVOP)	51,900,000	51,900,000	51,900,000	26,400,000	26,400,000	208,500,000	P1
Develop a programme that will oversee the establishment of cooperatives in rural areas	2,000,000	750,000	750,000	750,000	750,000	5,000,000	P1
Provide technical support from private sector programmes related to off farm employment	5,000,000	5,600,000	7,000,000	10,000,000	10,000,000	37,600,000	P2
Organise communities to produce outputs or develop local industry						0	
Strengthen understanding of micro-finance	2,000,000	2,000,000	2,000,000	4,000,000	4,000,000	14,000,000	P2
Enhance capacity of courts to handle business cases	0					0	P3
Encourage financial institutions to design tiered loan packages to provide incentives to borrowers for loan repayment	500,000	500,000	500,000	500,000	500,000	2,500,000	P2
Establish Credit Reference Bureau	50,000,000	10,000,000	10,000,000	10,000,000	10,000,000	90,000,000	P1
Establish network of practitioners in MFI	2,000,000	3,000,000	3,000,000	3,000,000	3,000,000	14,000,000	P1
Provide training to all people who borrow for business purposes through the training unit of the NEEC	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	25,000,000	P2
Support finance institutions in designing differentiated financial products	2,000,000	5,500,000	8,000,000	4,000,000		19,500,000	P2
Develop and strengthen the micro-finance sector to serve small scale concerns and as part of the broader financial system	2,000,000	3,000,000	3,000,000	4,000,000	4,000,000	16,000,000	P2
Develop a charter to increase the employment opportunities	6,000,000	6,000,000	4,000,000	4,000,000	3,000,000	23,000,000	P2
Enhance institutional framework supporting the development of women entrepreneurs		12,500,000	15,000,000	12,500,000	5,000,000	45,000,000	P3

Train women in entrepreneurial skills and ability to manage businesses		20,000,000	30,000,000	3,750,000	50,000,000	103,750,000	P2
Improve capacity of the Malawi Council for the Handicapped and other similar institutions that deliver services to people with disabilities	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	125,000,000	P1
Vocational training and skills	210,000,000	210,000,000	150,000,000	150,000,000	150,000,000	870,000,000	P1
SUB THEME 5 TOTAL	1,402,219,000	1,428,269,000	1,288,750,000	1,136,500,000	1,177,750,000	6,433,488,000	
SUB THEME 6 Land and Housing							
Review and reconcile existing laws to ensure compatibility with the land policy	10,000,000	20,000,000	10,000,000	0	0	40,000,000	P1F
Develop a carefully structured programme on land administration and land records	0	50,000,000			0	50,000,000	P2
Implement public awareness activities regarding property rights of vulnerable groups	30,000,000	25,000,000	13,000,000	0	0	68,000,000	P1
Intensify resettlement and land development programmes	300,000,000	400,000,000	600,000,000	1,000,000,000	1,000,000,000	3,300,000,000	P1
Establish viable land markets	15,000,000	20,000,000	0	0	0	35,000,000	P2
Customary land regularisation, titling and registration	280,000,000	282,250,000	400,000,000	162,500,000	0	1,124,750,000	P1
Provide credit to support off farm livelihoods enhancing activities	30,000,000	50,000,000	35,000,000	10,000,000	0	125,000,000	P2
Promote public awareness on land rights and land policy in general	15,000,000	20,000,000	20,000,000	5,000,000	5,000,000	65,000,000	P1
Finalise and enact the Land Bill	15,000,000	5,000,000	0	0	0	20,000,000	P1
Develop a Land Use Policy	15,000,000	10,000,000	0	0	0	25,000,000	P1
Review Land Use Legislation	10,000,000	30,000,000	0	0	0	40,000,000	P2
Review of the National Physical Development Plan	10,000,000		0	0	0	10,000,000	P2
Review the Town and Country Planning Act, planning standards and regulations	45,000,000	30,000,000	0	0	0	75,000,000	P3

Sensitise local communities in aspects of land use planning environment and community land resource management	8,000,000	7,000,000	5,000,000	6,000,000	6,000,000	32,000,000	P3
Improve capacity in the land sector for implementing a National Land Reform Programme	20,000,000	15,000,000	15,000,000	10,000,000	10,000,000	70,000,000	P1
Procurement of modern equipment for surveying, planning and valuation	50,000,000	20,000,000	0	0	0	70,000,000	P3
Review all charges on land services rendered	10,000,000	20,000,000	5,000,000	0	0	35,000,000	P1
Review the 1999 National Housing Policy in order to re-align it to the new National Land Policy and other Government policies and protocols	10,000,000	15,000,000	0	0	0	25,000,000	P1
Mobilize resources to meet varying housing demands, particularly rental housing for low-income and vulnerable groups	7,500,000	27,500,000	20,000,000	20,000,000	0	75,000,000	P2
Facilitate formulation of special funding schemes for groups in poverty and the most vulnerable groups	5,000,000	2,000,000	0	0	1,000,000	8,000,000	P2
Review the draft Building Regulations and Standards	15,000,000	5,000,000	0	0	0	20,000,000	P1
Promote and encourage community participation in infrastructure provision and maintenance	5,000,000	1,000,000	0	0	0	6,000,000	P3
Conduct civic education/public awareness on the importance of housing and available housing programmes and/or housing delivery systems.	20,000,000	15,000,000	5,000,000	0	0	40,000,000	P3
Facilitate the formulation of housing and multi-purpose community development cooperatives, especially for providing low-income housing	2,000,000	1,000,000	4,000,000	0	0	7,000,000	P3
SUB THEME 6 TOTAL	927,500,000	1,070,750,000	1,132,000,000	1,213,500,000	1,022,000,000	5,365,750,000	
THEME 1 GRAND TOTAL	9,230,433,714	9,375,351,381	8,433,655,288	7,785,670,945	7,921,584,801	42,746,696,128	

THEME 2 SOCIAL PROTECTION							
SUB THEME 1 Protecting the Vulnerable							
Create an enabling environment for child protection	71,000,000	71,000,000	71,000,000	71,000,000	71,000,000	355,000,000	P1
Provide nutritious food and home based care kits to those infected by HIV and AIDS	64,562,500	64,562,500	64,562,500	64,562,500	64,562,500	322,812,500	P3
Provide supplementary feeding to malnourished pregnant, lactating mothers, and under five children	154,015,000	154,015,000	154,015,000	154,015,000	154,015,000	770,075,000	P3
Promote targeted school feeding programme to the most vulnerable	624,000,000	624,000,000	624,000,000	624,000,000	624,000,000	3,120,000,000	P3F
Promote therapeutic feeding to severely malnourished under five children	147,812,000	147,812,000	147,812,000	147,812,000	147,812,000	739,060,000	
Expand small stock (e.g. goats, chickens etc) and grain mills programme for the most vulnerable	450,000,000	450,000,000	450,000,000	450,000,000	450,000,000	2,250,000,000	P3
Introduce conditional and non conditional cash transfers to infirmed, elderly, disabled, orphans, OVCs	375,000,000	375,000,000	375,000,000	375,000,000	375,000,000	1,875,000,000	P3F
Support the most vulnerable with food and non food items for their upkeep	32,000,000	32,000,000	32,000,000	32,000,000	32,000,000	160,000,000	P3
Practice better prioritisation, design, delivery, and review of safety nets/social protection programmes framework to be consistent with MGDS	12,000,000	6,000,000	3,000,000	1,500,000	1,500,000	24,000,000	P1
Promote and provide access to poor farm families to agriculture inputs (subsidies, free inputs)	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	7,000,000	P2F
Implement productivity enhancing interventions (e.g. public works programmes: river diversion for irrigation, afforestation, reservoir/dam construction, dykes, roads)	3,500,000,000	3,500,000,000	3,500,000,000	3,500,000,000	3,500,000,000	17,500,000,000	P1F

Enhance non-traditional PWP (e.g. manure making, bush clearing)	750,000,000	750,000,000	750,000,000	750,000,000	750,000,000	3,750,000,000	P1F
Promote small scale productive activities	250,000,000	250,000,000	250,000,000	250,000,000	250,000,000	1,250,000,000	P2
Review effectiveness of current public works programs, feeding programs, targeted input programs	7,000,000					7,000,000	P1
Provide low cost housing to the poor and vulnerable	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	175,000,000	P3F
Increased access to rehabilitation services by persons with disabilities	53,750,000	53,750,000	53,750,000	53,750,000	53,750,000	268,750,000	P1
Develop braille literacy programmes	25,000,000					25,000,000	P1
Improving access to and quality of adult education programme for illiterate adults in Malawi	65,381,030	16,551,730	16,374,800	16,567,070	60,448,830	175,323,460	P1
Fight against child labour	86,666,667	86,666,667	86,666,667	0	0	260,000,000	P1
Activities of Child Labour Control Unit	20,000,000	20,000,000	25,000,000	25,000,000	25,000,000	115,000,000	P2
SUB THEME 1 TOTAL	6,724,587,197	6,637,757,897	6,639,580,967	6,551,606,570	6,595,488,330	33,149,020,960	
SUB THEME 2 Disaster Management							
Promote integration of disaster management into sustainable development programming at all levels	21,200,000	11,200,000	3,200,000	3,200,000	3,200,000	42,000,000	P1F
Establish an effective early warning system	205,812,000	205,812,000	20,830,000	20,830,000	20,830,000	474,114,000	P1
Provide timely emergency relief assistance to affected people	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	500,000,000	P3
Improve mitigation and rehabilitation of areas affected by disaster	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	40,000,000	P3
SUB THEME 2 TOTAL	335,012,000	325,012,000	132,030,000	132,030,000	132,030,000	1,056,114,000	
THEME 2 GRAND TOTAL	7,059,599,197	6,962,769,897	6,771,610,967	6,683,636,570	6,727,518,330	34,205,134,960	
THEME 3 SOCIAL DEVELOPMENT							

SUB THEME 1 Health							
Increase student intake into medical/health training institutions	1,196,000,000	1,196,000,000	1,196,000,000	1,196,000,000	1,196,000,000	5,980,000,000	P1F
Provide ARVs to HIV and AIDS infected health workers	81,900,000	171,600,000	302,250,000	468,000,000	668,850,000	1,692,600,000	P1F
Provide incentives to health workers at the local level (proper working hours, etc.)	3,861,000,000	3,861,000,000	3,861,000,000	3,861,000,000	3,861,000,000	19,305,000,000	P2F
Develop strategy to sustainably maintain qualified health workers for the front line	11,908,000	9,776,000	9,776,000	9,776,000	0	41,236,000	P2F
Improve pharmaceutical and medical supplies and distribution for timely procurement to reach health facilities	2,581,800,000	2,891,200,000	3,239,600,000	3,627,000,000	4,062,500,000	16,402,100,000	P1F
Undertake close monitoring of drug management and utilization	8,775,000	8,775,000	8,775,000	8,775,000	8,775,000	43,875,000	P3F
Provide vaccines at clinics/communities	904,234,370	904,234,370	904,234,370	904,234,370	904,234,370	4,521,171,850	P1F
Provide bed nets at clinics/communities	78,000,000	78,000,000	78,000,000	78,000,000	78,000,000	390,000,000	P1F
Strengthen training capacity in college of medicine for pharm qualifications	171,600,000	171,600,000	171,600,000	171,600,000	171,600,000	858,000,000	P3F
Rehabilitate, construct and maintain health structures: buildings, medical equipment, telecommunication, electricity and water through the facilities development program	1,173,900,000	1,300,000,000	1,361,100,000	1,436,500,000	1,436,500,000	6,708,000,000	P1F
Improve planning and budgeting at all levels through systems development at the central and district level	260,000	260,000	260,000	260,000	260,000	1,300,000	P1F
Undertake close monitoring of financial flows and usage	0	3,887,000	0	3,887,000	0	7,774,000	P1F
Modernize the operations of the health delivery system	21,000,000	20,909,091	19,834,711	24,000,000	24,000,000	109,743,802	P2
Introduce VIP latrines and other appropriate rural water sanitation technologies	0	0	0	0	0	0	
SUB THEME 1 TOTAL	10,090,377,370	10,617,241,461	11,152,430,081	11,789,032,370	12,411,719,370	56,060,800,652	

SUB THEME 2 Education							
Primary							
Expand and improve existing infrastructure and maximize its use	845,000,000	845,000,000	845,000,000	845,000,000	845,000,000	4,225,000,000	P2
Reduce primary school cycle to 7 years from 8 years	117,000,000	117,000,000	117,000,000	117,000,000	117,000,000	585,000,000	P1
Undertake social awareness campaigns and whole school development	24,375,000	24,375,000	24,375,000	24,375,000	24,375,000	121,875,000	P3
Train new and current teachers, provide attractive terms / conditions, especially to go to rural area, & professional development	357,825,000	328,110,714	627,110,714	692,110,714	714,396,429	2,719,553,571	P1
Provide adequate supply of teacher learning materials and a child friendly environment	436,888,179	233,423,113	238,091,575	242,853,407	247,710,475	1,398,966,748	P2
Improve overall management and monitoring of inspection, supervision and advisory	15,759,366	15,759,366	15,759,366	15,759,366	15,759,366	78,796,830	P1
Mobilize community participation in primary school management	33,533,500	16,766,750	16,766,750	16,766,750	16,766,750	100,600,500	P3
Review policies related to girls	1,392,857	1,392,857	1,392,857	1,392,857	1,392,857	6,964,286	P2
Provide block grants to schools to address equity issues	73,567,000	85,174,143	73,567,000	73,567,000	73,567,000	379,442,143	P2
Review policies related to SN Education	1,392,857	1,392,857	1,392,857	1,392,857	1,392,857	6,964,286	P2
Establish a college for special needs teacher education	975,000,000	0	0	0	0	975,000,000	P1
Provide direct assistance to schools to address equity issues (relevant textbooks, brail, etc.)	14,760,000	14,760,000	14,760,000	14,760,000	14,760,000	73,800,000	P2
Design and standardized sign language for the deaf and dumb	6,500,000	0	0	0	0	6,500,000	P3
Continually revise and improve the relevance of the curriculum to include academic and non academic needs of pupils and the effective orientation of teachers – introduce PCAR curriculum	35,687,282	36,164,465	36,894,371	37,632,765	38,379,817	184,758,700	P1

Provide in service training and incentives to school managers, inspectors and senior teachers	3,182,400	3,182,400	3,182,400	3,182,400	3,182,400	15,912,000	P1
Equip school planners with appropriate knowledge and skills in micro-planning, monitoring and data management	10,011,105	10,011,105	10,011,105	2,956,005	2,956,005	35,945,325	P3
Secondary							
Identify and rehabilitate all existing dilapidated school facilities, construct new schools	306,881,250	306,881,250	306,881,250	306,881,250	306,881,250	1,534,406,250	P1
Introduce double shift in urban school	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	32,500,000	P3
Increase access to secondary distance education	32,500,000	32,500,000	32,500,000	32,500,000	32,500,000	162,500,000	P3
Train and supply adequate number of qualified teachers and improve terms and conditions	622,050,000	635,050,000	645,450,000	660,400,000	678,600,000	3,241,550,000	P1
Up-grade under qualified teachers through in service education	58,500,000	58,500,000	58,500,000	58,500,000	58,500,000	292,500,000	P1
Provide girl-friendly environment, in particular accommodation in 90 secondary schools	557,142,857	557,142,857	557,142,857	557,142,857	557,142,857	2,785,714,286	P1F
Increase bursaries for the needy secondary students	88,400,000	93,600,000	97,500,000	101,400,000	105,300,000	486,200,000	P1F
Provide female secondary school teachers as models - recruitment, deployment and training	289,286	300,000	310,714	321,429	332,143	1,553,571	P2
Improve and increase special needs education facilities in existing colleges	32,500,000	32,500,000	32,500,000	32,500,000	32,500,000	162,500,000	P2
Review policies related to orphans, other vulnerable children and SN education	1,392,857	1,392,857	1,392,857	1,392,857	1,392,857	6,964,286	P1
Provide block grants to schools relevant to special needs	27,300,000	27,300,000	27,300,000	27,300,000	27,300,000	136,500,000	P3
Introduce and implement curriculum responsive to needs of individuals and the nation by including academic and non-academic subjects	6,500,000	6,500,000	6,500,000	71,500,000	46,428,571	137,428,571	P1
Provide trained guidance counsellors to all secondary schools	19,071,000	19,071,000	19,071,000	19,071,000	19,071,000	95,355,000	P3
Train school managers in planning, monitoring and supervision	8,125,000	8,125,000	8,125,000	8,125,000	8,125,000	40,625,000	P3

Increase the procurement and distribution of teaching and learning materials	150,000,000	19,937,161	20,075,904	20,217,422	20,361,770	230,592,257	P2
Improve District Educational Management Information System (DEMIS)	12,714,000	12,714,000	12,714,000	12,714,000	12,714,000	63,570,000	P1
Improve education planning and equip planners with knowledge and skills in planning, monitoring and data management, including monitoring the delivery of supplies in the schools	127,140,000	0	0	0	0	127,140,000	P2
Improve flow of funds and train managers in financial management in public schools	0	0	0	0	0	0	P1
Train school managers in financial management	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	6,500,000	P1
Tertiary							
Recruit and train more academic staff (50% at current levels, 70% at Master's level, 30% at PhD level)	68,410,000	73,570,000	78,730,000	83,630,000	89,050,000	393,390,000	P2
Rehabilitate and expand physical infrastructure	45,230,000	214,000,000				259,230,000	P1
Develop new, parallel programmes, distance/virtual learning, and short courses	100,000,000	39,200,000	39,200,000	39,200,000	39,200,000	256,800,000	P3
Develop a student financing policy including a student loan scheme	6,678,000	8,468,000	140,000	140,000	140,000	15,566,000	P1
Promote local production of teaching and learning materials	48,812,000	22,204,000	36,190,000	7,700,000	7,700,000	122,606,000	P2
Expand provision of internet services, broad band internet access established campus wide	590,940	4,768,400	6,378,400	3,806,400	6,518,400	22,062,540	P2
Expand teacher training education programs for primary and secondary education	369,920	4,862,180	6,420,620	8,503,300	11,303,500	31,459,520	P2
Create an enabling environment to accommodate female students and people with disabilities	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	500,000,000	P2
Develop comprehensive policies on research and development	25,000,000	25,000,000				50,000,000	P1
Provide adequate teaching and learning materials	9,385,800	13,836,400	12,756,300	13,076,200	13,370,800	62,425,500	P1
Provide relevant skills to academic staff through regular training		10,303,000	6,243,000	3,380,000	1,400,000	21,326,000	P3

Conduct regular curriculum reviews to match national needs and modularise courses	0	7,000,000	3,703,000	8,230,000	2,010,000	20,943,000	P3
Provide labs with adequate modern equipment	0	0	0	0	0	0	
Decentralize decision making processes	812,000	672,000	588,000	420,000	420,000	2,912,000	P2
Improve procurement and distribution system and monitor delivery of supplies	1,120,000	2,100,000	1,260,000	1,120,000	1,190,000	6,790,000	P1
Establish planning units and equip planners with appropriate knowledge and skills in planning, monitoring and data management	70,000	3,640,000				3,710,000	P2
Strengthen financial management	300,000,000					300,000,000	P1
SUB THEME 2 TOTAL	5,716,659,456	4,081,450,876	4,150,676,898	4,275,720,836	4,303,891,104	22,528,399,170	
SUB THEME 3 Gender							
Strengthen institutional capacity for effective co-ordination of gender policy implementation	64,220,000	64,220,000	64,220,000	64,220,000	64,220,000	321,100,000	P1
Undertake affirmative action to increase women decision makers in high levels of the public and private sectors	16,250,000	7,800,000	8,450,000	10,400,000	13,000,000	55,900,000	P2
Include gender equality provisions in the Laws of Malawi	11,700,000	11,700,000				23,400,000	P2
Break the cultural/traditional factors that create and perpetuate gender inequalities	28,600,000	28,925,000	30,875,000	33,475,000	35,100,000	156,975,000	P1
SUB THEME 3 TOTAL	120,770,000	112,645,000	103,545,000	108,095,000	112,320,000	557,375,000	
SUB THEME 4 HIV/AIDS							
Prevention and Behaviour change							
Expand and scale up the scope and depth of HIV and AIDS communication at local level	3,275,609,350	3,950,670,750	2,353,423,150	1,189,598,150	1,189,598,150	11,958,899,550	P1
Promote and support HIV protective interventions especially designed for young people	165,945,000	147,745,000	147,745,000	148,232,500	148,232,500	757,900,000	P1
Reduce the vulnerability of Malawians to HIV infection, especially girls and women	282,029,735	119,042,235	282,029,735	119,042,235	119,042,235	921,186,175	P1

Strengthen socio-cultural values and practices that prevent the spread of HIV	6,630,000	14,430,000	10,725,000	14,917,500	14,917,500	61,620,000	P1
Promote safer sex practices among the high-risk groups and in high-risk settings	264,030,000	253,539,000	318,916,000	357,266,000	357,266,000	1,551,017,000	P1
Increase district and community level outreach for changing practices	256,061,000	330,161,000	263,373,500	232,661,000	232,661,000	1,314,917,500	P1
Increase access to quality STI syndromic management, counselling and information	410,579,000	383,037,200	387,353,200	379,462,200	379,358,200	1,939,789,800	P1
Expand the scope, coverage and equal access by all Malawians to HIV testing and counselling services especially in rural areas	990,748,200	1,193,203,700	1,338,498,200	1,512,178,200	1,512,178,200	6,546,806,500	P1
Expand the scope, quality and coverage of PMTCT services throughout the country	316,782,050	242,093,800	238,583,800	139,965,800	139,965,800	1,077,391,250	P1
Increase access to safe blood, blood products and tissue services throughout the country including availability of adequate infection prevention materials and procedures	168,018,500	169,318,500	132,106,000	51,018,500	51,018,500	571,480,000	P1
Equitable treatment for PLHA and mitigate the health impacts of HIV/AIDS							
Increase equitable access to ARVs and OI drugs	2,786,875,000	3,656,250,000	4,525,625,000	5,395,000,000	5,395,000,000	21,758,750,000	P1
Strengthen an integrated ART infrastructure and logistic systems and a national quality assurance program for ART	95,048,200	119,384,200	29,918,200	25,888,200	25,888,200	296,127,000	P2
Expand provision and access to high quality and integrated community home-based care (CHBC) services	193,505,000	708,500,000	129,376,000	94,276,000	94,276,000	1,219,933,000	P2
Establish mechanisms and Expand delivery of nutritional support/ therapy to PLHA	949,053,300	1,467,772,800	1,468,097,800	1,457,372,800	1,457,372,800	6,799,669,500	P2
Mitigation of socio-economic and psychosocial impacts of HIV/AIDS							
Promote sustainable income generation and advocacy for micro-finance programs for the infected and affected	377,858,000	454,675,000	253,500,000	245,180,000	245,180,000	1,576,393,000	P2

Promote and protect the rights of those infected and affected	85,930,000	91,780,000	66,430,000	52,780,000	52,780,000	349,700,000	P2
Strengthen capacities of communities, districts, PLHA Associations and FBOs to provide psychosocial support and counselling	406,608,800	342,076,800	332,846,800	224,965,000	224,965,000	1,531,462,400	P2
Improve OVC access to essential social and community based services	1,914,218,800	1,821,138,800	1,843,628,800	1,704,788,800	1,704,788,800	8,988,564,000	P1
Promote food security and nutrition among HIV affected households	8,242,000	8,242,000	6,292,000	6,292,000	6,292,000	35,360,000	P2
Effective and efficient implementation of HIV/AIDS response across the public and private sectors							
Develop capacity and partnerships for a shared and common understanding of mainstreaming in both public and private sectors including civil society, NGOs, CBOs and FBOs	927,392,700	145,293,200	89,048,700	80,650,700	80,650,700	1,323,036,000	P2
Increase the capacity of District Assemblies to oversee HIV/AIDS activities in their districts	93,394,600	62,324,600	64,326,600	15,849,600	15,849,600	251,745,000	P2
Improve HIV/AIDS data collection, dissemination and utilization at both national and district levels	288,611,700	705,424,200	396,492,200	137,532,200	137,532,200	1,665,592,500	P2
Improve planning, coordination and resource mobilisation in the spirit of the three ones	541,937,500	433,420,000	340,080,000	333,190,000	333,190,000	1,981,817,500	P2
Implement strategic approach to research and development	534,472,900	566,668,700	585,707,200	613,072,200	613,072,200	2,912,993,200	P2
SUB THEME 4 TOTAL	15,339,581,335	17,386,191,485	15,604,122,885	14,531,179,585	14,531,075,585	77,392,150,875	
SUB THEME 5 Nutrition							
Promotion of adoption of appropriate diet and healthy lifestyles through education and counselling	47,790,210	47,790,210	47,790,210	47,790,210	47,790,210	238,951,050	P1

Promotion of control, prevention and treatment of micronutrient deficiency disorders particularly those caused by Vitamin A, Iodine and iron deficiencies	27,690,000	27,690,000	14,690,000	14,690,000	13,000,000	97,760,000	P1
Promotion of control, prevention and treatment of diseases that have direct impact on nutrition and health status	44,980,000	44,980,000	35,984,000	28,787,200	23,029,760	177,760,960	P1
Policy coordination, implementation and monitoring of nutrition programmes	39,000,000	39,000,000	39,000,000	39,000,000	39,000,000	195,000,000	P1
Build capacity of nutritionists, dieticians and community nutrition workers	19,500,000	13,000,000	13,000,000	100,000,130	13,000,000	158,500,130	P1
Nutrition surveillance	5,850,000	6,500,000	6,500,000	6,500,000	6,500,000	31,850,000	P1
Establishment of nutrition resource centres at all levels (i.e. central, districts and community levels)	45,500,000	39,000,000	39,000,000	39,000,000	39,000,000	201,500,000	P1
Enhance data collection, analysis and dissemination on nutrition	7,800,000	7,800,000	7,800,000	7,800,000	7,800,000	39,000,000	P1
Increase access and availability of services and information to prevent consumers from health hazards	18,200,000	18,200,000	18,200,000	18,200,000	18,200,000	91,000,000	P2
Review and include nutrition in the curricula of all learning and training institutions	78,000,000	6,500,000	5,200,000	3,900,000	13,000,000	106,600,000	P2
Policy design, dissemination, legislation and enforcement	45,500,000	2,600,000	2,600,000	3,250,000	13,000,000	66,950,000	P2
Advocacy and lobbying	32,500,000	15,600,000	15,600,000	15,600,000	15,600,000	94,900,000	P2
Initiate research on socio-economic impact of Nutrition	11,700,000	11,700,000	11,700,000	11,700,000	11,700,000	58,500,000	P2
Harmonize and improve and nutrition security information system for evidence based intervention	16,250,000	2,600,000	2,600,000	2,600,000	2,600,000	26,650,000	P3
Conduct Nutrition fairs at all levels	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	32,500,000	P3
Observe international Nutrition days	3,900,000	3,900,000	3,900,000	3,900,000	3,900,000	19,500,000	P3
SUB THEME 1 TOTAL	450,660,210	293,360,210	270,064,210	349,217,540	273,619,970	1,636,922,140	

SUB THEME 3 Interaction of Nutrition, HIV and AIDS	2006/07	2007/08	2008/09	2009/10	2010/11	TOTAL	Priority
Nutrition for positive living	4,050,000	4,050,000	4,050,000	4,050,000	4,050,000	20,250,000	P1
Nutrition management of HIV-related illnesses	6,500,000	7,800,000	9,360,000	11,232,000	13,478,400	48,370,400	P1
Management of ARV interactions with food and nutrition	10,700,000	10,700,000	10,700,000	10,700,000	10,700,000	53,500,000	P2
Therapeutic feeding for moderately and severely malnourished HIV-positive children and adults	17,200,000	20,640,000	24,768,000	29,721,600	35,665,920	127,995,520	P1
Infant and young child nutrition for HIV exposed children	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	25,000,000	P1
Palliative care and community coping mechanisms	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	175,000,000	P2
Nutrition Education for the infected and affected households	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	500,000,000	P1
Nutrition Demonstration	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	50,000,000	P2
Nutrition Assessment Equipment for HIV & AIDS patients	10,192,000	10,192,000	10,192,000	10,192,000	10,192,000	50,960,000	P2
Production of Nutrition, HIV and AIDS training materials and eating guidelines for PLWHAs	20,000,000	10,000,000	5,000,000	5,000,000	5,000,000	45,000,000	P3
Development of monitoring and evaluation tools	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	25,000,000	P3
SUB THEME 3 TOTAL	223,642,000	218,382,000	219,070,000	225,895,600	234,086,320	1,121,075,920	
THEME 3 GRAND TOTAL	31,941,690,371	32,709,271,032	31,499,909,074	31,279,140,931	31,866,712,349	159,296,723,757	
THEME 4 INFRASTRUCTURE							
SUB THEME 1 Transport							
Roads							
Routine maintenance, periodic maintenance, rehabilitation and upgrading of the road network, replacement of timber decked bridges	1,387,880,000	1,489,020,000	1,523,730,000	1,587,170,000	1,625,910,000	7,613,710,000	P1
Develop an integrated approach to road safety	6,500,000	4,000,000	4,200,000	5,800,000	5,900,000	26,400,000	P1

Modernisation and maintenance of Malawi Traffic Information System (MALTIS)	50,000,000	30,000,000	20,000,000	30,000,000	30,000,000	160,000,000	P2
Infrastructure development	20,000,000	20,000,000	2,000,000	2,000,000	2,000,000	46,000,000	P1
Harmonize country's highway code, road signs, signals and axle-load regulations within the region	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000	P2
Involve private sector in the monitoring and operations of road transport services	3,200,000	3,800,000	3,200,000	3,800,000	4,000,000	18,000,000	P2
Improved mobility and accessibility of rural communities to goods and services in the rural areas	540,000,000	594,060,000	653,466,000	718,812,600	790,694,260	3,297,032,860	P1
Shipping							
Provide navigations and hydrographic charts	195,000,000	65,000,000	0	0	0	260,000,000	P1
Review concession agreements for inland shipping	0	5,200,000	0	0	0	5,200,000	P2
Develop, rehabilitate and maintenance of port facilities	195,000,000	390,000,000	455,000,000	390,000,000	227,500,000	1,657,500,000	P2
Strengthen the marine search and rescue	0	26,000,000	26,000,000	13,000,000	0	65,000,000	P2
Establish international shipping line and negotiate with Mozambique on ports	0	0	0	0	0	0	P3
Strengthen the national maritime administration		6,500,000	6,500,000	0	0	13,000,000	P1
Resuscitate the National Shippers Council and maintain selective membership in international organisations		0	130,000,000	65,000,000	0	195,000,000	P2
Shire Zambezi waterway	65,000,000,000	65,000,000,000	65,000,000,000	65,000,000,000	65,000,000,000	325,000,000,000	P1
Civil Aviation							
Implement conventions to benefit Malawi and to fulfil obligations to international organisations	32,500,000	500,000	500,000	500,000	500,000	34,500,000	P1
Establish where feasible autonomous airport or Civil Aviation authorities	260,000,000	130,000,000	130,000,000	0	0	520,000,000	P2
Construct targeted landing strips for tourism related areas	10,000,000	10,000,000	10,000,000	5,000,000	5,000,000	40,000,000	P1

Institute and monitor maintenance programmes for both aerodromes and aviation equipment	1,000,000,000	500,000,000	500,000,000	500,000,000	500,000,000	3,000,000,000	P1
Strengthen safety and security measures at all airports	50,000,000	10,000,000	10,000,000	10,000,000	10,000,000	90,000,000	P2
Strengthen safety oversight provision in the aviation sector	3,000,000	2,000,000	1,000,000	500,000	500,000	7,000,000	P2
Railways							
Review the railways act	0	1,000,000	1,000,000	0	0	2,000,000	P2
SUB THEME 1 TOTAL	68,755,080,000	68,289,080,000	68,478,596,000	68,333,582,600	68,204,004,260	342,060,342,860	
SUB THEME 2 Energy							
Rehabilitate two more stations for power distribution and complete the ones under construction (e.g. Kapichira power station) and upgrade existing ones (Nkula A and B)	431,300,000	431,300,000	0	0	0	862,600,000	P1F
Engage in interconnection with Mozambique and rehabilitation of existing power generation (2007)	210,000,000	210,000,000	210,000,000	210,000,000	210,000,000	1,050,000,000	P2F
Rehabilitate and expand the transmission and distribution	30,000,000	30,000,000	30,000,000	0	0	90,000,000	P2
Protect the catchment area along the lake and Shire river	50,000,000	30,000,000	30,000,000	20,000,000	20,000,000	150,000,000	P3
Reduce the cost of connection by using affordable connection and metering methods (e.g. use of pre-wired boards and pre-paid meters)	100,000,000	68,750,000	68,750,000	68,750,000	68,750,000	375,000,000	P3
Prepare a plan and delineate implementation responsibilities for the reduction of siltation in reservoirs and protect catchment area to lake Shire	20,000,000	20,000,000				40,000,000	P2
Explore alternative energy sources (gas, coal, solar, etc.)	70,000,000	29,375,000	29,375,000	29,375,000	29,375,000	187,500,000	P2
Implement pumped storage power plant at Livingstonia	0	0	0	0	120,000,000	120,000,000	P3

Integrate planning of electrification, investment and transport, water and ITC	6,300,000	6,300,000	6,300,000	6,300,000	6,300,000	31,500,000	P3F
Accelerate the establishment of the Malawi Energy Regulatory Authority	25,000,000	0	0	0	0	25,000,000	P1
Improved management of ESCOM (including reform electricity tariff structure) and improve the financial and operational performance of ESCOM	36,300,000	36,300,000	0	0	0	72,600,000	P3
Implement framework for private sector to operate with the Government (PPP) to participate in the electricity sector (institutional framework, etc.)	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	37,500,000	P1
Rural communities use alternative energy supplies for power in under served areas	0	0	0	0	0	0	
Accelerate the rural electrification programme (promote grid and off-grid rural electrification by public and private providers)	125,000,000	125,000,000	125,000,000	125,000,000	125,000,000	625,000,000	P2
Expand network to rural growth centres	70,000,000	70,000,000	70,000,000	70,000,000	70,000,000	350,000,000	P1
Create awareness of the use of renewable energy (solar, wind, biomass, and micro hydro)	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	20,000,000	P2F
SUB THEME 2 TOTAL	1,185,400,000	1,068,525,000	580,925,000	540,925,000	660,925,000	4,036,700,000	
SUB THEME 3 Water Supply and Sanitation							
Empower national authority to manage water resources using IWRM approach and establish monitoring systems including the establishment and maintenance of a register of all actors in water and sanitation, conduct research to establish resource potential and guides	3,250,000	16,250,000	21,666,667	16,250,000	7,583,333	65,000,000	P1
Promote water resource conservation, harvesting and protection in an integrated manner including development of small community and large dams (conservation areas defined), and the development of lake-level regulatory structures at Liwonde and Mangochi	4,333,333	9,316,667	17,604,167	38,404,167	32,175,000	101,833,333	P1

Proactively implement management of water resources and incorporate local governments and communities in planning and management of water and sanitation including catchment protection and rehabilitation	2,166,667	16,250,000	9,100,000	9,100,000	9,100,000	45,716,667	P1
Develop Management Information System (MIS) for the water and sanitation	43,333,333	65,000,000	45,500,000	10,833,333	10,833,333	175,500,000	P2
Recognize and implement obligations to international agreements	2,166,667	3,250,000	4,333,333	4,333,333	4,333,333	18,416,667	P3
Revise Water Resources Act of 1969 and Water Works Act	21,666,667	13,000,000				34,666,667	P1
Provide incentives for LA to promote community water-shed rehabilitation programs	10,833,333	16,250,000	21,666,667	21,666,667	21,666,667	92,083,333	P1
Build capacity in IWRM	10,833,333	10,833,333	10,833,333	10,833,333	10,833,333	54,166,667	P1
Develop integrated water resources management master plans and investment strategies	21,666,667	13,000,000				34,666,667	P1
Water quality and pollution control	0	0	0	0	0	0	
Rehabilitate, construct and equip water laboratories	54,166,667	54,166,667				108,333,333	P1
Establish database on water quality	3,250,000	5,416,667	5,416,667	2,166,667	2,166,667	18,416,667	P2
Improve skills, technologies, techniques in water quality monitoring and pollution control (catchment rehabilitation, determining water quality)	2,166,667	2,166,667	3,250,000	3,250,000	2,166,667	13,000,000	P2
Strengthen institutional arrangements for environmental management	3,250,000	2,166,667	2,166,667	2,166,667	2,166,667	11,916,667	P3
Develop and disseminate guidelines and standards on water quality and pollution control	10,833,333	10,833,333	10,833,333	10,833,333	10,833,333	54,166,667	P2
Provide TA to local government and stakeholders on water quality and pollution control	2,708,333	3,250,000	3,250,000	2,708,333	2,166,667	14,083,333	P3
Urban, Peri-Urban and Market Centres	0	0	0	0	0	0	
Develop national water and sanitation services regulatory framework	10,833,333	21,666,667				32,500,000	P1
Rehabilitate existing water supply systems	66,516,667	399,750,000	399,750,000	333,233,333	66,516,667	1,265,766,667	P1

Extend existing urban water supply systems	13,000,000	270,833,333	1,083,333,333	813,583,333	270,833,333	2,451,583,333	P1
Construct new water supply systems	3,250,000	189,583,333	812,500,000	1,354,166,667	352,083,333	2,711,583,333	P1
Establish contingency water supply reserves and sanitation backup	16,250,000	21,666,667	27,083,333	32,500,000	32,500,000	130,000,000	P3
Promote management arrangements in urban areas – provide incentives for small scale providers	2,708,333	3,250,000	4,333,333	3,250,000	2,708,333	16,250,000	P2
Rural Water Services							
Ensure smooth transfer of devolved functions of rural water supply and sanitation services	1,083,333	2,166,667	3,791,667	5,416,667	1,083,333	13,541,667	P3
Construct and rehabilitate and extend rural piped water systems	130,000,000	270,833,333	452,833,333	396,500,000	227,500,000	1,477,666,667	P1
Construct and rehabilitate boreholes and shallow wells	86,666,667	162,500,000	390,000,000	390,000,000	97,500,000	1,126,666,667	P1
SUB THEME 3 TOTAL	526,933,333	1,583,400,000	3,329,245,833	3,461,195,833	1,166,750,000	10,067,525,000	
SUB THEME 4 Information, Communication and Technology							
Equip the Department of Meteorological Services with modern weather monitoring and forecasting equipment	13,000,000	1,181,818	1,181,818	1,181,818	1,181,818	17,727,273	P2
Equip DAs with ICT services for collection and dissemination of environmental, disaster warning info	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000	65,000,000	P2
Establish a wide area network for all organizations involved in disaster management	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	25,000,000	P3
Provide radios to communities to be used for transmitting early warning messages	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000	P3
Establish communication link between DA and the Department of Poverty and Disaster Management	196,560,000	79,418,182	72,198,347	65,634,861	59,668,055	473,479,445	P2

Enact appropriate legislation that promotes and participation in the information age and economy	26,000,000	0	0	0	0	26,000,000	P1
Create a working and efficient government wide area network (GWAN)	208,000,000	208,000,000	208,000,000	208,000,000	208,000,000	1,040,000,000	P1
Encourage collaboration between local and international educational institutions to facilitate educational exchange and the promotion of ICT education and training	26,000,000	26,000,000	26,000,000	26,000,000	26,000,000	130,000,000	P3
Promote local and foreign investment, innovative production, R&D and diffusion of ICTs – private sector	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000	65,000,000	P1
Promote development of a competitive value-added services sector through ICT	7,800,000	7,800,000	7,800,000	7,800,000	7,800,000	39,000,000	P2
Support the development of an innovative local industry for the manufacture, assembling, repair and maintenance of ICT products for domestic and export markets	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000	13,000,000	P2
Achieve universal basic ICT literacy and improve the level of ICT literacy in the country	39,000,000	39,000,000	39,000,000	39,000,000	39,000,000	195,000,000	P2
Improve public access to information and services to facilitate business and administrative processes to increase productivity and economic growth	65,000,000	65,000,000	65,000,000	65,000,000	65,000,000	325,000,000	P1
Promote active participation of all Malawians including women, youth and persons with disabilities in developing the information society	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000	65,000,000	P2
Promote the deployment and exploitation of ICTs in the public and private sector (improve E-governance)	9,650,000	9,650,000	9,650,000	9,650,000	9,650,000	48,250,000	P1
Telecommunications							
Continue liberalization of telecommunications sector	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	32,500,000	P2
Telecommunications fund provided for rural telecommunications	330,000	330,000	330,000	330,000	330,000	1,650,000	P1

Provision of model telecentres	26,000,000	26,000,000	26,000,000	26,000,000	26,000,000	130,000,000	P2
Procurement and installation of modern telecommunications equipment	330,000	330,000	330,000	330,000	330,000	1,650,000	P1
Strengthen the regulatory body (MACRA)	1,846,000	1,846,000	1,846,000	1,846,000	1,846,000	9,230,000	P2F
Facilitate research on issues of self regulation	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	6,000,000	P2
Broadcasting							
Acquisition of broadcasting equipment	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000	65,000,000	P1
Building of purpose built stations	26,000,000	26,000,000	26,000,000	26,000,000	26,000,000	130,000,000	P1
Human capacity building through training	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	50,000,000	P2
Promotion of private sector participation in broadcasting	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	6,500,000	P3
Rehabilitate and computerise the existing TV and radio stations	26,000,000	26,000,000	26,000,000	26,000,000	26,000,000	130,000,000	P3
SUB THEME 4 TOTAL	752,116,000	597,156,000	589,936,165	583,372,679	577,405,873	3,099,986,718	
SUB THEME 5 Science, Technology, Research and Development							
Establish the Lilongwe University of Science and Technology	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000	5,000,000,000	P1
Establish the National Science and Technology Commission to coordinate technology research, development, dissemination, evaluation and utilization	0	10,000,000	0	0	0	10,000,000	P3
Train staff in specialized science and technology fields	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	125,000,000	P1
Establishment of a technology park and incubation centre	8,000,000	6,000,000	200,000	200,000	200,000	14,600,000	P1
Support STI programs in the local communities	15,000,000	15,000,000	15,000,000	15,000,000	10,000,000	70,000,000	P1
Design and implement STI capacity building programs to produce S&T expertise	15,000,000	15,000,000	15,000,000	2,000,000	2,000,000	49,000,000	P2
Promote recruitment and retention of qualified S&T experts	15,000,000	10,000,000	5,000,000	0	0	30,000,000	P2

Review policy and regulatory framework science and technology	0	3,000,000	0	0	0	3,000,000	P1
Review S&T Act	0	2,000,000	0	0	0	2,000,000	P1
Promote innovative schemes and culture	5,000,000	5,000,000	5,000,000	5,000,000	0	20,000,000	P2
Identify and transfer competitive technologies	10,000,000	10,000,000	10,000,000	0	0	30,000,000	P2
Establish financing mechanism that supports commercialisation of technologies	1,000,000	0	0	0	0	1,000,000	P2
Strengthen public/private partnership in usage of science, technology and innovation	5,000,000	0	0	0	0	5,000,000	P1
Promote utilization and development of beneficial indigenous technology	5,000,000	10,000,000	10,000,000	5,000,000	5,000,000	35,000,000	P2
Development of an intellectual property policy	5,000,000	0	0	0	0	5,000,000	P1
Mainstreaming of S&T in Government and private sector operations	3,000,000	2,500,000	2,500,000	2,000,000	0	10,000,000	P2
Establish and update a data bank on STI	5,000,000	0	0	0	0	5,000,000	P3
Support multidisciplinary research and development	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	25,000,000	P1
Promote gender equity in STI activities	5,000,000	0	0	0	0	5,000,000	P2
Strengthen technology information services	35,000,000	35,000,000	0	0	0	70,000,000	P2
Strengthening of Malawi industrial research and technology development centre	20,000,000	20,000,000				40,000,000	P1
SUB THEME 5 TOTAL	1,182,000,000	1,173,500,000	1,092,700,000	1,059,200,000	1,047,200,000	5,554,600,000	
THEME 4 GRAND TOTAL	72,325,229,333	72,635,361,000	73,995,102,999	73,901,976,113	71,579,985,134	364,437,654,578	
THEME 5 IMPROVED GOVERNANCE							
SUB THEME 1 Macroeconomic Stability							
Improve financial management systems and skills to operate them, MoF and AGD	130,000,000	195,000,000	130,000,000	65,000,000	97,500,000	617,500,000	P1F
Enforce adherence of line ministries and parastatals to Public and Finance Management Act	650,000	650,000	650,000	650,000	650,000	3,250,000	P1F
Negotiate multilateral debt write-downs	650,000	650,000	650,000			1,950,000	P2F

Strengthen the capacity of Treasury's Public Expenditure Monitoring Unit	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	6,500,000	P1
Receive better donor aid assistance projections and improve funding flows	6,500,000	6,500,000	3,250,000	1,625,000	1,625,000	19,500,000	P2F
Strengthen the capacity of Debt and Aid Management Division to better co-ordinate donors and manage aid inflows	13,000,000	13,000,000	13,000,000	6,500,000	6,500,000	52,000,000	P3F
Negotiate with donors an action plan for harmonization, alignment and better aid coordination	3,250,000	65,000,000	48,750,000	36,562,500	27,421,875	180,984,375	P3F
Undertake tax reforms to improve the incentives for household saving and investment and the equity of tax administration	9,750,000	9,750,000	9,750,000	9,750,000	9,750,000	48,750,000	P1
SUB THEME 1 TOTAL	165,100,000	291,850,000	207,350,000	121,387,500	144,746,875	930,434,375	
SUB THEME 2 Public Sector Management							
-- Implementing performance management systems, and transparent appointment and promotion of personnel based on merit and performance.	632,043,696	632,043,696	568,839,326	511,955,393	460,759,854	2,805,641,965	P1
-- Articulates vision of its priorities for the public sector, including relationship with decentralisation, and implements them through annual budget.	6,281,625	6,281,625	6,909,788	7,600,767	8,360,844	35,434,649	P1
-- Enforcing greater clarity on separation of roles between Ministers and PSs.	15,000,000	13,750,000	3,750,000	3,750,000	3,750,000	40,000,000	P1
Building capacity of OPC for management and coordination of public sector reforms	18,750,000	121,875,000	62,500,000	43,750,000	18,750,000	265,625,000	P1
Develop institutional capacity for oversight and review of performance of the public service	46,250,000	6,250,000	30,000,000	31,250,000	17,500,000	131,250,000	P1
Develop and implement institutional capacity at sectoral level to improve delivery of services	10,937,500	37,500,000	37,500,000	37,500,000	37,500,000	160,937,500	P1

Provide national registration and identification to voting age persons	2,000,000,000	1,000,000,000	1,000,000,000	500,000,000	500,000,000	5,000,000,000	P1
-- Implement pay reforms, address recruitment and retention problems, non-salary incentives.	16,133,358	16,133,358	14,520,022	13,068,020	11,761,218	71,615,976	P2
-- Control size and cost of public sector and focuses them on its priority areas, including donor funding for the public sector.	10,000,000	10,000,000	11,000,000	12,100,000	13,310,000	56,410,000	P2
Develop and implement communication strategy for advocacy and information sharing on public sector reforms	6,250,000	22,500,000	17,500,000	62,500,000	30,000,000	138,750,000	P2
Develop capacity for evidence based policy making and review	22,500,000	15,000,000	40,000,000	22,500,000	13,750,000	113,750,000	P2
Develop and implement leadership development program to bring about progressive and transformative leadership throughout public sector	7,500,000	6,250,000	6,250,000	5,000,000	5,000,000	30,000,000	P2
Develop and implement capacity for central coordination and management of the capacity development program in the public service	2,062,500	6,250,000	6,250,000	6,250,000	6,250,000	27,062,500	P2
Develop and implement a succession planning framework and guidelines to meet demands for skills in different sectors	1,375,000	5,000,000	2,500,000	2,500,000	2,500,000	13,875,000	P2
Develop and implement national anti-corruption strategy addressing root causes of corruption and involving public and private sectors	15,000,000	15,750,000	16,537,500	17,364,375	18,232,594	82,884,469	P2
-- Enforce human resource policies and systems.	650,000	650,000	650,000	650,000	650,000	3,250,000	P3
-- Implement the Monitoring and Evaluation Roadmap (includes coordination of donors, national statistical plan, etc.)	3,768,975	3,768,975	4,145,873	4,560,460	5,016,506	21,260,789	P3
-- Enforce human resource policies	650,000	650,000	650,000	650,000	650,000	3,250,000	P3
-- HIV/AIDS mainstreaming in the public service	252,000,000	252,000,000	226,800,000	204,120,000	183,768,000	1,118,688,000	P3
Provide training and development to sustain professional and technical capacity in the public sector to deliver services	6,250,000	6,562,500	6,250,000	6,250,000	6,250,000	31,562,500	P3

Enforce greater clarity on separation of roles between Ministers and PSs							
Strengthen the media capacity through training and access to and distribution of public inform	5,000,000	15,000,000	10,000,000	5,000,000	5,000,000	40,000,000	
Establish community information centres	21,000,000	21,000,000	21,000,000	21,000,000	21,000,000	61,620,000	
Promote professionalism of media that delivers politically impartial news coverage	5,000,000	5,000,000	5,000,000	5,000,000	4,000,000	1,551,017,000	
Enact access to information legislation to allow media access to public information	15,000,000	10,000,000	12,000,000	12,000,000	5,000,000	1,314,917,500	
Enact public service broadcast legislation	5,000,000	15,000,000	3,000,000			1,939,789,800	
Select legislators with relevant skills and knowledge into committees							
Provide adequate financial resources for functioning of the committees							
SUB THEME 2 TOTAL	3,124,402,654	2,244,215,154	2,113,552,509	1,536,319,015	1,378,759,016	15,058,592,648	
SUB THEME 3 Decentralisation							
Complete sector devolution to districts.	171,626,000	59,248,540	24,914,500	17,062,500	17,062,500	289,914,040	P1
Expand local revenue generating capacity	87,750,000	87,750,000	58,500,000	58,500,000	58,500,000	351,000,000	P1
Build institutional capacity at the districts.	32,760,000	143,039,000	23,400,000	31,200,000	31,200,000	261,599,000	P2
Strengthen operational links between decentralization policy and national policy frameworks and the role in policy making							
Train communities for active participation in development activities at the district. MOL							
Define clear roles of all groups of stakeholders at the district.							
SUB THEME 3 TOTAL	292,136,000	290,037,540	106,814,500	106,762,500	106,762,500	902,513,040	
SUB THEME 4 Justice, Security and Rule of Law							

-- Undertake periodic review and reform of laws and procedures in light of constitutional provisions and applicable international law;	13,906,000	10,300,000	9,700,000	3,000,000	4,000,000	40,906,000	P1
-- Strengthen and streamline the legislative drafting process.	5,700,000	5,000,000	5,500,000	5,500,000	5,500,000	27,200,000	P1
-- Enact and implement legislation to ensure duty bearers enforce their functions and powers professionally.	58,741,000	61,047,824	69,367,764	81,179,119	11,094,701	281,430,408	P1
-- Increase the intake and training for various legal professional groups including specialised field	302,576,790	246,264,600	258,684,600	284,924,600	306,289,601	1,398,740,191	P1
-- Facilitate the development of record-keeping systems	32,587,800	37,674,930	206,525,618	26,809,795	45,772,186	349,370,329	P1
-- Provide primary justice and dispute resolution training for traditional leaders	4,760,000	3,128,200	1,580,450	800,000	600,500	10,869,150	P1
-- Establish information linkages between the police, courts, prisons. (piloted at one point- penal reform was coordinating) to improve case flow	11,020,000	11,080,000	11,152,000	11,238,400	11,342,080	55,832,480	P1
-- Promote dialogue through court user committees	0	0	0	0	0	0	P1
-- Provide safe, secure and appropriately designed building stock.	318,800,000	359,000,000	412,000,000	286,000,000	566,212,000	1,942,012,000	P1
-- Rehabilitate sub-standard structures (including addressing utility provision) to an acceptable standard.	135,000,000	120,000,000	120,000,000	120,000,000	120,000,000	615,000,000	P1
-- Improve case management (legal)	23,300,000	21,240,000	22,358,000	22,165,600	21,098,724	110,162,324	P1
-- Create a fully functioning commercial division of the High Court.--	1,500,000,000	0	0	0	0	1,500,000,000	P1
-- Review rules of procedure as they apply to commercial cases and enhance the role of the Small Claims Courts.	4,374,000	4,424,000	4,534,000	4,574,000	4,874,000	22,780,000	P1
-- Design and implement a strategy to address the administration and distribution of deceased estates.	32,000,000	33,000,000	40,000,000	48,000,000	53,500,000	206,500,000	P1

Sensitisation of Ministers, controlling officers & Public Servants on The PFMA, PAA & PCA	4,000,000	0	5,000,000	0	6,000,000	15,000,000	P1
Sensitisation of urban and rural communities of the relevant criminal law prevalent in the areas	20,000,000	24,000,000	28,000,000	32,000,000	36,000,000	140,000,000	P1
To reduce the number of persons detained in prison awaiting trial	8,000,000	7,500,000	7,000,000	6,500,000	6,000,000	35,000,000	P1
To clear the Homicide Backlog cases	75,000,000	35,000,000	18,000,000	15,000,000	12,000,000	155,000,000	P1
To develop guidelines to match complexity of cases to qualification & experience of prosecutors	1,500,000	0	0	0	0	1,500,000	P1
To develop a witness protection programme & Victim support	6,000,000	7,200,000	8,640,000	10,368,000	12,441,600	44,649,600	P1
To develop internal training capacity by way of Continuous Legal Education	12,000,000	14,400,000	17,280,000	20,736,000	24,883,200	89,299,200	P1
Clearance of Homicide Backlog	75,000,000	35,000,000	18,000,000	15,000,000	12,000,000	155,000,000	P1
Formulate a comprehensive national Intellectual property policy and strategy	2,000,000	1,000,000	0	0	0	3,000,000	P1
Disseminate Information on Legal & Regulatory Framework for Business and commercial Activities	3,367,000	3,367,000	3,367,000	3,367,000	3,367,000	16,835,000	P1
Clearance of Dormant Deceased Estates	15,000,000	8,000,000	4,000,000	1,000,000	1,000,000	29,000,000	P1
-- Acknowledge customary laws and practices that are not in conflict with principles of human rights and the constitution;	11,274,000	8,674,000	8,074,000	7,470,113	6,473,200	41,965,313	P2
-- Review and simplify legal language to ensure a comprehensible justice system;	8,480,000	5,819,048	5,619,048	5,619,048	5,619,048	31,156,190	P2
-- Increase number of court centres close to police stations and main trading centres.	352,800,000	207,428,571	205,396,825	204,187,453	203,035,669	1,172,848,519	P2
-- Develop and disseminate clear policies on the judicial role of traditional courts and the status and enforcement of their rulings.	0	0	0	0	0	0	P2
-- Design a programme for reviving traditional courts including an appropriate training element.	120,000,000	28,571,429	18,140,590	17,276,752	16,454,049	200,442,820	P2
-- Generate funding support from Government and development partners.	5,634,100	5,517,082	7,363,026	7,274,162	7,185,520	32,973,890	P2
-- Develop a harmonized approach to budget formulation, presentation, allocation, distribution and accountability.	12,074,600	11,177,000	9,365,000	854,000	7,845,000	41,315,600	P2
-- Allocate resources between sector institutions effectively to achieve the sector mission.	250,000	200,000	200,000	150,000	100,000	900,000	P2

-- Review, and where appropriate reform, business and commercial-related laws.	500,000	600,000	2,150,000	1,800,000	2,000,000	7,050,000	P2
To create specialised prosecution units to deal with priority area - sexual offences, financial crimes	1,000,000	1,200,000	1,440,000	1,728,000	2,073,600	7,441,600	P2
To train Prosecutors in specialised areas - Money Laundering, forfeiture, Consumer protection	9,800,000	11,760,000	12,936,000	14,229,600	15,652,560	64,378,160	P2
To identify weaknesses in criminal law & Procedure and propose reform or review	1,850,000	2,000,000	2,200,000	2,450,000	2,800,000	11,300,000	P2
To improve accountability of prosecutors through the establishment of a complaint centre	3,000,000	3,600,000	4,300,000	5,184,000	0	16,084,000	P2
-- Appoint judges based on merit.	0	0	0	0	0	0	P3
-- Continue the Civil Service Reform Programme to retain legal professionals in the civil service.		0	0	0	0	0	P3
-- Review primary and informal justice initiatives;	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000	P3
-- Review forms of alternative dispute resolution and identify the most appropriate forms	14,721,150	5,216,500	4,282,000	17,207,564	2,000,000	43,427,214	P3
To improve public relations through the establishment of the public relations office	500,000	750,000	1,000,000	1,500,000	2,000,000	5,750,000	P3
-- Design inter-agency approaches to prevention of crime.	15,000,000	12,000,000	9,000,000	9,000,000	9,000,000	54,000,000	P2
-- Recruit and train more police to reduce high police-population ratio.	262,056,280	262,056,280	262,056,280	262,056,280	262,056,280	1,310,281,400	P1****
-- Recruit and train police personnel – both in traditional training and specialized areas including forensic support.	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	125,000,000	P1
-- Develop partnerships between the police and the local communities and local accountability of the police to the community, including civic education.	40,000,000	40,000,000	40,000,000	40,000,000	40,000,000	160,000,000	P1
-- Provide safe, secure and appropriately designed building stock.	377,000,000	77,000,000	77,000,000	77,000,000	77,000,000	685,000,000	P1****
-- Encourage community ownership of installations and community participation in maintenance.	60,000,000	60,000,000	60,000,000	60,000,000	60,000,000	30,000,000	P2
-- Modify training programs to direct toward rehabilitation of prisoners	27,000,000	27,000,000	27,000,000	27,000,000	27,000,000	135,000,000	P1***
-- Develop linkages with other programs for ex- convicts to be part of the productive sector	6,000,000	6,300,000	6,615,000	6,945,750	7,293,040	33,153,790	P1*****

-- Control proliferation of firearms (with NGOs to set up national focal point to deal with issues of illicit trafficking and firearms)	75,000,000	30,000,000	28,000,000	26,000,000	24,000,000	183,000,000	P2
Conduct drug control programs (awareness raising through faith based organizations)	317,600,000	317,600,000	317,600,000	317,600,000	317,600,000	1,588,000,000	P2
-- Amend the immigration act.	30,000,000	10,000,000	10,000,000	10,000,000	10,000,000	70,000,000	
-- Introduce national registration and identification system.	2,000,000,000	1,000,000,000	1,000,000,000	500,000,000	500,000,000	5,000,000,000	
-- Establish joint programs with companies and communities to tackle issues of anti-vandalism.	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	45,000,000	P3
-- Integration of police protection into industrial site plans.	11,000,000	5,000,000	5,000,000	5,000,000	5,000,000	31,000,000	P3
-- Educate Malawian establishments on the benefits for risk management for protection of assets.	22,000,000	10,000,000	10,000,000	10,000,000	10,000,000	62,000,000	P3**
-- Develop Private Security Policy and Act that provides standards for inspection of private security firms.	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	25,000,000	P2
-- Create a fully functioning commercial division of the High Court.--	1,500,000,000					1,500,000,000	P1**
-- Review rules of procedure as they apply to commercial cases and enhance the role of the Small Claims Courts.	4,074,000	4,277,700	4,491,585	4,716,165	4,951,000	22,510,450	P1
SUB THEME 4 TOTAL	7,994,246,720	3,242,374,164	3,450,918,785	2,681,411,400	2,932,114,558	19,991,065,628	
THEME 5 GRAND TOTAL	11,575,885,374	6,068,476,858	5,878,635,794	4,445,880,415	4,562,382,949	36,882,605,691	
TOTAL A: ALL THEMES	132,132,837,989	127,751,230,167	126,578,914,121	124,096,304,974	122,658,183,562	637,568,815,113	

ANNEX 4: MGDS NEEDS ASSESSMENT SUMMARY

ANNEX 4.1: KEY PRIORITY AREAS HUMAN RESOURCE REQUIREMENTS

INSTITUTION	2005	2006	2007	2008	2009	2010	2011
1: AGRICULTURE AND FOOD SECURITY							
Extension Staff							
Number of existing staff	2,322	2,322	2,799	3,376	4,080	4,957	6,073
Attrition	(53)	(53)	(64)	(78)	(94)	(114)	(140)
Incremental Number of staff to be recruited	-	424	512	627	783	1,002	1,326
Total Number of Staff to be recruited	53	477	576	705	877	1,116	1,466
Non-Extension Staff							
Number of existing staff	6,376	6,376	6,935	7,382	7,754	8,073	8,358
Attrition	(147)	(147)	(159)	(170)	(178)	(186)	(192)
Incremental Number of staff to be recruited	-	412	288	202	141	99	69
Total Number of Staff to be recruited	147	559	447	372	319	285	261
TOTAL	8,698	8,698	9,734	10,758	11,834	13,031	14,431
2: IRRIGATION AND WATER DEVELOPMENT							
Ministry of Irrigation and Water Development							
Number of existing staff	776	776	874	977	1,082	1,191	1,303
Attrition	(18)	(18)	(20)	(22)	(25)	(27)	(30)
Number of staff to be recruited	-	80	83	83	84	84	85
Total Number of Staff to be recruited	18	98	103	105	109	111	115
1.2 Irrigation and Water Development							
Number of existing staff	369	369	495	579	671	772	881
Attrition	(8)	(8)	(11)	(13)	(15)	(18)	(20)

Incremental Number of staff to be recruited	-	118	72	79	85	92	98
Total Number of Staff to be recruited	8	126	83	92	100	110	118
3: INFRASTRUCTURE DEVELOPMENT							
2.1 Transport							
5.1.1 Roads and Buildings							
Number of existing staff	664	664	740	818	898	980	1,063
Attrition	(15)	(15)	(17)	(19)	(21)	(23)	(24)
Incremental Number of staff to be recruited	-	61	61	61	61	61	61
Total Number of Staff to be recruited	15	76	78	80	82	84	85
2.2 Marine Services							
Number of existing staff	177	177	201	228	261	301	348
Attrition	(4)	(4)	(5)	(5)	(6)	(7)	(8)
Incremental Number of staff to be recruited	-	20	22	28	34	40	46
Total Number of Staff to be recruited	4	24	27	33	40	47	54
2.3 Transport							
Number of existing staff	438	438	497	558	619	683	747
Attrition	(10)	(10)	(11)	(13)	(14)	(16)	(17)
Incremental Number of staff to be recruited	-	49	49	49	49	49	49
Total Number of Staff to be recruited	10	59	60	62	63	65	66
4: ENERGY GENERATION AND SUPPLY							
Number of existing staff	47	47	53	59	66	72	79
Attrition	(1)	(1)	(1)	(1)	(2)	(2)	(2)
Incremental Number of staff to be recruited	-	5	5	5	5	5	5
Total Number of Staff to be recruited	1	6	6	6	7	7	7

5.0 INTEGRATED RURAL DEVELOPMENT							
Rural Development							
Number of existing staff	15	15	19	24	28	33	38
Attrition	(0)	(0)	(0)	(1)	(1)	(1)	(1)
Incremental Number of staff to be recruited	-	4	4	4	4	4	4
Total Number of Staff to be recruited	0	4	4	5	5	5	5
6: PREVENTION AND MANAGEMENT OF NUTRITION DISORDERS, HIV AND AIDS							
Department of HIV/AIDS and Nutrition							
Number of existing staff	30	30	32	33	35	37	39
Attrition	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Incremental Number of staff to be recruited	-	1	1	1	1	1	1
Total Number of Staff to be recruited	1	2	2	2	2	2	2

ANNEX 4.2: KEY PRIORITY AREAS CAPITAL REQUIREMENTS

1: AGRICULTURE AND FOODS SECURITY						
Infrastructure						
Crop seed production units	7,930	6,928	6,341	5,999	5,809	5,724
Vegetative propagation units	14	18	23	31	42	60
Tree nurseries units	5	6	8	10	14	20
Chemical fertilisers	25,111	28,946	33,156	37,766	42,800	48,299
Agroforestry trees	2,641,750	4,047,430	5,650,304	7,466,757	9,513,735	11,811,109
Compost/farmyard manure	889,798	1,168,096	1,482,033	1,834,442	2,228,223	2,667,001
Crop residue	119,941	140,194	162,569	187,217	214,287	244,015

Land & water management works	70	60	40	20	10	10
Rainwater harvesting & storage structures	59	39	31	28	26	25
2: IRRIGATION AND WATER DEVELOPMENT						
<i>Infrastructure</i>						
New irrigation schemes (Ha)	6,000	8,000	12,000	16,000	16,000	16,000
Procurement of plant and equipment	2	2	4	4	6	6
Motorized pump utilization	253	509	419	674	584	840
Treadle pump utilization	30,037	22,607	44,636	37,206	59,235	51,806
Rehabilitation of irrigation schemes	64,000	72,000	78,000	89,000	104,000	104,000
Maintenance of office buildings	2	2	2	2	2	2
Water Supply and Sanitation						
<i>Water Supply Needs (Rural and Urban)</i>						
New Boreholes	1,339	1,407	1,476	1,549	1,623	1,701
Rehab BHs	289	289	289	289	289	289
New communal taps	1381	1458	1538	1620	1706	1794
Rehabilitated taps	412	412	412	412	412	412
New HH connections	22293	23540	24811	26105	27422	28769
Rehab of HH connect	5484	5484	5484	5484	5484	5484
Rainwater collection	4,086	4,341	4,607	4,885	5,176	5,481
<i>Sanitation</i>						
New Conventional sewerage	4	4	4	5	6	6
Rehabilitation of Conventional sewerage	1	1	0	0	0	0
New VIP latrines	12494	12305	14149	25028	15941	16893
Rehab VIP	123	123	123	123	123	123

New improved pit latrines	23978	25522	27120	28773	30478	32243
Rehab pit latrines	600	600	600	600	600	600
3: TRANSPORT INFRASTRUCTURE						
Roads						
<i>(i) Infrastructure</i>						
Routine Maintenance (Kms)	0	26,963	26,636	26,142	25,450	24,455
Periodic Maintenance (Kms)	0	281	298	316	336	356
Rehabilitation (Kms)	0	204	216	230	244	259
Upgrading of earth to paved (Kms)	0	337	344	377	403	431
Widening of community roads (Kms)	0	615	906	1,335	1,967	2,898
4: ENERGY GENERATION AND SUPPLY						
<i>(i) Rural</i>						
Length of transmission line rehabilitated (Km)	260	260	260	260	260	260
Length of distribution line extended (Km)	900	810	729	656	590	531
Number of transformers purchased	50	50	50	50	50	50
Additional Power Required (kw)	4000	8000	12000	16000	20000	24000
<i>(ii) Urban</i>						
Length of transmission line rehabilitated (Km)	450	450	450	450	450	450
New connections	24,979	26,992	29,114	31,348	33,695	34,732
Additional power required (Kw)	10,402	21,642	33,766	46,821	60,853	75,317
Number of transformers installed	131	142	153	165	177	183
5 PREVENTION AND MANAGEMENT OF NUTRITION DISORDERS, HIV AND AIDS						

Infrastructure						
Computers	10	10	10	10	10	10
Office Spaces	12	12	12	12	12	12

ANNEX 4.3: OTHER FOCUS AREAS HUMAN RESOURCE REQUIREMENTS

MGDS HUMAN RESOURCE REQUIREMENTS							
CHAPTER ONE: MAXIMIZING THE CONTRIBUTION OF ECONOMIC GROWTH THROUGH SOURCES OF GROWTH							
	2005	2006	2007	2008	2009	2010	2011
1.1 Tourism							
No. of existing staff	85	85	97	119	152	195	250
Attrition	(2)	(2)	(2)	(3)	(3)	(4)	(6)
Incremental number of staff recruited	-	10	20	30	40	50	60
Total Number to be recruited	2	12	22	33	43	54	66
1.2 Mining							
Number of existing staff	60	60	62	65	67	70	72
Attrition	(1)	(1)	(1)	(1)	(2)	(2)	(2)
Number of staff to be recruited	-	1	1	1	1	1	1
Total Number of Staff to be recruited	1	2	2	2	3	3	3
1.3 Geological Survey							
Number of existing staff	262	262	369	473	575	675	773
Attrition	(8)	(10)	(11)	(12)	(13)	(13)	(13)
Incremental Number of staff to be recruited	-	97	93	90	87	85	83
Total Number of Staff to be recruited	8	107	104	102	100	98	96

1.4 Manufacturing							
1.4.1 Establishment of Malawi Competition Commission							
Number of existing staff	-	-	-	13	28	38	42
Attrition	-	-	-	(0)	(1)	(1)	(1)
Incremental Number of staff to be recruited	-	-	13	15	9	3	1
Total Number of Staff to be recruited	-	-	13	15	10	4	2
1.4.2 Malawi Bureau of Standards							
Number of existing staff	8	8	9	18	27	36	45
Attrition	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Incremental Number of staff to be recruited	-	-	8	8	8	8	8
Total Number of Staff to be recruited	1	1	9	9	9	9	9
1.4.3 Construction Of Factory Shells							
Number of existing staff	-	-	-	5	8	10	12
Attrition	-	-	-	(0)	(0)	(0)	(0)
Incremental Number of staff to be recruited	-	-	5	3	2	1	1
Total Number of Staff to be recruited	-	-	5	3	2	1	1
1.4.4 Establishment of cooperatives							
Number of existing staff	-	-	-	13	24	32	40
Attrition	-	-	-	(0)	(1)	(1)	(1)
Incremental Number of staff to be recruited	-	-	13	11	7	7	4
Total Number of Staff to be recruited	-	-	13	11	8	8	5
1.4.5 Promotion of SMEs							
Number of existing staff	-	-	-	10	28	33	38
Attrition	-	-	-	(0)	(1)	(1)	(1)
Incremental Number of staff to be recruited	-	-	10	18	4	4	2
Total Number of Staff to be recruited	-	-	10	18	5	5	3
1.4.6 Malawi Investment and Trade Centre							

(MIPA/MEPC)							
Number of existing staff	-	-	-	48	52	56	61
Attrition	-	-	-	(1)	(1)	(1)	(1)
Incremental Number of staff to be recruited	-	-	48	3	3	3	3
Total Number of Staff to be recruited	-	-	48	4	4	4	4
1.5.7 Trade Promotion and Regional Integration							
Number of existing staff	-	-	-	18	28	37	44
Attrition	-	-	-	(0)	(1)	(1)	(1)
Incremental Number of staff to be recruited	-	-	18	10	8	6	6
Total Number of Staff to be recruited	-	-	18	10	9	7	7
1.5.8 Ministry of Trade and Private Sector Development							
Number of existing staff	-	-	-	20	30	39	46
Attrition	-	-	-	(0)	(1)	(1)	(1)
Incremental Number of staff to be recruited	-	-	20	10	8	6	6
Total Number of Staff to be recruited	-	-	20	10	9	7	7
1.5.9 National Economic Empowerment							
Number of existing staff	-	-	-	28	41	52	58
Attrition	-	-	-	(1)	(1)	(1)	(1)
Incremental Number of staff to be recruited	-	-	28	12	10	5	5
Total Number of Staff to be recruited	-	-	28	13	11	6	6
1.6 Forestry							
Number of existing staff	7,967	7,967	8,666	9,423	10,237	11,113	12,052
Attrition	(183)	(183)	(199)	(217)	(235)	(256)	(277)
Incremental Number of staff to be recruited	-	516	557	598	640	684	727
Total Number of Staff to be recruited	183	699	756	815	875	940	1,004
1.7 Fisheries							

Number of existing staff	463	463	724	1,038	1,403	1,817	2,280
Attrition	(11)	(11)	(17)	(24)	(32)	(42)	(52)
Incremental Number of staff to be recruited	-	250	298	341	382	421	460
Total Number of Staff to be recruited	11	261	315	365	414	463	512
1.7 Environmental Protection							
Number of existing staff	61	61	69	78	87	96	105
Attrition	(1)	(1)	(2)	(2)	(2)	(2)	(2)
Incremental Number of staff to be recruited	-	7	7	7	7	7	7
Total Number of Staff to be recruited	1	8	9	9	9	9	9
1.8 Parks and Wildlife							
Number of existing staff	110	110	143	176	210	245	280
Attrition	(3)	(3)	(3)	(4)	(5)	(6)	(6)
Incremental Number of staff to be recruited	-	30	30	30	30	30	30
Total Number of Staff to be recruited	3	33	33	34	35	36	36
CHAPTER TWO: SOCIAL PROTECTION AND DISASTER MANAGEMENT							
2.1 Ministry of Poverty, Disaster and Risk Management							
Number of existing staff	25	25	52	80	110	141	174
Attrition	(1)	(1)	(1)	(2)	(3)	(3)	(4)
Incremental Number of staff to be recruited	-	26	27	28	29	30	31
Total Number of Staff to be recruited	1	27	28	30	32	33	35
CHAPTER THREE: SOCIAL DEVELOPMENT							
3.1 Ministry of Health							
Number of existing staff	16,647	16,647	23,530	47,993	97,490	197,632	400,229
Attrition	(383)	(383)	(541)	(1,104)	(2,242)	(4,546)	(9,205)
Incremental Number of staff to be recruited	-	6,500	23,922	48,393	97,900	198,051	400,657

Total Number of Staff to be recruited	383	6,883	24,463	49,497	100,142	202,597	409,862
3.2 Ministry of Education and Vocational Training							
Number of existing staff	54,050	54,050	63,065	72,249	83,448	95,632	108,914
Attrition	(1,243)	(1,243)	(1,450)	(1,662)	(1,919)	(2,200)	(2,505)
Incremental Number of staff to be recruited	-	7,772	7,733	9,538	10,264	11,083	12,044
Total Number to be recruited	1,243	9,015	9,183	11,200	12,183	13,283	14,549
3.3 Ministry of Gender							
Number of existing staff	639	639	901	1,168	1,442	1,722	2,009
Attrition	(15)	(15)	(21)	(27)	(33)	(40)	(46)
Incremental Number of staff to be recruited	-	247	247	247	247	247	247
Total Number of staff to be recruited	15	262	268	274	280	287	293
4 INFRASTRUCTURE DEVELOPMENT							
4.1 Civil Aviation							
Number of existing staff	509	509	572	636	701	769	837
Attrition	(12)	(12)	(13)	(15)	(16)	(18)	(19)
Incremental Number of staff to be recruited	-	51	51	51	51	51	51
Total Number of Staff to be recruited	12	63	64	66	67	69	70
4.2 Transport							
Number of existing staff	438	438	497	558	619	683	747
Attrition	(10)	(10)	(11)	(13)	(14)	(16)	(17)
Incremental Number of staff to be recruited	-	49	49	49	49	49	49
Total Number of Staff to be recruited	10	59	60	62	63	65	66
CHAPTER SIX: INFORMATION AND COMMUNICATION TECHNOLOGIES							

6.1 Telecommunication							
Number of existing staff	3,200	3,200	3,449	3,710	3,984	4,271	4,571
Attrition	(74)	(74)	(79)	(85)	(92)	(98)	(105)
Incremental Number of staff to be recruited	-	175	182	189	195	202	208
Total Number of Staff to be recruited	74	249	261	274	287	300	313
6.2 Information Technology							
Number of existing staff	-	-	-	97	306	497	803
Attrition	-	-	-	(2)	(7)	(11)	(18)
Incremental Number of staff to be recruited	-	-	97	207	184	294	272
Total Number of Staff to be recruited	-	-	97	209	191	305	290
6.3 Broadcasting							
6.3.1 Television							
Number of existing staff	105	105	111	118	125	132	139
Attrition	(2)	(2)	(3)	(3)	(3)	(3)	(3)
Incremental Number of staff to be recruited	-	4	4	4	4	4	4
Total Number of Staff to be recruited	2	6	7	7	7	7	7
4.3 Radio							
Number of existing staff	525	525	567	615	668	728	794
Attrition	(12)	(12)	(13)	(14)	(15)	(17)	(18)
Incremental Number of staff to be recruited	-	30	35	39	44	50	55
Total Number of Staff to be recruited	12	42	48	53	59	67	73
5: GOOD GOVERNANCE							
5.1 Justice and Rule of Law							
Number of existing staff	2,490	2,490	2,674	2,865	3,062	3,265	3,476
Attrition	(57)	(57)	(62)	(66)	(70)	(75)	(80)
Incremental Number of staff to be recruited	-	127	129	131	133	136	139
Total Number of Staff to be recruited	57	184	191	197	203	211	219

5.2 Anti- Corruption Bureau							
Number of existing staff	113	113	117	121	125	129	133
Attrition	(3)	(3)	(3)	(3)	(3)	(3)	(3)
Incremental Number of staff to be recruited	-	1	1	1	1	1	1
Total Number of Staff to be recruited	3	4	4	4	4	4	4
7.3 Human Rights							
Number of existing staff	58	58	86	102	117	132	146
Attrition	(1)	(1)	(2)	(2)	(3)	(3)	(3)
Incremental Number of staff to be recruited	-	27	14	12	13	11	11
Total Number of Staff to be recruited	1	28	16	14	16	14	14
7.4 Police Service							
Number of existing staff	13,591	13,591	13,932	14,281	14,639	15,008	15,387
Attrition	(313)	(313)	(320)	(328)	(337)	(345)	(354)
Incremental Number of staff to be recruited	-	28	29	30	32	34	36
Total Number of Staff to be recruited	313	341	349	358	369	379	390
7.5 Prison Services							
Number of existing staff	1,468	1,502	1,640	1,792	1,960	2,149	2,364
Attrition	(34)	(35)	(38)	(41)	(45)	(49)	(54)
Number of staff to be recruited	-	104	114	127	144	165	195
Total Number to be Recruited	34	138	152	168	189	215	249
5.3 Decentralisation							
Number of existing staff	9,137	9,137	9,815	10,518	11,249	12,008	12,797
Attrition	(210)	(210)	(226)	(242)	(259)	(276)	(294)
Incremental Number of staff to be recruited	-	467	478	489	500	512	524
Total Number of Staff to be recruited	210	678	704	731	759	788	818

ANNEX 4.4: OTHER FOCUS AREAS CAPITAL REQUIREMENTS

	2006	2007	2008	2009	2010	2011
1: SUSTAINABLE ECONOMIC GROWTH						
1.1 Tourism						
1.1.1 Infrastructure						
Office buildings	-	1	2	3	-	-
Ecotourism Center	1	2	3	4	5	6
Establishing cultural villages	1	2	3	4	5	6
Access Roads (Km)	-	25	50	50	-	-
1.2 Mining						
1.2.1 Infrastructure						
Office space	96	95	95	94	94	94
Desks	79	80	82	94	96	98
Chairs	79	80	82	94	96	98
Vehicles	1	2	2	2	2	2
Mining Equipment	29	35	32	30	29	29
Exhibition Centres	3	5	7	9	12	15
Laboratory	3	3	3	3	3	3
Small-scale mining	2	2	2	3	3	3
Mine rehabilitation	2	2	2	2	2	2
1.3 Geological Survey						
1.3.1 Infrastructure						
Office Construction	15	15	15	15	15	15
Desks	4	6	8	11	14	17

Chairs	4	6	8	11	14	17
Survey equipment	1	1	1	1	1	1
Laboratories	4	5	6	7	8	10
Geo-museum	1	1	2	2	2	3
Vehicles	15	20	23	25	28	30
Geological data base	4	5	6	7	8	10
1.4 Manufacturing						
1.4.1 Infrastructure						
Construction of Factory shells	2	4	2	2	2	2
Office Buildings	0	1	2	1	0	0
Laboratories	1	1	1	1	1	0
Cottage Industries	4	4	4	4	4	0
1.5 Fisheries						
1.5.1 Infrastructure						
Office space (research)	7	8	8	8	9	9
Office space (Extension)	18	22	27	33	42	54
Motorised fishing boats	7	11	15	20	28	37
Fish landing facilities	3	6	10	15	22	31
Vehicles	62	66	70	74	79	84
Fish recording equipment	36	42	47	53	60	66
Survey equipment	14	17	21	26	34	46
Fish mills	1	1	2	2	3	3
Fish cages	12	13	15	16	18	19
1.6 Forestry						

1.6.1 Infrastructure						
Tree seed centres	7	7	8	8	9	9
Office space	3	3	3	4	4	4
Communication equipment	608	649	691	735	782	831
Firebreak	1,177	1,776	2,375	2,974	3,573	4,171
Plantation roads	1,203	1,578	1,952	2,326	2,701	3,075
Vehicles	10	11	12	13	14	16
Lecture rooms	6	6	6	6	6	6
Motor cycles	32	38	44	50	56	63
Forestry Extension Aids Equipment	46	47	49	51	52	54
Fire Equipment	375	637	899	1,161	1,423	1,685
1.7 Environmental Protection						
1.7.1 Infrastructure						
Office space	36	40	45	49	55	60
Vehicles	8	9	10	12	14	17
Desks	36	39	43	48	51	56
Chairs	34	39	43	48	53	56
Environmental Monitoring Equipment	13	17	20	24	28	33
Environmental Centres	4	6	7	10	12	15
Laboratory	1	7	10	13	16	19
Database Equipment	4	6	7	10	12	15
1.8 Parks and Wildlife						
1.8.1 Infrastructure						
Base radios	11	3	3	2	1	1
Field equipment	132	132	132	132	132	132

Staff houses	22	22	22	22	22	22
Water points	20	8	4	4	2	2
Vehicles	10	10	10	10	10	10
House electrification	22	22	22	22	22	22
Electric fencing (Kms)	100	100	100	100	100	100
Ammunition	10,000	10,000	10,000	10	10,000	10,000
Access Roads (Kms)	250	250	250	250	250	250
Fire Arms	0	240	120	120	60	60
Ranches	1	1	1	1	1	1
Animal translocation	100	100	100	100	100	100
Community conservation areas	2	1	1	1	1	1
Computers	20	15	15	15	15	15
Office Space	0	20	20	0	0	0
2: SOCIAL PROTECTION AND DISASTER MANAGEMENT						
2.1 Infrastructure						
Construction of low cost housing	50	50	50	50	50	50
Establishing effective early warning system	1	2	0	0	0	0
Procurement of machine for early warning	1	3	0	0	0	0
Message Switch System	0	1	0	0	0	0
3: SOCIAL DEVELOPMENT						
3.1 Health						
3.1.1 Infrastructure						
Construction of District Hospital	-	-	1	1	1	-

Construction of Health Centers	-	3	5	5	5	5
Upgrading of Health Centre	-	20	20	20	20	14
Upgrading of Hospital	-	5	5	5	5	5
Upgrading of Central Hospital	-	1	1	1	-	-
Construction of Health Post	-	2	2	2	2	2
Construction of Rural Hospitals	-	1	1	1	1	1
Upgrading of Rural Hospital	-	3	4	4	3	3
Upgrading of Health Units	-	6	6	6	6	6
3.2 Nutrition						
<i>Office Spaces</i>						
Computers	6	5	5	0	0	0
Vehicles	0	2	2	2	2	2
3.3 Education						
3.3.1 pre-primary education						
<i>(i) Infrastructure</i>						
New Classrooms	211,080	3,120	3,777	4,279	4,859	5,551
Reconstructed Classrooms	756	756	756	756	756	756
Blackboards	211,080	3,120	3,777	4,279	4,859	5,551
Desks	287,356	319,534	357,832	392,019	428,143	466,932
Chairs	287,356	319,534	357,832	392,019	428,143	466,932
Latrines	126,498	3,424	4,145	4,826	5,629	6,596
Transportation facilities	3,525,388	4,052,137	4,604,827	5,003,980	5,420,893	5,869,426
Textbooks	112,341	151,796	183,638	192,877	201,650	211,246
School Supplies	112,341	151,796	183,638	192,877	201,650	211,246
Uniforms	112,341	151,796	183,638	192,877	201,650	211,246

3.3.2 Primary Education						
<i>(i) Infrastructure</i>						
New Classrooms	211,080	3,120	3,777	4,279	4,859	5,551
Reconstructed Classrooms	756	756	756	756	756	756
Blackboards	211,080	3,120	3,777	4,279	4,859	5,551
Desks	287,356	319,534	357,832	392,019	428,143	466,932
Chairs	287,356	319,534	357,832	392,019	428,143	466,932
Latrines	126,498	3,424	4,145	4,826	5,629	6,596
Transportation facilities	3,525,388	4,052,137	4,604,827	5,003,980	5,420,893	5,869,426
3.3.3 Secondary Education						
<i>(i) Infrastructure</i>						
Teacher housing	80	80	80	80	80	80
Sports facilities	35	35	35	35	35	35
Special rooms	15	15	15	15	15	15
Libraries	38	72	103	168	268	424
Laboratories	35	67	97	159	256	409
Games and sports facilities	163	251	286	390	521	687
New Classrooms	759	1,094	1,143	1,463	1,830	2,250
Blackboards	759	1,094	1,143	1,463	1,830	2,250
Desks	27,645	40,516	43,280	56,222	71,343	88,996
Chairs	27,645	40,516	43,280	56,222	71,343	88,996
Latrines	304	555	737	1,083	1,529	2,091
Transportation facilities	3	7	11	21	37	67
3.3.5 Vocational Training						

(i) Infrastructure						
Libraries	7	7	9	12	15	19
Laboratories	19	17	22	27	33	41
Boarding Facilities	7	6	8	10	13	16
Games and sports facilities	7	6	8	10	13	16
Workshops	30	27	34	43	54	67
New Lecture rooms	82	74	97	124	157	197
Reconstruction of lecture rooms	14	13	11	9	8	6
Desks/chairs	311	330	349	369	390	411
Toilets/Latrines	12	18	29	44	64	91
Transportation facilities	17	15	20	25	32	40
Protective Clothing	1,784	2,493	3,356	4,387	5,600	7,004
3.3.6 University Education						
<i>(i) Infrastructure</i>						
Libraries	1	1	1	2	2	3
Laboratories	10	9	11	15	19	24
Workshops	2	2	2	3	5	8
Games and sports facilities	1	1	1	1	2	2
Boarding Facilities	1	1	1	1	1	1
New Lecture rooms	35	31	40	50	63	79
Reconstruction of lecture rooms	36	32	28	24	20	16
Desks/chairs	839	944	1,055	1,172	1,295	1,424
Toilets/Latrines	5	8	12	18	26	37
Transportation facilities	3	3	4	6	8	11
Protective Clothing	92	126	168	217	275	342

3.4 Gender						
<i>(i) Infrastructure</i>						
Emergency shelters	43	3	3	2	2	2
Shelters to be maintained	43	46	49	51	54	56
4 INFRASTRUCTURE DEVELOPMENT						
4.1 Transport						
4.1.1 Civil Aviation						
<i>(i) Infrastructure</i>						
Rehabilitation of strategic Airports	0	0	1	1	1	0
Procurement of security equipment	0	6	4	6	2	2
Navigation Aids	0	8	8	8	8	0
4.1.2 Maritime Transport						
<i>(i) Infrastructure</i>						
Development of Ports	0	4	3	2	1	0
Rehabilitation of Ports	0	2	5	4	3	2
Provision of Navigational Aids	0	20	20	20	20	20
Search and Rescue	0	8	8	8	0	0
4.2 Information And Communication Technologies						
4.21 Telecommunications						
<i>(i) Infrastructure</i>						
Number of Telecommunications Offices	1,753	1,915	2,085	2,264	2,453	2,651
Rural Telecentres	2,764	5,701	8,817	12,122	15,623	19,331

Desks	453,990	684,186	940,767	1,224,700	1,536,953	1,878,496
Telephone Exchanges	179	487	935	1,534	2,299	3,242
Frequency Spectrum	843	2,052	3,659	5,697	8,202	11,212
Vehicles	1,009	1,231	1,467	1,717	1,981	2,261
4.2.2 Information Technology						
4.2.2.1 Policy Development						
No. office space built	-	44	50	56	63	70
Incremental number of office space built	-	6	6	7	7	7
Number of new offices net work built	-	56	85	113	141	169
Number of offices connected to GWAN	-	74	103	131	159	187
No. of District Assemblies net worked	-	8	12	16	20	24
No. of schools with developed information systems	-	12	16	21	26	31
No of information systems integrated	-	10	15	20	25	30
No. of Ministries connected to IFMIS	-	13	14	15	17	18
No of Ministries connected to HRMIS	-	13	14	15	17	18
No. of District Assemblies connected to the National ID System	-	8	12	16	20	24
4.3 Broadcasting						
4.3.1 Television						
Infrastructure						
# of new office space built	5	6	6	6	7	7
# of new production equipment constructed	4	4	4	4	4	4
# of new transmission equipment constructed	2	3	4	5	6	7
# of new it equipment constructed	3	3	4	4	5	6

# of vehicles units required	5	5	4	4	4	4
# Incremental transmitter	4	5		5	6	6
Editing Suites	-	1	1	1	-	-
Production facilities	1	1		1	1	2
Outside Broadcasting	-	-		1	-	-
Video Tapes	1,020	930	840	750	660	570
Implied # of office supplies	60	60	60	60	60	60
5: GOOD GOVERNANCE						
5.1 Justice and Rule of Law						
New courts built	1	25	50	75	100	125
Incremental No. of reconstructed courts	-	40	40	40	40	40
Chairs	9	9	9	9	9	9
Desks	20	23	26	30	35	41
Database	4	6	8	11	16	23
Computers	4	6	8	11	15	23
5.2 Corruption						
(I) Infrastructure						
Construction of Offices	0	0	0	0	0	0
Reconstruction of Offices	1	1	1	1	1	1
Desks	6	6	6	6	7	7
Chairs	6	6	6	6	7	7
Database	8	9	9	9	10	10
Computers	6	6	6	6	6	6
Vehicles	3	3	3	3	3	3

5.3 Human Rights						
<i>Office Space construction</i>	5	5	5	4	3	1
Reconstruction of Offices Spaces	15	15	15	15	15	15
Computers	6	6	6	6	6	6
Vehicles	4	4	4	4	4	4
5.4 Police						
<i>(i) Infrastructure</i>						
Construction of new police posts	55	61	67	72	78	84
Incremental number of police posts built	6	6	6	6	6	6
Number of desks and chairs	208	324	448	580	721	871
Incremental	108	116	124	132	141	150
Construction of maintenance workshops	14	19	25	32	39	47
Incremental	5	5	6	7	7	8
Number of beds	1,541	1,685	1,836	1,996	2,164	2,340
Incremental	136	144	152	160	168	176
Rehabilitation of police stations	7	10	13	16	19	22
Incremental	3	3	3	3	3	3
Telecommunication equipment access	9,803	11,591	13,525	15,612	17,859	20,273
Incremental	1,648	1,788	1,934	2,087	2,247	2,414
Breathalysers	1,265	2,898	4,918	7,347	10,205	13,516
Incremental	1,265	1,633	2,020	2,429	2,858	3,310
Speed cameras	34	34	34	34	34	34
5.5 Prisons						
<i>(i) Infrastructure</i>						

No of Prisons with Vehicular transport	11	13	16	19	22	26
Incremental No. of Prisons with Vehicular transport	2	3	3	3	4	5
No. of Existing Prisons	27	29	31	33	35	38
Incremental No. of Prisons	2	2	2	2	3	3
No of rehabilitated Prison Cells	24	41	61	85	114	150
Incremental No. of Rehabilitated Prison Cells	17	20	24	29	36	45
No. of cultivated hectares	207	253	299	345	391	437
Incremental No. of hectares	46	46	46	46	46	46
5.8 Public Sector Reform						
<i>(i) Infrastructure</i>						
Construction of Office Spaces	4,411	4,910	5,498	6,196	7,034	8,051
Construction of classrooms	18	20	22	25	27	30
Desks	384	392	399	407	415	423
Chairs	384	392	399	407	415	423
Vehicles	2,526	2,582	2,639	2,696	2,755	2,815
Construction of Hostels	127	128	130	131	133	134
Chalkboards	22	25	27	31	34	38
Computers	160	198	223	235	235	219
Audio-visio equipment sessions	21	23	26	31	40	54
Sports facilities	5	7	8	10	11	11
5.9 Decentralisation						
5..9.1 Local Government Planning and Financing						
Construction of Office Spaces	-	-	-	-	-	-

Rehabilitation of Offices	11	11	10	10	10	10
5.9.2 Sector Revolution						
Incremental # of office spaces reconstructed	6	6	6	6	6	6
Desks	1	1	1	1	1	1
Chairs	2	1	1	1	1	1
Information Technolgy	0	1	1	1	1	1
Database	2	2	2	2	2	2
Vehicles	2	1	1	1	1	1
5.9.3 Fiscal Devolution and Financial Management						
Office Spaces	18	6	0	0	0	0
Computers	8	3	0	0	0	0
Desks	3	2	1	0	0	0
Chairs	3	2	1	0	0	0
Market Structures	5	3	1	0	0	0
Vehicles	7	6	4	1	0	0

ANNEX 5**SELECTED OUTPUT, OUTCOME AND IMPACT INDICATORS**

MGDS THEMES and SUB THEMES		KEY INDICATORS	Baseline – 2005	Target for 2011	Main Responsible party	Frequency of data collection
Poverty Impact	1	Poverty Headcount measured by consumption based on poverty line	52.4%	30-35%	MEPD/NSO	5 Years
	2	Extreme Poverty headcount measured by consumption based on poverty line	22.4%	12-18%	MEPD/NSO	5 Years
Theme I: Sustainable Economic Growth						
Sources of Growth	3	GDP growth rates	3.5%	6.0%	NSO/MEPD	Annual
	4	Income per capita	US\$170	US\$450	NSO	Annual
Private Sector	5	Private investment as a % of GDP	3.0%		MEPD	Annual
Food Security	6	% of food secure households	67%	100%	MOAFS	Annual
	7	Per capita cereal availability	170 kg	270 kg	MOAFS	Annual
	8	Average maize yields per hectare	809 Kg	3000 Kg	MOAFS	Annual
	9	Per capita meat availability	6 Kg	12 Kg	MoAFS	Annual
Natural Resource/ Environmental Protection	10	Agriculture Cooperatives formed and operating	211	281	MoAFS	Annual
	11	Forest Area as % of total land	27.2%	30%	Forest Dept	5 Years
	12	Aquaculture: total fish reared	950 MT	5,000 MT	Fisheries Dept	Monthly
	13	Total fish landing	55,000 MT	60,000MT	Fisheries Dept	Monthly
	14	No. of fishermen using motorized plank boats	500	650	Fisheries Dept	Annual
	15	Reduction in the use of ozone depleting substances (ODS)	32.72 ODP Tones	5 ODP Tones	Environmental Affairs	5 years
	16	Percentage increase in key wildlife species in protected areas	- 50%	80%	DNPW	3 years
	17	Increase in income generating capacity from protected areas through concession from ecotourism management	MK5 million	MK50 million	DNPW	Annual

MGDS THEME and SUB THEME		KEY INDICATORS	Baseline – 2005	Target for 2011	Main Responsible party	Frequency of data collection
Theme II: Social Protection						
Protect Vulnerable	18	Proportion of disadvantaged receiving conditional & unconditional transfers	4 %	10%	DoPDMA	Annual
	19	Number of hhs reached per programme (a) PWP (b) TIP (c) TNP (d) DTP			DoPDMA	Annual
	20	Percentage of beneficiaries graduated out per programme (a) PWP (b) TIP (c) TNP (d) DTP			DoPDMA	Annual

MGDS THEME and SUB THEME		KEY INDICATORS	Baseline – 2005	Target for 2011	Main Responsible party	Frequency of data collection
Theme III: Social Development						
Health	21	Life Expectancy	40 years	45 years	NSO	Ten Years
	22	Maternal Mortality Ratio (MMR)	984/100,000	560/100000	NSO	Five years
	23	Infant Mortality Rate (IMR)	76/1000	48/1000	NSO	Five Years
	24	Under 5 mortality rate	133/1000	76/1000	NSO	Five Years
	25	Percentage of pregnant women who slept under insect site treated net the previous night	14.7%	60%	MOH	Two years
	26	Percentage of children slept under insect site treated net the previous night	14.8%	60%	MOH	Annual
	27	TB Cure rate	74%	80%	MOH	Annual
	28	Total Fertility Rate	6.0	5.7%	NSO	Four Years
	29	Proportion of 1 year-old children immunized against measles	59%	85%	MOH	Annual
	30	Proportion of births attended by skilled personnel	38 %	75 %	MOH	Annual

	31	OPD service utilization per 1000 population	800/1000 population	>1000/1000 population	MOH	Annual
	32	Nurse/population ratio	1:4,000	1:1,700	MOH	Annual
	33	Doctor/population ratio	1:62,000	1:31,000	MOH	Annual
	34	Government's contribution to the health sector as a proportion of total discretionary expenditure	11.1%	15%	MoF	Annual
	35	EHP coverage	9%	40%	MOH	3 years
Gender	49	Women in Decision Making Positions	15 %		MOGWC	Annual
	50	Gender Development index	0.374		MOGWC	Annual
Education	51	Literacy rate	63.9%	85%	NSO	Annual
	52	Female literacy rate	50.5%	85%	NSO	Annual
	53	Youth literacy rate (Age 15 to 24)	74.9%	95%	NSO	Annual
Primary education	54	Completion rates in primary school	28%	48%	MoE	Annual
	55	Primary School Net enrolment rate (by gender)	Total Girls 108% Boys 108%	95%	MoE	Annual
	56	Primary School Gross enrolment rate (by gender)	Total Girls 124 % Boys 128%	90%	MoE/NSO	Annual
	57	Primary School Dropout rate (by gender)	Total Girls 22% Boys 23% 21%	12%	MoE/NSO	Annual
	58	Primary school Classroom/pupil ratio	1:85	1:70	MoE	Annual
	59	Primary school Repetition rates	Total Girls 17% Boys 16% 17%	8%	MoE	Annual
Secondary education	60	Progression rate into secondary school	35%	70%	MoE	Annual
	61	Qualified Teacher/ Pupil ratio	1:73	1:50	MoE	Annual
	62	Secondary school Net Enrolment Rate	Total Girls 11% Boys 10% 11%	50%	MoE	Annual
	63	Secondary School Gross Enrolment Rate	Total Girls 17% Boys 15% 20%	60%	MoE	Annual
Nutrition	36	Prevalence of under 5 Child Malnutrition	- Stunted 48% - Wasted 5% - Underweight 22%	34% 4% 15%	NSO	Four years
	37	Micronutrient deficiency (Iron, Vitamin A and Iodine)			OPC	Annual
	38	Body Mass Index (BMI)			OPC	Annual

	39	Dietary related non communicable diseases (BP, diabetes, arthritis, gout etc)			OPC	Annual
HIV & AIDS	40	HIV prevalence among pregnant women aged 15-24 year s”	14.3%	12%	NAC	Two years
	41	HIV/AIDS Prevalence among 15-49 age group	14%	14.7%	NAC	Two years
	42	% of people with advanced HIV and on ART who are still alive 12 months after start of ART”	85%	85%	MOH	Annual
	43	% of infants born to HIV positive mothers who are infected	21%	18%	NAC	Two years
	44	Prevalence of orphans	14.7%	13%	NSO	Four Years
	45	% of sexually active persons who have voluntary tested for HIV - Women - Men	15% 13%	50% 50%	NAC	Annual
	46	“% of health facilities providing ANC and/or maternity services with at least the minimum package of PMTCT services in the past 12 months”			MOH	Annual
	47	% of HIV+ pregnant women receiving a complete course of ARV prophylaxis to reduce the risk of MTCT	6.9%	80%	MOH	Annual
	48	# of people who are alive and on ART at the end of each year”	30,000	208,000	MOH	Annual

MGDS THEME and SUB THEME		KEY INDICATORS	Baseline – 2005	Target for 2011	Main Responsible party	Frequency of data collection
Theme IV : Infrastructure						
Energy	64	Number of new trading centers connected to electricity (cumulative)	45	148	Energy Depart	Annual
	65	Access to electricity	7.1 %	10%	Energy Depart	Annual
	66	Proportion of population using solid fuels	94.2 %	84.5 %	Energy Depart	Annual
Water and Sanitation	67	Percentage of population with access to safe potable water	66%	80%	MolWD	Annual
	68	Percentage of population with access to improved sanitation	83%	95%	MolWD	Annual
	69	Number of dams constructed	75	750	MolWD	Annual
	70	Percentage of road network in good condition	29%	71%	MOT	Annual
Transport	71	Transport cost as a percentage of export/import cost	56%	12%	MOT	Annual
	72	Lead time on exports due to transport	3	1	MOT	Annual
	73	Rural Population living within 2 Km from all weather road				
Telecommunications	74	Number of phones per 100 people	78000		Mol/MTL/MACRA	Annual
ICT	75	Utilization, deployment of ICTs in growth sectors (Agriculture , Trade, Tourism)	Qualitati		Mol	Annual

			ve			
	76	E-Government status		100%	MIT	Annual

MGDS THEME and SUB THEME		KEY INDICATORS	Baseline – 2005	Target for 2011	Main Responsible party	Frequency of data collection
Theme V: Improving Governance						
Macro-economic Stability	77	Inflation	16.9%	5.0 %	NSO/MEPD	Monthly
	78	Domestic debt stock as % of GDP	19.8 %	10%	MoF	Quarterly
	79	Fiscal deficit as a percent of GDP	3.5%	1.0%	MoF	Annual
	80	Bank Lending rate	27%	< 10%	MoF/RBM	Monthly
Public Sector Mngt	81	Equalization of the funding gap for Priority 1 activities between MGDS themes by 2011			MoF/DAD	Quarterly
	82	Percentage of donor funds disbursed through the budget			MoF/DAD	Annual
	83	Law enforcement (perception)	Qualitati ve		MHRC	Annual
	84	Political Will and Mindset (fulfillment of plans/policies in place)	Qualitati ve		OPC	Annual
	85	Effective implementation of Government's Medium Term Pay Policy			DHRMD	Annual
	86	No of Ministries with working M&E systems	-	100%	MEPD	Annual
Corruption	87	Reported corruption cases effectively prosecuted	38%		ACB	Annual
	88	Improved investor confidence			OPC	Annual
Decentralization	89	Sectoral devolution (number of sectors fully devolved)	3 are leading	100%	MoLGRD	Annual
	90	Community participation in decision making (perception)	Qualitati ve		MoLGRD	Annual
Justice /Rule of Law	91	Prosecution rates			MoJ	Annual
	92	Reported human rights violation cases effectively resolved			MHRC	Annual
	93	Access to justice for citizens	Qualitati ve		MoJ	Annual
Security	94	Crime Detection rates	24%		MoHA	Annual
	95	Police/population ratio	1:1,672	1:1000	MoHA	Annual
	96	Warden/prisoners ratio	1:16	1:5	MoHA	Annual
	97	Number of prisoner deaths per month for every 10,000 prisoners		< 10/month	MoHA	Annual