

AGENCY FOR
INTERNATIONAL
DEVELOPMENT



ANNUAL BUDGET SUBMISSION

FY 1981

MALAWI

BEST AVAILABLE

DEPARTMENT
OF
STATE

MAY, 1979



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EMBASSY OF THE
UNITED STATES OF AMERICA
Lilongwe, Malawi

May 23, 1979

The Honorable Goler T. Butcher
Assistant Administrator for Africa
Agency for International Development
Washington, D.C. 20523

Goler
Dear Mrs. ~~Butcher~~:

I am pleased to have submitted to you the FY 81 Annual Budget Submission (ABS) for Malawi. I have reviewed the entire package and the respective project proposals and believe that they are directed towards the priority areas of development as identified by the Malawi Government. In the absence of a formalized Country Development Strategy Statement (CDSS), I believe that the program direction will make a substantial contribution to Malawi's development and is in keeping with A.I.D.'s Congressional mandate.

Since my arrival here in October, I have felt that our resumed A.I.D. program should be modest and aimed directly towards Malawi's basic human needs. There is a favorable development climate in Malawi for this program but, as you are well aware, we have been concerned over Malawi's human rights situation in the past so that I believe we should not undertake too ambitious a program at the outset.

It should be one that is easily administered and does not require an excessively large staff. Once the program begins to materialize and we are satisfied that Malawi's policies remain on the correct course regarding human rights, we will have a better idea as to the long term direction and magnitude of our programming.

The funding level for FY 80, as you will note in the draft ABS, is in keeping with a Congressional

Presentation level of \$5.5 million while the FY 81 presentation consists of both minimum and AAPL package levels. It is my understanding that the AAPL package of \$13 million, submitted in line with the AAPL levels proposed in State 107997, is a maximum figure and is designed only for A.I.D.'s budgetary planning. I wish to reserve my position on how much of that \$13 million should be used until we have a better fix on how the current program is going and on other relevant factors. The adult education project, therefore, is in my view strictly a shelf item should we decide to expand the program. Similarly, advanced funding in FY 81 for the Manpower and Polytechnic projects should not be instituted in the expectation that other projects could then be funded in FY 82 and beyond in order to maintain a higher funding level. At this time, I cannot foresee increasing our A.I.D. level to Malawi above a range of \$7-8 million per year.

Although the ABS calls for three U.S. Direct Hire staff (USDH), I have concurred only with a ceiling of two USDH for FY 80 but I recognize the possibility that a third USDH may be necessary towards the end of FY 80. I have also concurred in the assignment of two FSN direct hire and one part-time employee, hopefully a U.S. dependent. This staffing level should be sufficient to move ahead with the program as proposed in the FY 81 ABS. However, since one FSN will be working on administrative and financial matters, he should be an integral part of the Embassy's Administration section in order to maximize our overall effectiveness. I also wish to stress that this staffing will be subject to MODE procedures through the Department of State.

I would like this letter to be an integral part of the ABS submission. Many thanks for your support and that of your staff for our program here.

Wern Jugan
HE

Harold E. Horan

Enclosure: FY 81 ABS

TABLE I - LONG RANGE PLAN BY APPROPRIATION ACCOUNT (\$ Thousands)

| Development Assistance | Decision Unit <u>USAID/Malawi</u> | | | | | | | | |
|--------------------------------|-----------------------------------|---------|-----------------|---------|-------|-----------------|-------|-------|-------|
| | FY 1979 | FY 1980 | FY 1981 REQUEST | | | PLANNING PERIOD | | | |
| | Est | Est | Minimum | Current | AAPI | 1982 | 1983 | 1984 | 1985 |
| Agriculture | | | | | | | | | |
| Rural Dev & Nutrition - | | | | | | | | | |
| Grants | 3305 | 1730 | 2500 | | 2500 | 5000 | 7000 | 9000 | 12000 |
| Loans | | | | | | | | | |
| Population | | | | | | | | | |
| Grants | | | | | | 1000 | 1000 | 1500 | 2000 |
| Loans | | | | | | | | | |
| Health | | | | | | | | | |
| Grants | | 1120 | | | 2000 | 3500 | 4000 | 5000 | 6000 |
| Loans | | | | | | | | | |
| Education | | | | | | | | | |
| Grants | | 2650 | 2950 | | 8440 | 3500 | 4000 | 5000 | 6000 |
| Loans | | | | | | | | | |
| Selected Develop. Activities | | | | | | | | | |
| Grants | | | | | | 2000 | 4000 | 4500 | 4000 |
| Loans | | | | | | | | | |
| SUB-TOTAL FUNCTIONAL ACCOUNTS | | | | | | | | | |
| Grants | 3305 | 5500 | 5450 | | 12940 | 15000 | 20000 | 25000 | 30000 |
| Loans | | | | | | | | | |
| Other DA Accounts (Specify) | | | | | | | | | |
| Grants | | | | | | | | | |
| Loans | | | | | | | | | |
| TOTAL DA ACCOUNTS | | | | | | | | | |
| Grants | 3305 | 5500 | 5450 | | 12940 | 15000 | 20000 | 25000 | 30000 |
| Loans | | | | | | | | | |
| Security Supporting Assistance | | | | | | | | | |
| Grants | | | | | | | | | |
| Loans | | | | | | | | | |
| TOTAL DA AND SSA | 3305 | 5500 | 5450 | | 12940 | 15000 | 20000 | 25000 | 30000 |
| PL 480 (non aid) | | | | | | | | | |
| Title I (of which Title III) | | | | | | | | | |
| Title II | | | | | | | | | |
| Housing Guaranties (non-aid) | | 2000 | | | | | | | |

| TABLE III - PROJECT OBLIGATIONS BY APPROPRIATION ACCOUNT FY 1979 - FY 1981 (Thousands \$) | | | | DECISION UNIT USAID/Malawi | |
|---|-----|---------|---------|-------------------------------|---------|
| APPROPRIATION ACCOUNT/PROJECT NO./TITLE | L/G | FY 1979 | FY 1980 | Minimum | FY 1981 |
| | | | | | Current |
| <u>Agriculture, Rural Development and Nutrition</u> | | | | | |
| 612-0054 Bunda Ageicultural College | G | 805 | | | |
| 612-0202 Agricultural Research | G | 2,500 | 1,730 | 2,500 | 2,500 |
| Sub-total | | 3,305 | 1,730 | 2,500 | 2,500 |
| <u>Population</u> | | | | | |
| <u>Health</u> | | | | | |
| 612-0203 Health Education | G | | 420 | | |
| 612-0207 Rural Water | G | | 700 | | 2,000 |
| Sub-total | | | 1,120 | | 2,000 |
| <u>Education</u> | | | | | |
| 612-0201 Malawi Polytechnic Institute | G | | 1,760 | 1,500 | 3,740 |
| 612-0206 Manpower Development and Training | G | | 890 | 1,450 | 3,200 |
| 612-0204 Rural Adult Education Centers | G | | | | 1,500 |
| Sub-total | | | 2,650 | 2,950 | 8,440 |
| Total Development Assistance | | 3,305 | 5,500 | 5,450 | 12,940 |
| 612-0103 Lower Income Shelter (non add HIG) | | 2,000 | | | |

AID 1330-12 (3-79)

| NUMBER | PROJECT TITLE | G/L | OBLIGATION DATE | | DATE OF NEXT PLANNED MON-ROUTINE EVAL. | CUM. PIPELINE AS OF 9/30/78 | FY 1979 | | FY 1980 | | FY 1981 APPL. OBLIG. | FY 1982 | FY 1983 & BEYOND | |
|----------|---|-----|-----------------|-------|--|-----------------------------|---------------|---------------|---------------|---------|----------------------|---------|------------------|-------|
| | | | INITIAL | FINAL | | | OBLIG. | EXPEND. | OBLIG. | EXPEND. | | | | |
| | | | CUM. PIPELINE | | | | CUM. PIPELINE | CUM. PIPELINE | CUM. PIPELINE | | | | | |
| | Agriculture Rural Development & Nutrition | | | | | | | | | | | | | |
| 612-0054 | Bunda Agricultural College | G | 1976 | 1979 | | 1806 | 805 | 1,419 | 621 | 1,192 | 2,500 | 2,500 | 8/82 | 1,270 |
| 612-0202 | Agricultural Research | G | 1979 | 1983 | 12/81 | | 2,500 | | 1,700 | 2,500 | | | | |
| | Sub-total | | | | | 1806 | 3,305 | 1,419 | 2,321 | 3,692 | 2,500 | 2,500 | 8/82 | 1,270 |
| | Health | | | | | | | | | | | | | |
| 612-0203 | Health Education | G | 1980 | 1980 | | | | | 420 | | | | | |
| 612-0207 | Rural Water | G | 1980 | 1984 | 6/82 | | | | 700 | 350 | 2,000 | 2,000 | 8/84 | |
| | Sub-total | | | | | | | | 1,120 | 350 | 2,000 | 2,000 | | |
| | Education | | | | | | | | | | | | | |
| 612-0201 | Malawi Polytechnic Institute | G | 1980 | 1985 | 1/83 | | | | 700 | 1,060 | 3,740 | 3,740 | 8/85 | |
| 612-0206 | Manpower Development and Training | G | 1980 | 1984 | 9/82 | | | | 500 | 390 | 3,200 | 3,200 | 8/84 | |
| 612-0204 | Rural Adult Education Centers | G | 1981 | 1985 | 4/83 | | | | | | 1,500 | 1,500 | 8/85 | 300 |
| | Sub-total | | | | | | | | 2,650 | 1,450 | 8,440 | 8,440 | | 500 |
| | TOTAL | | | | | 1806 | 5,305 | 1,419 | 4,291 | 3,692 | 12,940 | 12,940 | | 1,570 |
| 612-0103 | Lower Income Shelter (HIG) (non add) | L | 1980 | 1980 | 4/81 | | | | 2,000 | | | | | |

DECISION UNIT
USAID/Malawi

ESTIMATED U.S. DOLLAR COST (\$000)

TABLE IV PROJECT BUDGET DATA

USAID/MALAWI
LIST OF AFRICA BUREAU REGIONAL PROJECTS AND PROPOSED USES OF PDS FUNDS
 (\$000)

| | <u>FY 79</u> | <u>FY 80</u> | <u>FY 81</u> |
|---|--------------|--------------|--------------|
| 1. <u>Regional Projects:</u> | | | |
| 698-0407 Improved Rural Technology | | 50 | 50 |
| 698-0388 Women In Development | | 150 | 150 |
| 698-0384 African Manpower Development | 100 | 100 | 100 |
| 698-0662 Family Health Initiatives | | | <u>50</u> |
| TOTAL: | <u>100</u> | <u>300</u> | <u>\$350</u> |
| II. <u>Program Development and Support:</u> | | | |
| 612-0202 Agriculture Research Pre-Implementation | 10 | | |
| 612-0203 Health Education (PP) | 30 | | |
| 612-0207 Rural Water (PP) | 60 | | |
| 612-0206 Manpower Development (PP) | | 30 | |
| 612-0204 Rural Adult Education Centers (PID/PP) | | 45 | |
| 698-0388 Women In Development (PID/PP) | | 40 | |
| Five Projects to be Development FY 81 | | | <u>200</u> |
| TOTAL: | 100 | 115 | 200 |

MALAWI RURAL ADULT EDUCATION CENTERS
(612-0204)

Purpose: To assist in the development of 24 model schools into rural education centers.

Background: In 1977 the U.N. (UNICEF) sponsored the construction of three model schools and subsequently the GOM has built a model school in each of the 24 Districts of Malawi. These consist of a classroom and small office/library connected by an open air (covered) meeting-work space between them. For the present, these centers are managed by the Ministry of Education but are used freely by other GOM agencies, i.e. Health, Community Development, Agriculture, etc., for specialized local training purposes. The GOM is now in the process of establishing a more formal structure for these Rural Education Center programs with the Ministry of Education serving as the coordinating agency. A spin off of these model schools is the replication of these schools in the villages using volunteer labor from the area, with IBRD support. Some 250-300 such schools are proposed. Thus, the physical and organizational structure of the Rural Education Centers is in place, in rudimentary form, and available for implementation of a program to reach villages with basic needs on education.

Host Country and Other Donors: The major input of the GOM will be in the assignment of Human Resources and in recurrent costs. The structure and operation of the REC's will be basically Malawian and will entail personnel from MOE, other Ministries and local District personnel. Recurrent costs of MOE are approximately 15% of the GOM total and in the future will include expenses beyond village paid costs.

The World Bank has proposed a major effort in educational assistance with some \$28.0 million. Basically some \$11.0 million of this amount is directed towards secondary education. This project would therefore compliment the World Bank's input of school construction through the village loans mechanism.

Beneficiaries: Initial beneficiaries will be the 384 worker-teachers and District Administrators who will receive training. Ultimate beneficiaries will be the rural population who at the present have limited access to community education facilities. Some will profit as Worker-Teachers but the majority will receive enhanced skills to improve daily living standards and conditions. The potential exists for income generation at a very basic level which will contribute to the GOM efforts to narrow the rural/urban income gap.

FY 81 Program: Technical assistance personnel will arrive and formulate a work plan for special skills training, administrative training and development of resources materials.

Major Outputs:

| | <u>All Years</u> |
|--|------------------|
| - Trained special skilled Worker-Teachers | 144 |
| - Teaching plans for each special skills subject for local use | X |
| - Trained District Administrators | 240 |
| - Plan District Administrators Training Plan | X |
| - Develop Teaching Plans for each Administrative subject | X |
| - Basically equip model schools | 24 |
| - Basic equipment for village schools | 250 |

A.I.D. Financed Inputs: (FY 81)

| | (\$ thousands) |
|--|----------------|
| | <u>FY 81</u> |
| Personnel: 7 L.T. Special Skills Technicians (14 py) | 1,318 |
| Participants: Work-study (30 pm) | 90 |
| Commodities: Equipment (Instructional), Bicycles (48), Vehicles for Technicians (3) | <u>92</u> |
| Total | \$ 1,500 |

Estimated Project Duration - 5 Years (FY 81-85)

| | |
|--------------------------------|----------|
| <u>Life-of-Project Funding</u> | \$ 1,800 |
| Initial Year (FY 81) | \$ 1,500 |

TABLE V - FY 1981 PROPOSED PROGRAM RANKING

| RANK | DECISION PACKAGES/PROGRAM ACTIVITY DESCRIPTION | TERM/ NEW/ CONT. | LOAN/ GRANT | APPROP. ACCT. | PROGRAM FUNDING (\$000) | | WORKFORCE (Number of Positions) | |
|------|--|------------------------|----------------|------------------|----------------------------|--------|------------------------------------|-----|
| | | | | | INCR | CUM | INCR | CUM |
| | <u>DECISION PACKAGE - MINIMUM</u> | | | | | | | |
| | *Terminated Projects with Pipeline | | | | | | | |
| | 612-0054 Bunda Agricultural College | T | G | FN | (571) | (571) | | |
| | <u>New and Continuing Projects</u> | | | | | | | |
| 1 | 612-0202 Agricultural Research | O | G | FN | 2,500 | 2,500 | | |
| 2 | 612-0201 Malawi Polytechnic Institute | O | G | EH | 1,500 | 4,000 | | |
| 3 | 612-0206 Manpower Development and Training Basic Work Force | O | G | EH | 1,450 | 5,450 | | |
| | Total "Minimum" Package and Related Work Force | | | | 5,450 | 5,450 | 3 | 3 |
| | <u>DECISION PACKAGE - AAPL</u> | | | | | | | |
| 4 | 612-0201 Malawi Polytechnic Institute | O | G | EH | 2,240 | 7,690 | | |
| 5 | 612-0207 Rural Water | O | G | H | 2,000 | 9,690 | | |
| 6 | 612-0206 Manpower Development and Training | O | G | EH | 1,750 | 11,440 | | |
| 7 | 612-0204 Rural Adult Education Centers | N | G | EH | 1,500 | 12,940 | | |
| | Total AAPL Package and Related Work Force | | | | 7,490 | | 3 | 3 |

*Unliquidated balance as of 9/30/78

DECISION PACKAGE: MINIMUM

DECISION UNIT - USAID/MALAWI

DECISION PACKAGE NARRATIVE

The minimum FY 1981 level of \$5.45 million provides incremental funds for three projects which will be continuing from FY 80. They represent the minimum contribution to pursuing the agriculture and manpower development objectives which we and the Government of Malawi have chosen as the primary objectives for the AID program. These in turn reflect the priorities of the GOM development program and receive reinforcing support from other donors' inputs into these sectors.

Our first priority has been assigned to \$2.5 million incremental funding for the on-going Agricultural Research Project. (612-0202). Malawi has neither the mineral resources nor immediate industrial potential on which they can base a development strategy. Therefore, they have selected an agriculturally based strategy to both increase small farmer incomes and earn needed foreign exchange. Since independence this has proven very successful; through an agricultural sector lead, real growth has increased 7.5 percent per year, and Malawi is now self sufficient in basic food production. Much of this development has come from putting more land into production, and to a lesser extent through increasing yields. To provide scientific basis for continued increases in small farmer food production and diversification into higher income generating cash crops, an adaptive agriculture research project was started in FY 1979. The project is helping to build the Ministry of Agriculture's research capability to develop tested "packages" of agricultural inputs. The research component is part of a National Rural Development Program which provides the related components of a total agricultural system. The FY 1981 funds would help move the research project from planning into implementation with the first participants undergoing short and long term training and the installation and use of the initial laboratory equipment for research stations. The funds would also continue technical assistance from the University of Florida in research organization, administration and actual field trails.

The second priority in the minimum package is \$1.5 million for the second year of incremental funding for the Polytechnic Institute project (612-0201) which will begin in FY 80. As is the case elsewhere in southern Africa, the lack of trained manpower is considered to be the most significant constraint on development. This is particularly true at this time in Malawi regarding engineering manpower. As the SADAP report pointed out, this lack is adversely affecting all Malawi development, but because of Malawi's agricultural based development strategy, the agricultural sector is suffering most. Also, recent manpower studies indicate that less than 10% of the professional engineers and less than

50% of engineering technicians practising in Malawi are Malawians. In 1980, a project will be started to expand and improve the institutional capability of the existing Polytechnic Institute to produce engineering manpower at the certificate, diploma and bachelor degree level. The Institute will train sufficient engineering manpower to meet the needs of the expanding economy, eventually replace expatriate engineers as well as feed students into technical teaching positions. The FY 80 funding will cover staff, testing of the curriculum for the expanded engineering program, and training (U.S.) of key Malawians to assume major posts at the Institute.

The third priority has been assigned to FY 81 incremental funding of \$1,450 million for the Manpower Development and Training project (612-0206) which will be started in FY 80. As noted above, the manpower constraint cuts across all sectors and all levels. The Manpower Development Project will impact on the middle level and administrative personnel in the development Ministries and at the District level. This will result from a series of in-country training programs directed towards the upgrading and training of personnel in specific activities as identified in coordination with the Ministries concerned. This funding level would cover the staff to implement these training programs and plan for future year activities.

As the Minimum level would be merely a continuation of prior year activities with no new initiatives, it does not reflect the tempo of the GOM's development program. Nor, does it reflect the tempo of change in southern Africa and the larger U.S. contributions to neighboring, smaller (some with one-tenth the population of Malawi) countries. In terms of the GOM's request for both capital and technical assistance, it is predictable that the GOM will respond negatively to this level of support. This would be particularly true in view of the fact that their development strategy and objectives coincide with our Congressional Mandate.

Also in the minimum level is USDH staff needed to manage two on-going projects for which prior year funds have been provided. These are the Bunda Agriculture project (612-0054) which is expanding the output of middle level agricultural workers needed in Malawi's NRDP and the Rural Water Project (612-0207) which is assisting communities to install clean water supplies on a self help basis.

DECISION PACKAGE: AAPL

DECISION UNIT - USAID/MALAWI

DECISION PACKAGE NARRATIVE

The AAPL level of \$13.0 million would provide full Life-of-Project funding for two ongoing projects, Manpower Development and Training and Malawi Polytechnic Institute, expansion of the present Rural Water Project and the initiation of a new project to support Rural Adult Education Centers.

In accordance with AID/W guidance, \$3,990,000 would be programmed to fully fund life-of-project costs of our fourth and sixth project priorities, Manpower Development and Training and Malawi Polytechnic Institute. This would assure funding for the technical assistance, education and training teams needed to address the key engineering and technical manpower constraints described in the minimum package narrative. This would assure uninterrupted achievement of the projects' purposes. The fifth priority project is an expansion of the Rural Water Project (612-0207) which will be started in FY 80. The \$2.0 million FY 81 funds would expand the number of water systems and communities served. At the present cost per person benefitted, approximately one-half million more people would have access to clean water, improved health and better living standards. Priority under this project is given to access where the lack of potable water inhibits people from moving into fertile but undeveloped land. In this regard the project complements the Agricultural Research project's purpose of increasing agriculture production. It also complements the Polytechnic and Manpower projects; engineering and technical outputs from these projects are needed to implement the expanded Rural Water project.

The one new activity proposed for FY 81 is a Rural Adult Education Centers project (612-0204). As noted above, various aspects of the manpower constraint are being addressed in the minimum package and as higher priorities of this package. A major manpower problem not yet being adequately addressed is the need for practical training for adults and school leavers who are not equipped with the skills needed for personal, community and national development. The UN has funded the construction of 24 model schools in the 24 rural districts of Malawi. This project would add a non-formal education component to these schools, responsive to the skills and administrative training needed for rural development.

No additional staff is presently programmed to manage the AAPL portfolio inasmuch as only one new project is proposed and it is in the present sector of concentration - manpower.

PROJECT SUMMARY

NUMBER OF PROJECTS

| | FY 77 | FY 78 | FY 79 | FY 80 | FY 81 | | AAPL |
|--|-------|-------|-------|-------|---------|---------|------|
| | | | | | MINIMUM | CURRENT | |
| Implementation at Beginning of Year | 3 | 3 | 2 | 2 | 4 | | 6 |
| Moving from Design to Implementation During Year | | | 1 | 4 | | | 1 |
| Design for Future Year Implementation | 1 | 1 | 5 | 1 | 5 | | 5 |
| ▲ SUBTOTAL | | | | | | | |
| Number of Non-Project Activities | 1 | 1 | 1 | 4 | 1 | | 4 |
| ▲ TOTAL | 4 | 5 | 9 | 11 | 10 | | 16 |

NUMBER OF PROJECTS MOVING FROM DESIGN TO IMPLEMENTATION BY PROJECT SIZE

| | FY 77 | FY 78 | FY 79 | FY 80 | FY 81 | | AAPL |
|--|-------|-------|-------|-------|---------|---------|------|
| | | | | | MINIMUM | CURRENT | |
| AID'S CONTRIBUTION TO LIFE OF PROJECT COST | | | | | | | |
| Less than \$1 Million | | | | 1 | | | |
| \$1 To \$5 Million | | | | 2 | | | 1 |
| \$5 To \$15 Million | | | 1 | 1 | | | |
| \$15 To \$25 Million | | | | | | | |
| More Than \$25 Million | | | | | | | |
| AID 1510.6 (3-72) | | | | | | | |

OPERATING EXPENSE FUNDED PERSONNEL IN POSITIONS

| FUNCTIONS | FY 77 1/ | | | | FY 78 1/ | | | | FY 79 | | | | FY 80 | | | |
|-------------------------------|----------|------|---------|---------|----------|------|---------|---------|-------|------|---------|---------|-------|------|---------|---------|
| | USDH | FNDH | US CONT | FN CONT | USDH | FNDH | US CONT | FN CONT | USDH | FNDH | US CONT | FN CONT | USDH | FNDH | US CONT | FN CONT |
| Executive Direction | | | | | | | | | | | | | | | | |
| Program Planning | | | | | | | | | | | | | | | | |
| Project Design | | | | | | | | | | | | | | | | |
| Project Implementation | | | | | | | | | | | | | | | | |
| Financial Management | | | | | | | | | | | | | | | | |
| Mission Support | | | | | | | | | | | | | | | | |
| Non-Mission Specific | | | | | | | | | | | | | | | | |
| TOTAL | | | | | | | | | | | | | | | | |
| PLUS: PASA's (O.E. & Program) | | | | | | | | | | | | | | | | |
| LESS: JAO Details | | | | | | | | | | | | | | | | |
| MODE Requested | | | | | | | | | | | | | | | | |

| FUNCTIONS | FY 81 A/APL | | | | FY 81 MINIMUM | | | | FY 81 CURRENT | | | |
|-------------------------------|-------------|------|---------|---------|---------------|------|---------|---------|---------------|------|---------|---------|
| | USDH | FNDH | US CONT | FN CONT | USDH | FNDH | US CONT | FN CONT | USDH | FNDH | US CONT | FN CONT |
| Executive Direction | 1 | | | | 1 | | | | | | | |
| Program Planning | 1 | | | | 1 | | | | | | | |
| Project Design | | | | | | | | | | | | |
| Project Implementation | | 1 | | | | 1 | | | | | | |
| Financial Management | | | | | | | | | | | | |
| Mission Support | | | | 2 | | | | 2 | | | | |
| Non-Mission Specific | | | | | | | | | | | | |
| TOTAL | 3 | 2 | | 2 | 3 | 2 | | 2 | | | | |
| PLUS: PASA's (O.E. & Program) | | | | | | | | | | | | |
| LESS: JAO Details | | | | | | | | | | | | |
| MODE Requested | 3 | | | | 3 | | | | | | | |

1/ Malawi Program in FY 77 and FY 78 was administered by the Regional Office for Southern Africa (OSARAC) which was abolished 10/1/78. OSARAC staffing for prior years is reflected in USAID Swaziland Table VII.

USAID/Malawi

TABLE VIII

OPERATING EXPENSE SUMMARY

| COST SUMMARIES | FY 77 | | | FY 78 | | | FY 79 | | | FY 80 | | |
|--|---------|------------------|-----------|---------|------------------|-----------|---------|------------------|-----------|---------|------------------|-----------|
| | (\$000) | RELATED WORKYRS. | UNIT COST |
| US Direct Hire | | | | | | | | | | 147.8 | 2.3 | 64.3 |
| FN Direct Hire | | | | | | | 1.1 | 0.3 | 3.7 | 9.0 | 2.0 | 4.5 |
| US Contract Personnel | | | | | | | | | | | | |
| FN Contract Personnel | | | | | | | 1.0 | 0.6 | 1.7 | 2.2 | 2.0 | 1.1 |
| Housing | | | | | | | 54.6 | 2.0 | 27.3 | 35.2 | 1.8 | 19.6 |
| Office Operations | | XXXX | XXX | | XXXX | XXX | 87.3 | XXXX | XXX | 128.1 | XXXX | XXX |
| TOTAL REQUEST | | | | | | | 144.0 | | | 322.3 | | |
| Amount of Trust Fund Included in Total Requested | | | | | | | -0- | | | -0- | | |

| COST SUMMARIES | FY 81 A/PL | | | FY 81 MINIMUM | | | FY 81 CURRENT N/A | | |
|--|------------|------------------|-----------|---------------|------------------|-----------|-------------------|------------------|-----------|
| | (\$000) | RELATED WORKYRS. | UNIT COST | (\$000) | RELATED WORKYRS. | UNIT COST | (\$000) | RELATED WORKYRS. | UNIT COST |
| US Direct Hire | 162.3 | 3.0 | 54.1 | 162.3 | 3.0 | 54.1 | | | |
| FN Direct Hire | 10.2 | 2.0 | 5.1 | 10.2 | 2.0 | 5.1 | | | |
| US Contract Personnel | | | | | | | | | |
| FN Contract Personnel | 2.4 | 2.0 | 1.2 | 2.4 | 2.0 | 1.2 | | | |
| Housing | 11.5 | 3.0 | 3.8 | 11.5 | 3.0 | 3.8 | | | |
| Office Operations | 140.1 | XXXX | XXX | 140.1 | XXXX | XXX | | XXXX | XXX |
| TOTAL REQUEST | 326.5 | | | 326.5 | | | | | |
| Amount of Trust Fund Included in Total Requested | -0- | | | -0- | | | | | |

AID 1510-5 (9-79) Malawi Program in FY 77 and FY 78 was administered by the Regional Office for Southern Africa (OSARAC) which was abolished 10/1/78. OSARAC funding for prior years is reflected in USAID/Swaziland Table VIII.

TABLE VIII (A)
Page 1 of 3

AGENCY FOR INTERNATIONAL DEVELOPMENT

MISSION MALAWI (AID Section of Embassy)

OPERATING EXPENSE BUDGET DETAIL

| Expense Category | Line No. | Object Class | Expenses Related To | FY 80 BUDGET | | FY 81 BUDGET (AAPL Level) | |
|---|----------|--------------|---------------------|--------------|--------|---------------------------|--------|
| | | | | Units | Amount | Units | Amount |
| U.S. DIRECT HIRE | 01 | XXX | | | 147.8 | | 162.3 |
| U.S. Citizens Basic Pay | 02 | 110 | USDH Workyears | 1.8 | 67.9 | 3.0 | 107.5 |
| Part-time, Temp. U.S. Basic Pay | 03 | 112 | USDH Workyears | 0.5 | 6.0 | 0.5 | 6.0 |
| Differential Pay | 04 | 116 | | | | | |
| Living Allowances | 05 | 118 | USDH Workyears | | | | |
| All Other CODE 11 | 06 | 119 | | | 0.5 | | 0.6 |
| Education Allowances | 07 | 126 | No. of Dependents | 4.0 | 3.6 | 4.0 | 13.0 |
| Retirement - U.S. | 08 | 120 | | | 5.2 | | 7.9 |
| All Other CODE 12 - U.S. | 09 | 129 | | | 4.1 | | 3.0 |
| Post Assignment - Travel | 10 | 212 | No. of Assignments | 3.0 | 14.8 | | |
| Post Assignment - Freight | 11 | 22 | No. of Assignments | 3.0 | 38.4 | | |
| Home Leave - Travel | 12 | 212 | No. of Assignments | | | | |
| Home Leave - Freight | 13 | 22 | No. of Assignments | | | | |
| Education Travel | 14 | 215 | No. of Movements | 1.0 | 3.0 | 1.0 | 3.0 |
| R & R Travel | 15 | 215 | No. of Movements | | | 10.0 | 16.6 |
| All Other CODE 215 Travel | 16 | 215 | | | 4.3 | | 4.7 |
| FOREIGN NATIONAL DIRECT HIRE | 17 | XXX | | | | | 10.2 |
| Basic Pay | 18 | 114 | FNDH Workyears | 2.0 | 8.1 | 2.0 | 9.2 |
| Overtime, Holiday Pay | 19 | 115 | | | 0.9 | | 1.0 |
| All Other CODE 11 - FN | 20 | 119 | | | | | |
| All Code 12 - FN | 21 | 129 | | | | | |
| Benefits for Former Personnel | 22 | 13 | | | | | |
| U.S. CONTRACT PERSONNEL | 23 | XXX | | | | | |
| PASA Technicians | 24 | 258 | Workyears | | | | |
| U.S. Personal Serv. Cont. - Salary & Benefits | 25 | 113 | Workyears | | | | |
| All Other U.S. PSC Costs | 26 | 255 | | | | | |
| F.N. CONTRACT PERSONNEL | 27 | XXX | | | | | |
| F.N. Personal Serv. Cont. - Salary & Benefits | 28 | 113 | Workyears | 2.0 | 2.2 | 2.0 | 2.4 |
| All Other F.N. PSC Costs | 29 | 255 | | 2.0 | 2.2 | 2.0 | 2.4 |

TABLE VIII (A)
Page 2 of 3

OPERATING EXPENSE BUDGET DETAIL

| Expense Category | Line No. | Object Class | Expenses Related To | FY 80 BUDGET | | FY 81 BUDGET (NAPL Level) | |
|--|----------|--------------|---------------------|--------------|--------|---------------------------|--------|
| | | | | Units | Amount | Units | Amount |
| HOUSING | 30 | XXX | | | 35.2 | | 11.5 |
| Rent (All residences owned by U.S. Government) | 31 | 235 | No. of Res. Years | | | | |
| Utilities | 32 | 235 | No. of Res. Years | 1.8 | 3.6 | 3.0 | 6.0 |
| Renovation & Maintenance | 33 | 259 | No. of Res. Units | 2.0 | 1.0 | 3.0 | 2.5 |
| Quarters Allowance | 34 | 127 | No. of Allowances | | | | |
| Purchases - Res. Furnishings & Equipment | 35 | 311 | No. of Sets | 1 Set | 21.1 | N/A | 2.0 |
| Transportation (Freight) for Code 311 | 36 | 22 | | | 9.5 | | 1.0 |
| Mission Director | XXX | XXX | | | | | |
| Rent | 37 | 235 | | | | | |
| Utilities | 38 | 235 | | | | | |
| Renovation & Maintenance of Residence | 39 | 259 | | | | | |
| Official Residence Allowance | 40 | 254 | | | | | |
| Representation Allowance | 41 | 252 | | | 0.8 | | 1.0 |
| OFFICE OPERATIONS | 42 | XXX | | | 128.1 | | 140.1 |
| Rent | 43 | 234 | | | 5.0 | | 5.5 |
| Utilities | 44 | 234 | | | 2.5 | | 3.0 |
| Building Maintenance & Renovations | 45 | 259 | | | 1.5 | | 1.0 |
| Office Furniture & Equipment | 46 | 310 | | | 6.5 | | 3.0 |
| Other Equipment | 47 | 319 | | | 3.0 | | 1.0 |
| Transportation (Freight) | 48 | 22 | | | 3.3 | | 2.3 |
| Communications | 49 | 230 | | | 2.0 | | 3.0 |
| Security Guard Services (NON PSCs) | 50 | 259 | | | 3.0 | | 5.0 |
| Printing | 51 | 24 | | | 1.0 | | 1.0 |
| International - Operational Travel | 52 | 210 | No. of Trips | 30.0 | 69.6 | 30.0 | 81.8 |
| Domestic - Operational Travel | 53 | 210 | | | 9.5 | | 11.5 |
| Charter/Contract Transportation | 54 | 259 | | | | | |
| Vehicles | 55 | 312 | No. of Vehicles | | | 1.0 | 9.0 |
| Transportation (Freight) for CODE 312 | 56 | 22 | No. of Vehicles | | | | |
| Supplies & Materials | 57 | 26 | | | 7.4 | | 5.0 |
| FMS | 58 | 257 | | | | | |
| All other CODE 25 | 59 | 259 | | | 13.8 | | 9.0 |

TABLE VIII (A)
Page 3 of 3

OPERATING EXPENSE BUDGET DETAIL

| Expense Category | Line No. | Object Class | Expenses Related To | FY 80 BUDGET | | FY 81 BUDGET (APL Level) | |
|---|----------|--------------|---------------------|--------------|--------|--------------------------|--------|
| | | | | Units | Amount | Units | Amount |
| TOTAL OPERATING EXPENSE BUDGET | 60 | | | | 322.3 | | 326.5 |
| RECONCILE by deducting from line 60 amounts not funded from Mission Allotment (line 65) | XX | XXX | | | | | |
| Object Class 11 | 61 | | | | 74.4 | | 114.1 |
| Object Class 12 | 62 | | | | 7.0 | | 10.9 |
| Net FMS (from line 58) | 63 | | | | | | |
| Other Deductions | 64 | | | | | | |
| NET ALLOTMENT REQUIREMENTS | 65 | | | | 240.9 | | 201.5 |
| AID/W APPROVED BUDGET INCREASE (DECREASE) | XX | XXX | | | | | |
| | 66 | | | | | | |
| | 67 | | | | | | |
| | 68 | | | | | | |
| | 69 | | | | | | |
| | 70 | | | | | | |
| OTHER INFORMATION | XX | XXX | | | | | |
| 636(c) Requirements | 71 | 32 | | | 70.0 | | |
| Administrative Reservations | 72 | XXX | | | | | |
| Trust Funded PSC's Included in lines 23 & 27 | 73 | XXX | Workyears | | | | |
| Program funded PSC's | 74 | XXX | Workyears | | | | |
| P.D. & S.Project: Obligations for Project Design | 75 | XXX | | | 115.0 | | 200.0 |

NET ALLOTMENT REQUIREMENT BY QUARTER - FY 1980:

FIRST QUARTER : 62.6
 SECOND QUARTER: 41.0
 THIRD QUARTER : 86.7
 FOURTH QUARTER: 50.6

PROJECTED OBLIGATIONS BY MONTH - FY 1980:

| | OCT 10 | % | APR 19 | % |
|--|--------|---|--------|---|
| | 8 | % | 6 | % |
| | 8 | % | 11 | % |
| | 5 | % | 10 | % |
| | 7 | % | 6 | % |
| | 5 | % | 5 | % |

DECISION UNIT - USAID/MALAWI

ATTACHMENT TO TABLE VIII ANARRATIVE COMMENTARYImpact of PSC Restrictions

The \$2,200 budgeted for two PSC employees (a driver and cleaning/maintenance person) is small but essential in providing support to AID staff stationed in Malawi. This is particularly true in light of the Ambassador's decision to keep USDH and FNDH MODE approvals at the minimum levels even to the extent of cutting back on program expansion.

Impact of Travel Restrictions on Program Implementation

The high level of international operational travel for Malawi is directly related to training, design and implementation activities implicit in the start-up of a new AID Office and new project activities. New local and U.S. employees must travel to third countries for training or a trainer with requisite knowledge must travel to Malawi to train them. With a minimum MODE ceiling of 3 USDH, Malawi will be forced to call upon outside help from AID/W and other Missions for both design and implementation assistance. Obviously any material cut in operational travel funds will severely hamper start-up of the Malawi program.

Assumed Inflation Rate and Exchange Rate Factors

U.S. direct hire salaries and benefits are based on pay rates effective October, 1978. Per HB 2, App. 3 D instructions no adjustments have been made for further general salary increases. An inflation factor of 10% per year was applied in computing Foreign National employees basic pay and benefits, international travel and transportation costs, utilities and for some supplies and materials or contractual services. No provision was made in the budgets for FYs 80 and 81 for fluctuations of the Malawi Kwacha to the U.S. dollar. During FY 79 the U.S. dollar fell in value but future trends are unpredictable.

Significant Changes in Expense from FY 79 to FY 81

No meaningful comparison can be made between O.E. expenses in FY 79 and FY 81. In FY 79 the Malawi program only started up in the second half of the year and was manned only by an acting AAO on TDY. In FY 81 three full time USDH staff and 2 full time FNDH staff are budgeted for the entire year.

Operational Expenses Use to Support Program Funded Personnel

None is envisioned.

Measures to be Taken to Use Operating Expenses More Efficiently

It is expected that the Malawi AID staff will be supported by the Malawi Embassy under a FAAS agreement. In negotiating the FAAS agreement care

will be used to assure that AID O.E. Funds will be used with economy and efficiency.

FAAS Agreement

During late 1979, it will be necessary to negotiate a FAAS support agreement between AID and the State Department. In compiling this budget it was not possible to determine which items will be supplied by the Embassy under the FAAS Agreement and which items will be billed as direct charges against the AID budget. For example provision has been made in the budget for renovation and maintenance (Lines 33 and 45), utilities (Lines 32 and 44), supplies and materials (Line 57) and Code 259 Contractual Services (Line 59). To the extent that any of these items are included under the FAAS Agreement these expense categories can be reduced.

636 (c) Requirements

In FY 79, a specific request for FY 79 636 (c) funds in the amount of \$70,000 for construction of a second house for the Assistant Program Officer will be submitted to AID/W in May 1979.

In FY 80, Table VIII A reflects \$70,000 in 636 (c) requirements. These funds are required for construction of a third house for the General Development Officer to be assigned in the fourth quarter of FY 80. If the house is to be completed in time the request for 636 (c) funds will have to be submitted and approved early in the fiscal year.

TABLE VIII (B)

USAID/ S. Malawi
 FY 1980 NON-EXPENDABLE PROPERTY PROCUREMENT PLAN
 (O/C 310, 311, 312 & 319)

| MOB LINE NO. | OBJECT CLASS CATEG. | DESCRIPTION | NUMBER OF UNITS | | | Units to be Purchased | | | ACQUISITION COST | | COMMENTS |
|--------------|---------------------|---|-----------------|--------|-------|-----------------------|---|---|------------------|-----------|--------------------|
| | | | WAREHOUSE | ISSUED | ORDER | TOTAL | C | A | NR | COMMODITY | |
| 35 | 311 | House-hold furniture sets | | 2 | | 2 | | | \$14,500 | \$5,000 | R.S.A. Procurement |
| 35 | 311 | Washer (ea) | | 2 | | 2 | | | 500 | 500 | U.S. Procurement |
| | | Dryer (ea) | | 2 | | 2 | | | 500 | 500 | U.S. Procurement |
| | | Freezer (ea) | | 2 | | 2 | | | 500 | 500 | U.S. Procurement |
| | | Refrigerator (ea) | | 2 | | 2 | | | 500 | 500 | U.S. Procurement |
| | | Stove (ea) | | 2 | | 2 | | | 500 | 500 | U.S. Procurement |
| | | Air-conditioner (ea) | | 6 | | 6 | | | 2,500 | 1,500 | R.S.A. Procurement |
| | | Heaters (ea) | | 6 | | 6 | | | 150 | 50 | Malawi Procurement |
| | | Fans (ea) | | 2 | | 2 | | | 50 | 25 | Malawi Procurement |
| | | Sets lawn furniture | | 2 | | 2 | | | 150 | 100 | R.S.A. Procurement |
| | | Lawn mowers (ea) | | 2 | | 2 | | | 400 | 150 | R.S.A. Procurement |
| | | Transformers (ea) | | 8 | | 8 | | | 300 | 175 | R.S.A. Procurement |
| | | Misc. small appliances (vacuum cleaners, etc) | | | | | | | 500 | | Malawi Procurement |
| C. 31 | Sub-Total | Lines 35 and 36 | | | | | | | 21,050 | 9,500 | |

1/ PURCHASE CODE: C = Purchase Based on Condition of Item
 A = Replacement Based on Age

NR = New Requirement Due to Staffing Increase

TABLE VIII (B)

USAID/ Malawi
FY 1980 NON-EXPENDABLE PROPERTY PROCUREMENT PLAN
(O/C 310, 311, 312 & 319)

Page 2 of 2

| MOB LINE NO. | OBJECT CLASS CATEG. | DESCRIPTION | NUMBER OF UNITS | | | Units to be/ Purchased | | | ACQUISITION COST | | COMMENTS | |
|--------------------|---------------------------|----------------------------------|-----------------|--------|-------|---------------------------|---|---|------------------|-----------|--|----------------|
| | | | WARE- HOUSE | ISSUED | ORDER | TOTAL | C | A | NR | COMMODITY | | TRANSPORTATION |
| 46 | 310 | Office furniture-sets | | 4 | | | 4 | | | | | |
| 46 | 310 | Safe | | | | | | | \$5,000 | \$1,500 | R.S.A. Procurement | |
| 46 | 310 | Calculator | | 3 | | | 3 | | 800 | 400 | R.S.A. Procurement | |
| Sub-Total | O.C. 310 | Line 46 | | | | | | | 700 | | Malawi Procurement | |
| | | | | | | | | | 6,500 | | | |
| 47 | 319 | Comm. Equip. | | | | | | | 3,000 | 1,000 | U.S. Procurement of tel. & comm. equip. | |
| 48 | 220 | Freight on Supplies and Material | | | | | | | | 400 | | |
| Sub-Total | O.C. 220 | Line 48 | | | | | | | | 3,300 | | |

1/ PURCHASE CODE: C = Purchase Based on Condition of Item
A = Replacement Based on Age
NR = New Requirement Due to Staffing Increase

USAID Malawi
INTERNATIONAL OPERATIONAL TRAVEL
 (Line No. 52 of OE Budget - O/C 210)
 FY 1980 - Mission Requested Travel
Purpose of Travel and Budget

TABLE VIII (D)

| Services To Be Provided By | DESIGN | | IMPLEMENTATION | | EVALUATION | | O T H E R | | | | | | |
|---|------------|--------|----------------|--------|------------|--------|-----------------|--------|----------------|--------|--|--------|--|
| | # of TRIPS | AMOUNT | # of TRIPS | AMOUNT | # of TRIPS | AMOUNT | PROJECT RELATED | | ADMINISTRATIVE | | | | |
| | | | | | | | # of TRIPS | AMOUNT | # of TRIPS | AMOUNT | | | |
| 1. U S A I D | | | | | | | | | | | | | |
| - AFR/DR AAO TO U.S. TO OTHER POINTS | | | | | | | | 1 | | 1 | | 3,000 | |
| - ALL OTHER STAFF TO U.S. TO OTHER POINTS | 2 | 6,000 | | | | | | 6 | 1,800 | 6 | | 5,800 | |
| - TRAINING | | | | | | | | | | 2 | | 2,400 | |
| - INVITATIONAL | | | | | | | | 4 | 7,400 | | | | |
| 2. AID/W BASED PERSONNEL | | | | | | | | 4 | 11,200 | | | | |
| AFR/DR | | | | | | | | | | | | | |
| AFR/SA | 2 | 8,000 | 4 | 12,000 | | | | 1 | 3,000 | 1 | | 3,000 | |
| SER/MO | | | | | | | | | | | | | |
| AFR/DS | | | | | | | | 1 | 3,000 | 1 | | 3,000 | |
| 3. R E G I O N A L | | | | | | | | | | | | | |
| AAG/IIS | | | | | | | | | | | | | |
| OTHER | | | | | | | | | | | | | |
| T O T A L S | 4 | 14,000 | 4 | 12,000 | | | 11 | 26,400 | | 11 | | 17,200 | |

USAID/ Malawi
 FOREIGN NATIONAL CONTRACT PERSONNEL - FY 1980
 (Personal Services Contracts)

| Contract No. (Where Applicable) | TITLE (Type of Service) | Work Months FY 80 | Work Months FY 81 | FY 1980 | | Funding | REMARKS |
|------------------------------------|----------------------------|----------------------|----------------------|----------------------------|----------------------------|---------|-----------------------------------|
| | | | | (MOB Line 28 - o/c 113) | (MOB Line 29 - o/c 255) | | |
| Part I New Contracts: | | | | \$ | | | |
| N/A | Driver/Messenger | 1.0 | 1.0 | 1,200 | | 1,320 | Includes 10% increase in FY 81 |
| N/A | Cleaning/Maint. | 1.0 | 1.0 | 1,000 | | 1,100 | |
| Part II and III | N/A | | | | | | |

TABLE IX - SUPPORTING DATA ON PROPOSED PROGRAM RANKING
 POSITION REQUIREMENTS - FY 1979 - 1981
 (By Function, Organizational Unit, Position Title and Professional Speciality)

| FUNCTION/ORGANIZATIONAL UNIT/ POSITION TITLE/PROFESSIONAL SPECIALITY | NUMBER OF POSITIONS | | | | | | | | | | | | |
|---|---------------------|------|---------|------|---------|------|---------|------|---------|------|------|------|---|
| | FY 1979 | | FY 1980 | | FY 1981 | | Current | | AAPL | | USDH | FNDH | |
| | USDH | FNDH | USDH | FNDH | USDH | FNDH | USDH | FNDH | USDH | FNDH | | | |
| | Minimum | | Minimum | | Minimum | | Minimum | | Minimum | | | | |
| <u>Executive Direction</u> | | | | | | | | | | | | | |
| <u>AID Affairs Office</u> | | | | | | | | | | | | | |
| AID Affairs Officer | | | 1 | | 1 | | | | | | 1 | | |
| Sub-Total Executive Direction | | | 1 | | 1 | | | | | | 1 | | |
| <u>Program Planning</u> | | | | | | | | | | | | | |
| <u>Program Office</u> | | | | | | | | | | | | | |
| Assistant Program Officer | | | 1 | | 1 | | | | | | 1 | | |
| Sub-Total Program Planning | | | 1 | | 1 | | | | | | 1 | | |
| <u>Project Design and Implementation</u> | | | | | | | | | | | | | |
| General Development Officer | | | 1 | | 1 | | | | | | 1 | | 1 |
| Secretary/Training Assistant | | 1 | | | | | | | | | | | |
| Sub-Total Project Design and Implementation | | 1 | | | | | | | | | 1 | | 1 |
| <u>Mission Support</u> | | | | | | | | | | | | | |
| <u>Financial Management</u> | | | | | | | | | | | | | |
| Financial Management Liaison Assistant | | | | 1 | | | | | | | 1 | | 1 |
| Sub-Total Financial Management | | | | 1 | | | | | | | 1 | | 1 |
| Total Increment | 1 | 3 | 2 | 3 | 2 | 3 | 2 | 2 | 2 | 3 | 3 | 2 | 2 |
| Cumulative Total | 1 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 2 | 2 |

DECISION UNIT - USAID/MALAWI

SUPPORTING NARRATIVE ON POSITION REQUIREMENTSFY 79 AND FY 80 STAFFING REQUIREMENTS

For FY 79, USAID has only one FNDH Secretary/Training Assistant position. The AID program has been monitored by the DCM of the American Embassy, managed by USAID/Swaziland and supported by REDSO/EA staff. It has been decided to reinstate a U.S. bilateral assistance program in FY 79. In mid FY 79, an AID/W TDY officer plus a TDY Secretary were assigned to initiate the establishment of an A.I.D. office as a section of the Embassy.

For FY 80, three USDH positions and one new FNDH position are requested. The USDH staff will be composed of: an AID Affairs Officer (AAO), an Assistant Program Officer and a General Development Officer. The FNDH position will be a Financial-Management Liaison Assistant. This staff will be required to manage a portfolio of projects consisting of the terminating Bunda College project, the ongoing Agricultural Research Project and four new projects, Health Education, Rural Water, Malawi Polytechnic and Manpower Development and Training. In addition, one new project will be in the design stage.

The choice of USDH positions, Assistant Program Officer and General Development Officer, reflect the broad nature of program activities and the very limited staffing positions available. With projects in the agriculture/rural development/nutrition, health, education and housing areas, two generalist positions are preferable to technical specialist positions. Technical, financial and economic services will be provided by REDSO/EA and USAID/Swaziland.

While USAID/Malawi realizes that the worldwide FY 80 level of USDH and FNDH has been limited to the FY 79 level by the administration, the determination to reinstate bilateral assistance to Malawi, and the growing levels and complexities of the Malawi program require at least a core of USDH and FNDH staff.

FY 81 "Minimum Package" Staffing Requirements

At the "minimum package" level of \$5.4 million and three projects (one agriculture and two education) USAID/Malawi will seek no additional USDH or FNDH personnel. Executive direction functions will be carried out by the AID Affairs Officer. Program operations will be carried out by the Assistant Program Officer.

The General Development Officer will serve as project manager and will be assisted by a FNDH Secretary/Training Assistant. Basic finance/management work will be handled by the Embassy administrative section with help from the AID Financial-Management Liaison Assistant. Accounting/Controller support will be provided by the East Africa Accounting Center in Nairobi. Technical and economic support will be provided by REDSO/EA and USAID/Swaziland.

FY 81 "AAPL Package" Staffing Requirements

Even though the "AAPL Package" contains five projects with an FY 81 obligation of \$12.9 million, no additional staff is anticipated. The two additional projects will include the on-going Rural Water and a new Rural Adult Education Centers. The AAPL obligation level is achieved by life-of-project funding three of the five projects. This heavy forward funding in FY 81 implies a need to develop perhaps five new projects to reach the FY 82 AAPL. This might be done by placing a heavy reliance on REDSO/EA, USAID/Swaziland, AID/W and contractors. Nevertheless, given the heavy workloads of these other AID organizations, it appears doubtful that this will be a viable solution in the long term. The USDH and FNDH are very low given the size of the "AAPL package." AID must consider, given the rapidly expanding AAPL levels for Malawi, whether it should continue to manage an increasingly important program in this manner.

FY 1981 ANNUAL BUDGET SUBMISSION
PROJECT BUDGETS AND PERCENTAGES OF OBLIGATIONS
TO MEET SPECIAL CONCERNS
(BUDGETS IN THOUSANDS OF DOLLARS)

TABLE X

DECISION UNIT: 612 MALAWI

PROJECT NUMBER AND TITLE: 6120054 RUNDA AGRICULTURAL COLLEGE APPROPRIATION: AGRICULTURE, RURAL DEV. AND NUTRITION

A. BUDGET IN CP: FY 1979 - \$ 805 BUDGET IN ABS: FY 1979 - \$ 205
 FY 1980 - \$ 0 FY 1980 - \$ 0
 FY 1981 - \$ 0

B. OBLIGATIONS TO MEET SPECIAL CONCERNS AS PERCENTAGE OF BUDGET:

| ADP ITEM | CONCERN CODE | 1979 BUDGET IN CP | 1979 BUDGET IN ABS | 1980 RUDGET IN CP | 1980 RUDGET IN ABS | 1981 BUDGET IN ABS |
|----------|--------------|-------------------|--------------------|-------------------|--------------------|--------------------|
| 1296 | XIIB | 100% | 100% | 0% | 0 | 0 |
| ADD | | | | | | |
| ADD | | | | | | |

PROJECT NUMBER AND TITLE: 6120201 MALAWI POLYTECHNIC

EDUCATION
APPROPRIATION: SECURITY-SUPPORTING-ASSISTANCE

A. BUDGET IN CP: FY 1979 - \$ 0 BUDGET IN ABS: FY 1979 - \$ 0
 FY 1980 - \$ 1760 FY 1980 - \$ 1,760
 FY 1981 - \$ 3,740

B. OBLIGATIONS TO MEET SPECIAL CONCERNS AS PERCENTAGE OF BUDGET:

| ADP ITEM | CONCERN CODE | 1979 BUDGET IN CP | 1979 BUDGET IN ABS | 1980 RUDGET IN CP | 1980 RUDGET IN ABS | 1981 BUDGET IN ABS |
|----------|--------------|-------------------|--------------------|-------------------|--------------------|--------------------|
| 1295 | LTRU | 0% | 0 | 100% | 100 | 100 |
| ADD | | | | | | |
| ADD | | | | | | |

FY 1981 ANNUAL BUDGET SUBMISSION
 PROJECT BUDGETS AND PERCENTAGES OF OBLIGATIONS
 TO MEET SPECIAL CONCERNS
 (BUDGETS IN THOUSANDS OF DOLLARS)

PROJECT NUMBER AND TITLE: 6120202 AGRICULTURE RESEARCH APPROPRIATION: AGRICULTURE, RURAL DEV. AND NUTRITION

A. BUDGET IN CP: FY 1979 - \$ 2500 BUDGET IN ABS: FY 1979 - \$ 2,500
 FY 1980 - \$ 0 BUDGET IN ABS: FY 1980 - \$ 1,730
 FY 1981 - \$ 2,500

B. OBLIGATIONS TO MEET SPECIAL CONCERNS AS PERCENTAGE OF BUDGET:

| ADP ITEM | CONCERN CODE | -----1979 BUDGET----- IN CP | -----1980 BUDGET----- IN ABS | -----1981 BUDGET----- IN ABS |
|----------|--------------|--------------------------------|---------------------------------|---------------------------------|
| 1297 | XIIB | 100% | 100% | 100% |
| ADD | | | | |
| ADD | | | | |

PROJECT NUMBER AND TITLE: 6120202 AGRICULTURAL RESEARCH APPROPRIATION: SECURITY SUPPORTING ASSISTANCE

A. BUDGET IN CP: FY 1979 - \$ 0 BUDGET IN ABS: FY 1979 - \$ 0
 FY 1980 - \$ 1730 BUDGET IN ABS: FY 1980 - \$ 0
 FY 1981 - \$ 0

B. OBLIGATIONS TO MEET SPECIAL CONCERNS AS PERCENTAGE OF BUDGET:

| ADP ITEM | CONCERN CODE | -----1979 BUDGET----- IN CP | -----1980 BUDGET----- IN ABS | -----1981 BUDGET----- IN ABS |
|----------|--------------|--------------------------------|---------------------------------|---------------------------------|
| 999 | XIIB | 0% | 100% | 0% |
| ADD | | | | |
| ADD | | | | |

FY 1981 ANNUAL BUDGET SUBMISSION
PROJECT BUDGETS AND PERCENTAGES OF OBLIGATIONS
TO MEET SPECIAL CONCERNS
(BUDGETS IN THOUSANDS OF DOLLARS)

HEALTH

APPROPRIATION: SECURITY SUPPORTING ASSISTANCE

PROJECT NUMBER AND TITLE: 6120203 HEALTH EDUCATION

A. BUDGET IN CP: FY 1979 - \$ 0 BUDGET IN ABS: FY 1979 - \$
 FY 1980 - \$ 420 FY 1980 - \$ 420
 FY 1981 - \$

B. OBLIGATIONS TO MEET SPECIAL CONCERNS AS PERCENTAGE OF BUDGET:

| ADP ITEM | CONCERN CODE | 1979 BUDGET IN CP | 1979 BUDGET IN ABS | 1980 BUDGET IN CP | 1980 BUDGET IN ABS | 1981 BUDGET IN ABS |
|----------|--------------|-------------------|--------------------|-------------------|--------------------|--------------------|
| 995 | PARA | 0% | 0% | 100% | 100% | 0% |
| ADD | | | | | | |
| ADD | | | | | | |

EDUCATION

APPROPRIATION: SECURITY SUPPORTING ASSISTANCE

PROJECT NUMBER AND TITLE: 6120206 MANPOWER DEV & TRNG

A. BUDGET IN CP: FY 1979 - \$ 0 BUDGET IN ABS: FY 1979 - \$
 FY 1980 - \$ 890 FY 1980 - \$ 890
 FY 1981 - \$ 2200

B. OBLIGATIONS TO MEET SPECIAL CONCERNS AS PERCENTAGE OF BUDGET:

| ADP ITEM | CONCERN CODE | 1979 BUDGET IN CP | 1979 BUDGET IN ABS | 1980 BUDGET IN CP | 1980 BUDGET IN ABS | 1981 BUDGET IN ABS |
|----------|--------------|-------------------|--------------------|-------------------|--------------------|--------------------|
| 996 | LTRN | 0% | 0% | 100% | 100% | 100% |
| 997 | LTRO | 0% | 0% | 100% | 100% | 100% |
| 998 | LTRU | 0% | 0% | 100% | 100% | 100% |
| ADD | | | | | | |
| ADD | | | | | | |

FY 1981 ANNUAL BUDGET SUBMISSION
PROJECT BUDGETS AND PERCENTAGES OF OBLIGATIONS
TO MEET SPECIAL CONCERNS
(BUDGETS IN THOUSANDS OF DOLLARS)

HEALTH
APPROPRIATION: SECURITY-SUPPORTING-ASSISTANCE

PROJECT NUMBER AND TITLE: 6120207 RURAL WATER

| | | | | | | |
|----|---------------|--------------|-----|----------------|--------------|--------------|
| A. | BUDGET IN CP: | FY 1979 - \$ | 0 | BUDGET IN ABS: | FY 1979 - \$ | <u>0</u> |
| | | FY 1980 - \$ | 700 | | FY 1980 - \$ | <u>700</u> |
| | | | | | FY 1981 - \$ | <u>2,000</u> |

B. OBLIGATIONS TO MEET SPECIAL CONCERNS AS PERCENTAGE OF BUDGET:

| ADP ITEM | CONCERN CODE | -----1979 BUDGET----- IN CP | 0% | -----1980 BUDGET----- IN CP | 100% | 1981 BUDGET IN ABS |
|-------------|-----------------|--------------------------------|----|--------------------------------|------|-----------------------|
| 994 | ENVR | <u>0</u> | | <u>0</u> | | <u>100</u> |
| ADD | | <u>0</u> | | <u>0</u> | | <u>0</u> |
| ADD | | <u>0</u> | | <u>0</u> | | <u>0</u> |

TABLE X SPECIAL CONCERNS - ADDITIONAL PROJECTS

DECISION UNIT: USAID/Malawi

PROJECT NUMBER AND TITLE: RURAL ADULT EDUCATION (612-0204)

APPROPRIATION: EDUCATION

| CONCERN CODE | PERCENTAGE OF BUDGET | | CONCERN CODE | PERCENTAGE OF BUDGET | |
|--------------|----------------------|-------|--------------|----------------------|------|
| | 1979 | 1980 | | 1979 | 1980 |
| LTR0 | 0 % | 100 % | | | |

PROJECT NUMBER AND TITLE:

APPROPRIATION:

| CONCERN CODE | PERCENTAGE OF BUDGET | | CONCERN CODE | PERCENTAGE OF BUDGET | |
|--------------|----------------------|------|--------------|----------------------|------|
| | 1979 | 1980 | | 1979 | 1980 |
| | % | % | | % | % |

PROJECT NUMBER AND TITLE:

APPROPRIATION:

| CONCERN CODE | PERCENTAGE OF BUDGET | | CONCERN CODE | PERCENTAGE OF BUDGET | |
|--------------|----------------------|------|--------------|----------------------|------|
| | 1979 | 1980 | | 1979 | 1980 |
| | % | % | | % | % |

PROJECT NUMBER AND TITLE:

APPROPRIATION:

| CONCERN CODE | PERCENTAGE OF BUDGET | | CONCERN CODE | PERCENTAGE OF BUDGET | |
|--------------|----------------------|------|--------------|----------------------|------|
| | 1979 | 1980 | | 1979 | 1980 |
| | % | % | | % | % |

PROJECT NUMBER AND TITLE:

APPROPRIATION:

| CONCERN CODE | PERCENTAGE OF BUDGET | | CONCERN CODE | PERCENTAGE OF BUDGET | |
|--------------|----------------------|------|--------------|----------------------|------|
| | 1979 | 1980 | | 1979 | 1980 |
| | % | % | | % | % |