

**AGENCY FOR
INTERNATIONAL
DEVELOPMENT**



ANNUAL BUDGET SUBMISSION

FY 1980

OSARAC / MALAWI

BEST AVAILABLE

**DEPARTMENT
OF
STATE**

JUNE 1978



OSARAC/MALAWI

Annual Budget Submission - FY 1980

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TABLE I - LONG RANGE PLAN

DECISION UNIT: 612 MALAWI

(\$ millions)

	FY 1978 ESTIMATE	FY 1979 REQUEST	FY 1980		PLANNING PERIOD					
			MINIMUM	MARK	PROPOSED	FY 81	FY 82	FY 83	FY 84	
PL 480 (non-add)	-	-	-	-	-	-	-	-	-	-
Title I (of which	-	-	-	-	-	-	-	-	-	-
Title III)	-	-	-	-	-	-	-	-	-	-
Title II	-	-	-	-	-	-	-	-	-	-
Housing Guaranties (non-add)	-	-	-	-	-	-	-	-	-	(2.0)
Personnel (in workyears)										
Mission - U.S.	*	3.0	3.0	3.0	3.0	8.9				
- F.N.	*	1.6	2.0	2.0	2.0	5.0				
TDY - U.S.D.H.	*	(1.0)	-	-	-	(.9)				
Contract, other -	*	.8	1.0	1.0	1.0	1.0				
Operating Expenses	*	.6	.3	.3	.3	1.4				

*OSARAC staffing levels and Operating Expenses budget handled on regional basis in FY 1978.

TABLE III
(in \$000)

BUDGET YEAR - FY 1980

	FY 1978	PERSONNEL		CY FY 1979	PERSONNEL		MINIMUM	PERSONNEL		MARK	PERSONNEL		PROPOSED	PERSONNEL	
		US	FN		US	FN		US	FN		US	FN		US	FN
Food and Nutrition															
(0054) Bunda Agricultural College	-	0.1	-	805	0.1	-	-	0.1	-	-	0.1	-	-	0.1	-
(0202) Malawi Agricultural Research	-	0.1	-	2,700	0.2	0.1	1,730	0.2	0.1	1,730	0.2	0.1	1,730	0.2	0.1
Sub-total grants	-	0.2	-	3,505	0.3	0.1	1,730	0.3	0.1	1,730	0.3	0.1	1,730	0.3	0.1
Education & Human Resources Dev.															
(0201) Malawi Polytechnic	-	0.1	-	1,524	0.2	0.1	1,400	0.2	0.1	1,400	0.2	0.1	1,400	0.2	0.1
(0204) Malawi Educational Build. Material	-	-	-	-	0.1	-	-	-	-	-	-	-	1,000	0.1	-
(0206) Manpower Develop. Project	-	-	-	-	0.1	0.1	-	-	-	-	-	-	890	0.1	0.1
Sub-total grants	-	0.1	-	1,524	0.4	0.2	1,400	0.2	0.1	1,400	0.2	0.1	3,290	0.4	0.2
Health															
(0203) Malawi Health Education	-	-	-	-	*	-	-	-	-	-	-	-	180	0.1	-
(0207) Rural Water	-	-	-	-	0.1	-	-	-	-	-	-	-	700	0.1	-
Sub-total grants	-	-	-	-	0.1	-	-	-	-	-	-	-	880	0.2	-
Selected Development Activity															
(0205) Malawi Provincial Infrastructure Improvement	-	-	-	-	0.1	-	-	-	-	-	-	-	5,000	0.1	-
(0208) Remote Sensing Data Profile	-	-	-	-	*	-	-	-	-	-	-	-	100	0.1	-
(0209) Malawi Appropriate Techno.	-	-	-	-	*	-	-	-	-	-	-	-	300	0.1	-

* Less than 0.1 person years

Continued --

TABLE III

3

	PY FY 1978	PERSONNEL		CY FY 1979	PERSONNEL		MINIMUM	MARK		PERSONNEL		PROPOSED		PERSONNEL	
		US	FN		US	FN		US	FN	US	FN	US	FN	US	FN
Selected Development Activity															
Continued --															
(0103) Malawi Lower Income Shelter (Non ADD (HIC)	-	-	-	-	0.1	-	-	-	-	-	-	-	(2,000)	0.1	-
(0046) Malawi Roads Phase II (Loan)	-	0.1	-	-	0.1	-	-	-	-	0.1	-	-	-	0.1	-
Sub-total grants	-	-	-	-	0.1	-	-	-	-	-	-	-	5,400	0.3	-
Sub-total loans	-	0.1	-	-	0.2	-	-	-	-	0.1	-	-	(2,000)	0.2	-
Grand Total	-	0.4	-	5029	1.1	0.3	3130	3130	3130	0.6	0.2	3130	11,300	1.4	0.3
Grants	-	0.3	-	5029	0.9	0.3	3130	3130	3130	0.5	0.2	3130	11,300	1.2	0.3
Loans	-	0.1	-	-	0.2	-	-	-	-	0.1	-	-	(2,000)	0.2	-

Table IV A and B - Activity Data Sheets

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<u>Food and Nutrition</u>	
(0054) Bunda Agricultural College	5
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(0201) Malawi Polytechnic	11
(0204) Malawi Educational Building Materials	15
(0206) Manpower Development Project	18
<u>Health</u>	
(0203) Malawi Health Education	21
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<u>Selected Development Activities</u>	
(0046) Malawi Roads (Phase II) - Loan	27
(0103) Lower Income Shelter - HIG	28
(0205) Malawi Provincial Infrastructure Improvement	29
(0208) Remote Sensing Data Profile	31
(0209) Malawi Appropriate Technology	34

TABLE IV.A. ACTIVITY DATA-NARRATIVE612-0054 Bunda Agricultural College

1. Purpose: To build an indigenous agricultural training institution which is capable of providing competent and skilled manpower relevant to the technical, social, and managerial problems influencing rural development.

2. Background and Progress to Date: The Malawi economy relies primarily on agricultural productivity which has been constrained by scarce trained agricultural manpower at all levels. Bunda, as the only training institution in this field, has been charged to expand and overcome this manpower constraint. This project will assist the College by strengthening its teaching staff through training in the U.S., providing U.S. technicians to teach regular and unscheduled courses, participate in curriculum development and conduct approved research. The project will also contribute to the capital development costs for construction and equipment.

Four technicians are currently on board and two others are expected shortly. Construction of junior and senior staff houses and dormitories is proceeding and it is anticipated that they will be completed in FY 79. All participants have been identified and processed and most are currently in the U.S. receiving academic training. Laboratory equipment has been ordered and expected to arrive in FY 79.

3. Beneficiaries: By expanding degree and diploma (bachelor) agricultural training, approximately 80,000 smallholder farmers will be provided access to knowledge and skills, disseminated by the (365 per year) Bunda-trained agricultural personnel. Costs per family benefited is approximately \$5.00.

4. Current Year Program: During FY 79, U.S. technicians will concentrate on achieving the proper relevance between classroom, laboratory and field teaching. Bunda's faculty and facilities will be expanded to accommodate an increased student output.

5. Budget Year Program: During FY 80, participants will begin to return to Bunda after completion of their U.S. academic training and will disseminate skills/knowledge relevant to Malawi's rural sector needs. The six senior U.S. contract members will continue to carry a full teaching load and work on the preparation and adoption of a new 3/5 year curriculum.

6. Major Outputs:

(a) Manpower: Trained students (increased annual output) 45
Returned participants 20

(b) Construction of facilities

(c) Preparation and adoption of new curriculum

(d) Improved quality of instruction

**TABLE IVB
ACTIVITY BUDGET
DATA**

ACTIVITY TITLE		DECISION UNIT		DECISION PACKAGE		BUDGET YEAR	
BUNDA AGRICULTURAL COLLEGE		OSARAC/Malawi		MINIMUM		FY 1980	
PROJECT NUMBER		DATE PP/REVISION		DATE LAST PAR		DATE NEXT PAR	
612-0054		9/11/75		-		8/78	
APPROPRIATION		DATE PP/REVISION		DATE LAST PAR		DATE NEXT PAR	
SA/FN		9/11/75		-		8/78	
ESTIMATED U.S. DOLLAR COST (\$ 000)							

ACTIVITY INPUTS	FY 1978		CY: 19 79		FY: 19 80		PIPE-LINE	EXPEN-DITURE	OBLI-GATION	EXPEN-DITURE	PIPE-LINE
	OBLI-GATION	EXPEN-DITURE	PIPE-LINE	FUNDING PERIOD (FR-TO)	OBLI-GATION	EXPEN-DITURE					
TOTAL-	-	1616	1633		805	1362	1076		-	448	628
Six U.S. technicians & Consultants	-	250	493	1/81-6/82	482	270	705		-	202	503
New & continued training in the U.S. or 3rd country for a total of 20 participants LOP	-	128	69	10/78-9/80	200	166	103		-	81	22
Construction of classrooms, dormitories, laboratories, staff housing, other facilities and other costs	-	1065	971	10/78-9/79	123	826	268		-	165	103
Commodity - laboratory and classroom equipment	-	173	100		-	100			-	-	-
HC AND OTHER DONOR	399				284						
HC capital construction	265				129						
Recurrent costs	134				155						
LIFE OF PROJECT											
1772											
149											

FUNDING	PERSONNEL WORKYEARS (XX, X)			PERSONNEL INTENSITY	PARTICIPANTS PROGRAMMED		FOOTNOTES
	1978	1979	1980		TYPE A	TYPE B	
PROGRAM ACCOUNT	4.3	6.0	6.0	HIGH	14	5	1/ participant training indicates on board figures - total to receive training is 20
TDY (ADD)	0.3			MEDIUM			
OPERATING EXPENSES	0.1	0.1	0.1	LOW			

TABLE IV.A. ACTIVITY DATA - NARRATIVE612-0202 - Malawi Agricultural Research

1. Purpose: To strengthen the capability of the National Agriculture Research System to provide sound recommendations for crop and livestock production consistent with ecological and economic realities of the country.
2. Background and Progress to Date: The proposed program is related directly to the GOM National Agricultural Research Program which is coordinated by the Chief Agricultural Research Officer in the Ministry of Agricultural and National Resources. The program has been included in the newly formed National Research Council of the President and the Cabinet and will provide information to government in policy areas. It will be a long term program to reduce constraints to agricultural production and thus in the future will fit well into AID's assistance strategy for the country. This research is directly related to the National Rural Development Program which is the GOM's priority project for increasing rural productivity and incomes.
3. Project Description: The GOM has made a determination that they wish AID to support their National Agricultural Research Program through a central agricultural research function. The research will focus on crop varieties, agronomic trials, make specific recommendations on fertilizer uses and take cognizance of the appropriate cultural practices. AID assistance has been requested in eleven categories of main station research and in training and research/extension liaison. The Ministry of Agriculture and National Resources will be fully involved in the execution of the program. The project will take agro-research results and adapt them to Malawi environmental conditions.
4. Beneficiaries: The benefits of this project will directly accrue to the small farmer of Malawi. The research results are transmitted to the farmers through the extension service and applied by the farmer.
5. Current Year Program: Arrangements will be made and construction of staff housing started. Commodity procurement documents prepared and three-fourths of the orders placed. A portion of the contract team will be fielded pending housing availability and initial research programs drafted. Participant training programs drafted and started. Recurrent support budget made available.

6. Budget Year Program: Housing construction completed. Remainder of contract team will arrive and field trials started. Participant training in full swing. Most of commodity purchases will be completed.

7. Major Outputs:

- A. Procedures improved for collecting baseline data and conducting field trials.
- B. Annual research priorities established based on national agricultural policy objectives.
- C. Research/extension liaison working in practice.
- D. Research data being systematically collected, interpreted and disseminated to users.
- E. Basic research manpower, trained and carrying out assigned duties.
- F. Foundation seed being pouched and distributed.
- G. Testing and promotion of improved hand and animal drawn tools expanded.

ACTIVITY TITLE		DECISION UNIT		DECISION PACKAGE		BUDGET YEAR	
MALAWI AGRICULTURE RESEARCH		OSARAC/MaLawi		Minimum		FY 1980	
PROJECT NUMBER		INITIAL OBLIGATION		FINAL OBLIGATION		TOTAL COST	
612-0202		FY 79		FY 83		c \$7,500	
APPROPRIATION		DATE FP/REVISION		DATE LAST PAR		DATE NEXT PAR	
SA/FN		-		-		4/80	

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

ACTIVITY INPUTS	PY 19 78		CY: 19 79		BY: 19 80		PIPE-LINE	
	OBLI - GATION	EXPEN- DITURE	FUNDING PERIOD (FR- TO)	PIPE- LINE	EXPEN- DITURE	FUNDING PERIOD (FR- TO)		OBLI- GATION
TOTAL-			79-80		1680	1020	1730	280
TA (26 person yrs. incl. consul- tancy)					900	500	50	50
Training (64 PY academic and in- service)					300	200	400	200
Construction (housing, office space, field warehouses, drying floors, etc.)					800	300	900	-
Commodities (vehicles, lab equip., field plot equipment and re- lated materials)					400	-	140	-
Recurrent Budget					300	20	240	30
HC AND OTHER DONOR								
TOTAL-								
Details to be determined during projec design							LIFE OF PROJECT	6600

PERSONNEL WORKYEARS (XX, X)	FISCAL YEAR				PERSONNEL INTENSITY	PARTICIPANTS PROGRAMMED			
	19 79	19 80	19 81	19 82		TYPE A=NONCONTRACT	TYPE B=CONTRACT	LONG- TERM	SHORT- TERM
FUNDING									
PROGRAM ACCOUNT	5.0	6.0	6.0	5.0					
TDY (NON-)			0.3						
OPERATING EXPENSES	0.3	0.3	0.3	0.3			6	23	29

612-0201 - Malawi Polytechnic

1. Purpose: The purpose of this project is to expand and improve the institutional capability of the Polytechnic to produce engineering manpower at the certificate, diploma and bachelor degree levels.

2. Background and Progress to Date: The Development Assistance Program (DAP) substitute, prepared by OSARAC for Malawi, sets forth an assistance strategy which closely parallels the Government of Malawi's stated development policies. The strategy defines AID assistance as relieving the constraints to agriculture and rural development. Listed in the DAP as key constraints are lack of skilled manpower, underdeveloped infrastructure and soil erosion. However, the DAP goes on to say "the manpower constraint is likely to effect agriculture development most seriously, given the magnitude and complexity of manpower requirements for agricultural development activities." This most serious constraint can be alleviated by trained manpower of the type suggested by this proposal.

The GOM development policies and priorities are contained in the Statement of Development Policies, 1971-1980 (DEVPOL). As stated in DEVPOL, Malawi's basic strategy continues to be to concentrate on raising the productivity of small farmers, both through the development of integrated agricultural projects and through intensification of development efforts linked to rural improvements. This strategy includes a heavy emphasis on road, water, buildings and other infrastructure development to support progress in the agriculture sector. About two-fifths of Malawi's development expenditures were allocated to physical infrastructure during the decade following independence. The development of policy, although emphasizing agriculture, clearly has a critical need for engineer technicians and professionals if that development effort is to maintain momentum.

3. Project Description: GOM manpower data complemented by independent, outside manpower studies indicate that about 10 percent of the professional engineers and less than 50 percent of the engineering technicians practicing in Malawi are Malawians. Expatriates supply the major portion of engineering skills. For obvious reasons, the GOM cannot rely perpetually on expatriates. Expatriates are difficult to find (competent ones), they are expensive, they export valuable knowledge of the country when they leave, they are disruptive because of the short tenure and they are in the long-term politically unacceptable. In brief, the Government must look to its own institutions and human resources to supply the engineering skills to support its development.

The Polytechnic, in its role as primary producer of engineering technicians (no professional engineers now are produced within Malawi), is not equipped with staff or facilities to meet the economic development demands for engineering skills. The GOM of Malawi has proposed to improve and expand the Polytechnic by increasing the output of certificate and diploma level technicians and also by introducing a small engineering degree program.

The GOM proposal calls for improving the Polytechnic course offerings in engineering and increasing the certificate diploma and degree output of engineers. This would require total intake of 200 students (the present intake is 40). The additional intake will be evenly divided between the certificate course and the diploma course, with 100 first-year students entering each. The certificate will be 3 to 4 years in length and continue to be a part time, work-release program. The diploma course will also be three years in length but will become strengthened and be more practical by being work-oriented. At the end of the diploma course, approximately 25 candidates will be selected annually to enter a three-year professional engineer bachelor degree program. This new program will have a trained engineer output of approximately 90 certificate holders, 65 diplomas and 20-24 degree graduates. This increased output of engineers will greatly enhance Malawi's ability to conduct its own development process.

The increase in the student body and the upgrading of the overall instructional program will require an addition to the senior staff of about 18 positions. To accommodate the new program, additional physical facilities, equipment and training of local staff will be required.

This project will provide 20 person years of technical assistance in the form of senior instructors in the Polytechnic, 24 person years of degree level training in the U.S., laboratory and library equipment and the construction of a science building and library.

Another donor, the British, are taking the lead in the development of a strong engineering training capability in Malawi. Their program, which is much larger than this one will provide the major inputs to meet the GOM proposal for degree level training for engineers.

There are two major issues which should be proved during project development. They are: A) the cost effectiveness of preparing professional (degree level) engineers in Malawi instead of training Malawians abroad or continuing to use expatriates; and B) the adequacy of the secondary school supply of suitably prepared candidates for the Polytechnic's expanded program.

4. Beneficiaries: The direct beneficiaries of this proposal will be the newly trained teaching staff at the Polytechnic and the annual output of engineers. Engineers sometimes automatically are associated with the urban, modern sector of the economy, but Malawi with agriculture as its economic base, requires engineers in the rural sector in ever increasing numbers. To cite one example among many, the Vipya Pulpwood Project is an activity that will bring employment to thousands of people in the rural areas, but its operational success will depend upon the recruitment of some 68 key engineering personnel. The focus of Malawi's development efforts is in the rural areas and consequently of benefit to the rural dwellers. Many development projects which, of necessity, make use of modern technologies will succeed only if there are Malawians with the requisite technical skills needed to implement, monitor and maintain project development.

5. Current Year Program: All four U.S. technicians will be on board and will have completed draft courses of studies for their particular subject areas.

Eight participants will have been selected and in the U.S. beginning their programs of study.

All commodities will have been specifically determined and ordered.

Construction will be 20 percent complete.

6. Budget Year Program: Four new courses of study in use and in process of being revised.

Eight participants trained and returned to Bunda and eight more in U.S. pursuing programs.

All commodities in place and in use.

Construction complete.

7. Major Outputs: The outputs of this project will be:

A. Expanded and improved curriculum for the certificate, diploma courses.

B. Bachelor degree course established.

C. A more efficient use of the existing plant and equipment and additional facilities for expansion.

D. A better prepared engineer.

E. An increased annual output of engineers from the present approximate number of 60 to approximately 175.

F. A larger, better prepared Malawian teaching staff. They will comprise about 58 percent of the total engineering staff which compares to the 20 percent present ratio.

TABLE IVB ACTIVITY BUDGET DATA		ACTIVITY TITLE		DECISION UNIT		DECISION PACKAGE		BUDGET YEAR	
MALAWI POLYTECHNIC		OSARAC/MALAWI		MINIMUM		FY 80		TOTAL COST	
PROJECT NUMBER		APPROPRIATION		INITIAL OBLIGATION		FINAL OBLIGATION		\$4,140	
612-0201		SA/EH		FY 79		FY 84		DATE NEXT PAR	
				DATE PP/REVISION		DATE LAST PAR		1/80	

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

ACTIVITY INPUTS	FY 1978			CY: 1979			BY: 1980				
	OBLI- GATION	EXPEN- DITURE	PIPE- LINE	FUNDING PERIOD (FR- TO)	OBLI- GATION	EXPEN- DITURE	PIPE- LINE	FUNDING PERIOD (FR- TO)	OBLI- GATION	EXPEN- DITURE	PIPE- LINE
AID- FINANCED											
TOTAL-	-	-	-	79-81	1524	910	614	80-81	1400	1776	238
TA (15 person years)					420	210	210		300	280	230
Part (24 PY of academic degree training)					100	96	4		100	96	8
Commodities (Science lab. & library equipment)					250	150	100		-	100	-
Construction of a Science laboratory Building & library					754	454	300		1000	1300	-
HC AND OTHER DONOR											
TOTAL-	1500				2200						
Ministry of Overseas Develop. European Develop. Fund Host Country	800 450 250				1000 450 750				2000 - 750		

FUNDING	PERSONNEL WORKYEARS (XX, X)				PERSONNEL INTENSITY	PARTICIPANTS PROGRAMMED				FOOTNOTES
	1979	1980	1981	1982		1978	1979	1980	1981	
PROGRAM ACCOUNT	3.0	3.0	3.0	3.0	HIGH		8	8		
NON-TOY (ADD)					MEDIUM					
OPERATING EXPENSES	0.3	0.3	0.3	0.3	LOW					

TABLE IV.A. ACTIVITY DATA - NARRATIVE612-0204 - Educational Building Materials Revolving Fund

1. Purpose: To provide the 22 rural districts in Malawi with a mechanism to enable local school committees to secure loans for building materials to construct primary schools using local volunteer labor.

2. Background and Progress to Date: Malawi has set forth its socio-economic objectives in the Statement of Development Policies, 1971-1980 (DEVPOL). Of the four main objectives which emerge from DEVPOL, raising the living standard of the rural population and reducing the rural/urban income disparity is high priority. To accomplish this objective within the overall goal of maintaining agriculture as the primary development base, priority is called for in two main areas: (a) growth of smallholder agriculture; and (b) provision of skilled and educated manpower. Thus, a program of basic education in the rural areas is required to provide the smallholder farmer with elementary literacy/numeracy skills which will serve as a foundation for further training in practical subjects. This development policy parallels AID's efforts to directly assist the rural poor obtain basic human needs.

3. Project Description: Primary school enrollment growth in Malawi has increased about 12 percent annually over the past five years. Total enrollment in 1976 was 642,000 and represented 53 percent of the relevant age group (6 to 14 years of age). The central government pays teachers' salaries and provides grants and the local government uses school fees for operating expenses. School construction is the responsibility of the local communities. This division of responsibility allows ample local participation, deemed critical in the development process.

One of the principal weaknesses of the primary school system is in the level of accommodation and school equipment provided by the villagers. The standards of design and furnishings are often not conducive to good educational practice. Desks, benches, blackboards and other furnishings are of poor quality or often are non-existent. In an effort to assist villagers to improve standards of construction, design and equipment, the Government is building a model school in each District, with standard design and equipment, which can be replicated by surrounding villages at costs which the villagers can afford. In conjunction with this scheme, the Government would like to set up a revolving fund which can be used by local school committees to borrow from in order to purchase building materials for replicas of the model schools. The local community then would provide volunteer labor for the construction of the school and tax themselves over a given period of time to raise the borrowed principal plus the interest for repayment to the revolving fund. This proposal

would provide a one-time grant of \$1,000,000 to establish the revolving fund. The fund would be managed through the Ministry of Education and be monitored by existing AID direct hire field staff.

4. Beneficiaries: The rural population would benefit directly from this project. Primary school children would have an immediate benefit and the rural community as a whole would gain by having a better, more efficient school facility. These improved facilities should improve the conditions under which teaching takes place and thus be more conducive to learning and in turn reduce the wasteful attrition rate for primary school students.

5. Current Year Program: This is an FY 1980 proposal which will be planned in FY 1979.

6. Budget Year Program: The revolving fund would be established and 50, \$10,000 loans made over the next two years.

7. Major Outputs: In the two year life-of-project span 100 - 125 new primary schools would be constructed and there would be available a continuing revolving fund for future construction.

TABLE IVB ACTIVITY BUDGET DATA		ACTIVITY TITLE		DECISION PACKAGE		BUDGET YEAR	
EDUCATION BUILDING MATERIALS REVOLVING FUND		OSARAC/Malawi		Proposed		FY 1980	
PROJECT NUMBER 612-0204		APPROPRIATION SA/EH		FINAL OBLIGATION FY 1980		TOTAL COST \$1,000	
				DATE LAST FAR		DATE NEXT FAR 2/82	

ESTIMATED U. S. DOLLAR COST (\$ 000)							
ACTIVITY INPUTS	FY 19		CY 19		FY 80		PIPE-LINE
	OBLI-GATION	EXPEN-DITURE	PIPE-LINE	FUNDING PERIOD (FR-TO)	OBLI-GATION	EXPEN-DITURE	
TOTAL-							
Grant to revolving fund						1000	1000
						1000	1000
HC AND OTHER DONOR							
HC model schools, personnel, building sites, school supplies. These will be quantified during design.							
TOTAL-							

FUNDING	PERSONNEL WORKYEARS (XX.X)				PARTICIPANTS PROGRAMMED				FOOTNOTES		
	FISCAL YEAR				FISCAL YEAR						
	19 78	19 79	19 80	19 81	19 82	BEYOND	A=NONCONTRACT	B=CONTRACT	19	19	19
PROGRAM ACCOUNT TDY (NON-OPERATING EXPENSES)											
		0.2			0.1						
		0.1	0.1	0.1							

TABLE IV.A. ACTIVITY DATA - NARRATIVE612-0206 - Malawi Manpower Development Project

1. Purpose: Assist to alleviate the critical manpower constraint on Malawian Development.

2. Background and Progress to Date: A 1971 Malawi Manpower Survey found that 70 percent of the high-level manpower positions in the country were filled by expatriates and there was a 20 percent vacancy rate. An updated Manpower Survey is now under way and the results are expected to show some slight improvement in this situation. However, with the dynamic development programs mounted over the last seven years, the slight improvement in high, technical and intermediate manpower has not proved adequate to alleviate this critical manpower constraint on Malawi's development. In an April 1978 review of this problem with every Malawi development ministry, the lack of high-level and technical manpower was identified as the common constraint among them all. Because Malawi's first priority is rural development, the manpower constraint is slowing the GOM's ability to meet basic human needs for the 90 percent rural population.

Extensive plans are under way to address this problem over the long run. This includes GOM and other donor efforts to improve the "through put" of students from primary and secondary levels which forms the resource pool for higher manpower trainees. The ongoing Bunda Agricultural College and proposed Polytechnic College projects are major long-term solutions. In the short-run, other donors (notably the British and UNDP technical assistance programs) are contributing operating personnel and offering training scholarships to alleviate this problem. But the GOM and other donors have encouraged the U.S. to join them in meeting critical shortfalls on a stop-gap basis.

3. Project Description: This project would deal with the high-level manpower problem in three ways:

A. Provide in-country training opportunities to upgrade development staff involved in planning, implementing and evaluating projects which benefit the rural poor.

B. Provide out-of-country training (U.S. and other developing countries) for Malawi manpower which will give them the education and experience necessary to return and assume leadership positions.

C. Provide U.S., and where more appropriate other LDC personnel, to fill critical operational positions while Malawi counterparts are away on long-term training.

The World Bank has just completed an Education Sector Survey; the International Development Association is completing a Manpower Survey; the Personnel Department of the President's Office has recently reanalyzed staff training needs and government position vacancies; the UNDP and ODM have projections of the OPAS and OSAS staff they will be able to provide.

These sources plus an analysis by ministry of the more critical high-level manpower constraints on operational development programs will be used to design this project. The immediate needs are known to be so great that the design team will need to recommend criteria for setting priorities among the competing demands; criteria will also be needed to determine a justifiable level of inputs; GOM plans (which stress meeting basic human needs of the rural population) will be used as criteria for selecting technical fields. Each OPEX technician will file a semi-annual report with GOM and USAID identifying the ways in which his work helped the GOM speed up development projects.

4. Beneficiaries: The direct beneficiaries would be the few high-level staff trained under this project. The indirect beneficiaries will be the 90 percent rural poor who are the purpose of Malawi's development activities. The CDSS will document that the GOM has made outstanding progress with projects which benefit the rural poor since independence; but that record is now threatened by the above high-level manpower constraint. Progress on broadening human needs programs will be directly correlated to alleviating that constraint.

5. Current Year Program: Planning would be undertaken to produce a PID and PP for this proposed FY 1980 start.

6. Budget Year Program: During FY80 OPEX technicians will come on board and participants will be selected for long term academic training. A plan will be developed for training and upgrading resident personnel. More definitive activities will be developed during the preparation of the Project Paper.

7. Major Outputs:

- A. A sustained improved level of operational efficiency in government departments in which the OPEX technicians serve.
- B. A large number of nationals trained in the U.S. and in Africa to replace U.S. funded OPEX personnel.
- C. Individual outputs are determined for each technician when individual requests for services are received.

These outputs all address the country's most severe development constraint, the shortage of trained personnel.

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ACTIVITY TITLE		DECISION PACKAGE		BUDGET YEAR	
MALAWI MANPOWER DEVELOPMENT PROJECT		Proposed		FY 1980	
ACTIVITY BUDGET DATA		DECISION UNIT		TOTAL COST	
		DSARAC/Malawi		\$3,017	
PROJECT NUMBER		INITIAL OBLIGATION		DATE NEXT PAR	
612-0206		FY 1980		11/80	
APPROPRIATION		DATE LAST PAR			
EH - SA					

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

ACTIVITY INPUTS	PY 1978		CY: 1979		BY: 1980		PIPE-LINE	EXPEN-DITURE	OBLI-GATION	PIPE-LINE	EXPEN-DITURE	OBLI-GATION	PIPE-LINE
	OBLI-GATION	EXPEN-DITURE	PIPE-LINE	FUNDING PERIOD (FR-TO)	OBLI-GATION	EXPEN-DITURE							
TOTAL-													
24 PY Technical Assistance									890		85	890	805
Participants (short- and long-term academic training for 12 people and in-country short-term training)									560		60	560	500
Other Costs									205		25	205	180
TOTAL-									125		-	125	125

FUNDING	PERSONNEL WORKYEARS (XX, X)					PERSONNEL INTENSITY	PARTICIPANTS PROGRAMMED			FOOTNOTES
	1980	1981	1982	1983	1984		TYPE A=NONCONTRACT	TYPE B=CONTRACT	FISCAL YEAR	
PROGRAM ACCOUNT	4.0	6.0	6.0	6.0	6.0			1980	1981	1982
TDY (ADD)	0.3	0.3	0.3	0.3	0.1	<input type="checkbox"/> HIGH <input checked="" type="checkbox"/> MEDIUM <input type="checkbox"/> LOW	LONG-TERM SHORT-TERM	6	6	6
OPERATING EXPENSES	0.2	0.2	0.2	0.2	0.1		LONG-TERM SHORT-TERM	3	3	3

HC AND OTHER DONOR

to be determined during project design

LIFE OF PROJECT

AID 1330-8 (3-78)

TABLE IV.A. ACTIVITY DATA - NARRATIVE612-0203 - Health Education

1. Purpose: To prevent communicable disease and promote better maternal child health care through a program to increase the health knowledge of the people of Malawi.

2. Background and Progress to Date: The health services in Malawi are limited and do not serve a large percentage of the rural population. The crude death rate is estimated at 28 per 1000, and life expectancy is 40 years for males and 44 years for females.

The infant mortality rate is estimated at 142 per 1000, one of the highest in southern Africa, and is of special concern to the GOM. The MOH attributes the majority of these deaths to communicable diseases.

It is also estimated that only 65 percent of all births survive to five years. The crude birth rate for Malawi is estimated at 54 per 1000 with a total fertility rate of 6.7 children per mother.

The GOM has limited resources for health care and has decided to pursue preventive measures as the most economical means for improving health. Preventive services such as MCH care and immunizations will be provided and health education will also play a major role. This strategy is consistent with the GOM's policy of using human resources to achieve development. Through this project, the people of Malawi will be educated to participate in improving their own health care. This approach is consistent with AID policy to develop rural programs that will involve the participation of the poorest majorities and improve their health and welfare.

3. Project Description: This three year project will provide technical assistance and commodities to the GOM Ministry of Health (MOH) Health Education Unit. Two technicians will be provided: a general health educationist, and a media technician. Commodities will include vehicles and equipment for production of media.

The two technicians will assist and train the HEU staff to prepare materials and reproduce them for countrywide use. Emphasis will be placed on MCH and communicable disease information appropriate to the needs of rural Malawi. The technicians will also train Malawian field staff in techniques of health education and media production. The staff trained will serve as trainers for the HEU in the future.

There are no apparent major constraints to this project. Although the MOH health education staff is small, it is productive and counterparts are available. The commodities requested are modest and the equipment is suitable for inexpensive reproduction.

The project is expected to begin in FY 1980 with commodities arriving later that year.

4. Beneficiaries: Poor rural women and infants and children will be the direct beneficiaries of the project. Infants and children under five are an estimated population of slightly over one million, while women of reproductive age total approximately one million. The project provides high coverage of this population at a low cost benefit ratio (\$4.75/person).

5. Current Year Program: Project design will be completed in FY 1979 for this FY 80 project.

6. Budget Year Program: Technicians will arrive and evaluate the health education unit's present capacities and prepare a plan for a national health education program; they will begin to develop H/E strategies and materials for later dissemination nationwide.

7. Major Outputs: Development of a HEU strategy to reach the rural population with health education information.

Training of two counterparts in health education techniques and media preparation.

Training of trainers for field staff.

Production of media for field staff use.

Development of field techniques for health education.

Coordination of HEU activities with other ministries.

TABLE IV.A. ACTIVITY DATA - NARRATIVE612-0207 - Rural Water

1. Purpose: To bring about a more effective utilization of the sparsely populated Balaka Liwonde area of Malawi which encompasses an 800 square kilometers of very fertile land by establishing a clean rural water supply system that will result in improved health and living standards, and increased agricultural production.
2. Background and Progress to Date: The Government of Malawi is faced with the pressure of an ever increasing population, and must effectively utilize available arable land to the fullest extent possible. The 800 square kilometers of Balaka Liwonde is located in an area which does not have an adequate, year-round water supply as most bore-holes and streams go dry during the dry season. For this reason, Balaka Liwonde is sparsely populated. In similar areas, the GOM has assisted the rural people in establishing rather extensive gravity flow rural water systems through a well organized "self help" approach in which the GOM provides the materials and supervision of construction, and the residents of the areas involved provide the necessary labor. This has resulted, so far, in the installation of 400 miles of piping, 950 village taps that are serving 150,000 people in the rural areas. This approach has proved so successful that for the Balaka Liwonde area the GOM is planning to build a water impoundment reservoir on the Mpira River that will provide a gravity flow water supply to a total area of 20,000 square kilometers. The Balaka Liwonde area is a part of this overall total area.
3. Project Description: The project will consist of a collaborative effort between the GOM, the rural people of Balaka Liwonde, and assistance from USAID. The GOM will provide the necessary leadership to assist the rural people in the villages in organizing into committees. These committees will be responsible for establishing work schedules involving all the working age people in the villages into voluntary working groups so that each working age person can contribute one day of work per week. Materials for the water system will be provided by GOM with USAID assistance. GOM will provide the necessary engineering and supervision of construction and laying of the pipeline, while the rural people provide the labor to install the system. Other donors in similar projects include the Netherlands, CIDA, UNICEF, DANIDA, CSC and OXFAM.
- . Beneficiaries: The beneficiaries of this project will be the rural poor living in this project area who, at present, during the dry season, must carry water (of questionable quality) for daily use over long distances. The estimated LOP costs of \$3.54 per person benefited.

5. Current Year Program: The current year program will consist of the design and construction of the Mpira River impoundment reservoir by the GOM which does not involve USAID input.

6. Budget Year Program: In FY 80 AID will provide funding to GOM for the purchase of water pipe and building materials for the construction of water storage tanks. Since GOM has the expertise necessary for design, as already proved by the established success of existing systems dating back to 1969, no technical assistance is called for.

7. Major Outputs: Cumulative outputs through LOP will be an established rural water system serving the people in an 800 square kilometer area (48,083 acres) with clean water, improved health and living standards, and more effective utilization of fertile arable land resulting in increased agricultural production.

TABLE IVB ACTIVITY BUDGET DATA	ACTIVITY TITLE	DECISION UNIT	DECISION PACKAGE	BUDGET YEAR
	MALAWI ROADS (Phase II)	OSARAC/Malawi	Minimum	FY 80
	Loan 612-W-005	FY 75	FINAL OBLIGATION	TOTAL COST
PROJECT NUMBER	APPROPRIATION	DATE PP/REVISION	DATE LAST PAR	DATE NEXT PAR
612-0046	SD	-	FY75	11/78

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

ACTIVITY INPUTS	FY 19 78		CY: 19 79		FY: 19 80		PIPE-LINE	EXPEN-DITURE	PIPE-LINE
	OBLI-GATION	EXPEN-DITURE	FUNDING PERIOD (FR-TO)	PIPE-LINE	EXPEN-DITURE	OBLI-GATION			
TOTAL-		4700		1575			1575		
Loan for road construction		4700	N.A.	1575			1575		

HC AND OTHER DONOR	TOTAL-		PERSONNEL INTENSITY		PARTICIPANTS PROGRAM MTD		LIFE OF PROJECT
			HIGH	MEDIUM	A=NONCONTRACT	B=CONTRACT	

FUNDING	PERSONNEL WORKYEARS (XX.X)			PERSONNEL INTENSITY		TYPE A=NONCONTRACT B=CONTRACT		FISCAL YEAR		FOOTNOTES
	19 78	19 79	19 80	BEYOND	TYPE A	TYPE B	LONG-TERM	SHORT-TERM	19	
PROGRAM ACCOUNT										
TOY (NON-)		0.1								
OPERATING EXPENSES	0.1	0.1	0.1							

ACTIVITY TITLE		DECISION UNIT		DECISION PACKAGE		BUDGET YEAR	
MALAWI LOWER INCOME SHELTER (HIG)		OSARAC/MaLaw1		Non-add		FY 80	
ACTIVITY BUDGET DATA		INITIAL OBLIGATION		FINAL OBLIGATION		TOTAL COST	
PROJECT NUMBER 612-0103		FY 80		FY 80		(2,000) non-add	
APPROPRIATION		DATE PP/REVISION		DATE LAST PAR		DATE NEXT PAR	
SD		-		-		4/81	

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

ACTIVITY INPUTS	FY 19 78		CY: 19 79		FY: 19 80		PIPE-LINE	EXPEN-DITURE	OBLI-GATION	PIPE-LINE	EXPEN-DITURE	OBLI-GATION
	OBLI-GATION	EXPEN-DITURE	FUNDING PERIOD (FR-TO)	PIPE-LINE	FUNDING PERIOD (FR-TO)	PIPE-LINE						
TOTAL-									(2000)		(500)	(1500)
HIG loan for sites and services									(2000)		(500)	(1500)
HC AND OTHER DONOR												
TOTAL-												

PERSONNEL WORKYEARS (XX, X)	PERSONNEL INTENSITY					PARTICIPANTS PROGRAMM'D		FOOTNOTES
	19 78	19 79	19 80	19 81	19 82	TYPE A=NONCONTRACT	FISCAL YEAR	
							19	19
PROGRAM ACCOUNT						LONG-TERM		
TDY (ADD)	0.1	0.1	0.1	0.1	0.1	SHORT-TERM		
OPERATING EXPENSES	0.1	0.1	0.1	0.1	0.1	LONG-TERM		
						SHORT-TERM		

TABLE IV.A. ACTIVITY DATA - NARRATIVE612-0205 Malawi Provincial Infrastructure Improvement

1. Purpose: To expand the Malawi rural roads network in 7 key districts.
2. Background and Progress to Date: Malawi's primary road network has been expanded with AID and other donor assistance in past years to almost 1000 miles of paved, all-weather road. While other primary road segments still require upgrading, the GOM has recently embarked on a program to improve rural or District roads throughout the country. These District roads which are the responsibility of District Councils, are generally unengineered earth tracks which have been gradually developed into dry season roads. Improvement of these roads would provide access in the rainy season to schools and other government services and would ensure year-round farmer access to markets for their agriculture inputs and crop markets.
3. Project Description: The GOM intends to establish a rural road and bridge construction unit for each of its 3 regions with donor assistance. The IBRD is presently carrying out a feasibility study for rural road improvement for 7 of the country's 24 Districts and plans to finance the establishment and a portion of the initial operations of one regional construction unit. The GOM has asked AID to finance similar activities for another set of Districts. The construction unit would generally replace bush bridges with simple but sturdy permanent bridges, install basic drainage facilities, and carry out minor earthworks and graveling of some roads. AID would finance a project engineer, plant maintenance mechanics, training of local staff, construction equipment, and an initial portion of unit operating expenses. Major issues to be reviewed during project design will include determination of the labor-intensity of the construction unit and standards for rural road improvement.
4. Beneficiaries: Project beneficiaries will be the populace of rural areas in the 7 Districts where AID will support construction unit activities. These Districts and the precise number of beneficiaries will be determined during the course of project design.
5. Budget Year Program: A contract with a Technical Assistance Advisory Team will be finalized and equipment procured for the construction unit(s). The unit will be formed and unit procedures and standards established.
6. Major Outputs:
 - A. Upgrading of feeder roads in 7 Districts.
 - B. Feeder road construction and maintenance unit(s) established and trained.

TABLE IVB ACTIVITY BUDGET DATA		ACTIVITY TITLE		DECISION PACKAGE		BUDGET YEAR	
MALAWI PROVINCIAL INFRASTRUCTURE IMPROVEMENT		OSARAC/Malawi		Proposed		FY 80	
PROJECT NUMBER 612-0205		APPROPRIATION SD		FINAL OBLIGATION FY 80		TOTAL COST \$5,000	
				DATE LAST PAR		DATE NEXT PAR 12/80	

		ESTIMATED U.S. DOLLAR COST (\$ 000)											
		FY 1978		CY: 19 79		CY: 19 80							
ACTIVITY INPUTS		OBLI- GATION	EXPEN- DITURE	PIPE- LINE	FUNDING PERIOD (FR- TO)	OBLI- GATION	EXPEN- DITURE	PIPE- LINE	FUNDING PERIOD (FR- TO)	OBLI- GATION	EXPEN- DITURE	PIPE- LINE	
<u>AID-FINANCED</u>													
TOTAL-													
Feeder road construction									12/79-12/80	3250	400	2850	
Provincial Infrastructure Equipment									12/79-12/82	1000	750	250	
TA Advisory Team (3 technicians)									12/79-12/82	750	250	500	
TOTAL-										5000	1400	3600	
HC AND OTHER DONOR		LIFE OF PROJECT 15 million											
World Bank		15 million											
Germany													
Sweden													
Britain													
Host Country													
TOTAL-													
PERSONNEL WORKYEARS (XX.X)		PARTICIPANTS PROGRAMMID											
PERSONNEL INTENSITY		TYPE A=NONCONTRACT B=CONTRACT		TYPE A LONG-TERM		TYPE B SHORT-TERM		TYPE A LONG-TERM		TYPE B SHORT-TERM		FISCAL YEAR	
HIGH		19		19		19		19		19		19	
MEDIUM		19		19		19		19		19		19	
LOW		19		19		19		19		19		19	
FUNDING		19 80		19 81		19 82		19 83		19		19	
PROGRAM ACCOUNT TOY (ADD-)		3.0		3.0		3.0		3.0		3.0		3.0	
OPERATING EXPENSES		0.1		0.1		0.1		0.1		0.1		0.1	

Footnotes:
No out of country participant training is included

TABLE IV.A. ACTIVITY DATA - NARRATIVE612-0208 - Remote Sensing Data Profile

1. Purpose: Develop Malawian capability to apply Remote Sensing Technology to GOM development planning process.
2. Background and Progress to Date: Both GOM and USG development strategies seek to assure the participation of the rural poor in the benefits to be gained through economic growth and development. To attain this end, the GOM is now implementing an ambitious National Rural Development Program. Strong U.S. support to this effort follows from the consistency of U.S.G. and GOM objectives as well as the past progress that has been achieved by the GOM's increase in small farmer productivity and incomes.
3. Project Description: The thrust of Malawi's development strategy is to expand rural development opportunities (and agricultural production within this framework) in order to increase the real income opportunities of the poor majority. To achieve this objective, the GOM is directing available resources primarily to enhancing the productivity of the land and its labor. There is, however, a recognition that population pressures require a long-term plan that looks to the expansion of the land under cultivation in lightly populated areas and more efficient use of some land in densely populated regions. Increasing attention must be directed to land and forestry conservation management and development of the country's irrigation potential.

The Remote Sensing Data Profile project would assist the GOM establish and operate facilities (a laboratory with library) to collect, analyze and disseminate remote sensing data for use throughout the GOM. Malawi personnel would be trained to carry out those tasks with initial U.S. technical assistance and assistance from the ECA and AID-supported regional remote sensing center in Nairobi.

The project is expected to generate multi-purpose gains to the development process in addition to facilitating efforts to identify for development purposes land and water resources. Other gains to the planning and development process include: the inventoring of all natural resources; providing land use profiles and the capacity to assess changes in land use over time; and, providing a data input essential to conservation management. Prime users of this data would include GOM entities such as the Geological Survey, the Ministry of Agriculture and Water Development, the Office of Development Planning (in particular urban/rural spatial planners) and the University of Malawi.

Issues to be resolved during project preparation include the extent of involvement of these national efforts with similar regional and international programs, and the magnitude of funding required to assure the establishment of an effective ongoing operation at an acceptable cost.

4. Beneficiaries: The nation as a whole will benefit from the proposed project as it applies advanced scientific technology to the analysis of specific development problems and prospects. Specific beneficiaries will be determined by the exploitation of the natural resources based on the collection and interpretation system that is at the heart of the remote sensing program.

5. Budget Year Program: During the budget year, we would expect to see the initiation of training in the fundamentals of remote sensing technology for a cadre of host country nationals. TA personnel would arrive at post and would assist the GOM in the development of a project requirements plan to assure the full and continuing exploitation of this resource. The initial ordering of priorities among competing needs would be carried out. The development of a data bank and the initial in-country interpretation of readily assembled and relevant materials would be made with assistance from the regional sensing center at Nairobi. The process of linking the national center to the regional center and other area activities of a similar nature would be initiated.

6. Major Outputs:

- A. An inventory of land use.
- B. An inventory of natural resources including groundwater patterns.
- C. The setting up of a laboratory and library to collect, gather, encourage interpretation and to facilitate the dissemination of data and other information generated by the remote sensing and "growth truth" facilities.
- D. Malawi technicians beginning to play a key role in directing the use of the technology and interpreting findings.
- E. Development plans and processes beginning to reflect a "spatial" dimension and the new knowledge gathered by this resource.

TABLE IVB ACTIVITY BUDGET DATA		ACTIVITY TITLE		DECISION UNIT	DECISION PACKAGE	BUDGET YEAR
REMOTE SENSING DATA PROFILE		OSARAC/MALAWI		Proposed	1980	
PROJECT NUMBER	APPROPRIATION	INITIAL OBLIGATION	FINAL OBLIGATION	TOTAL COST		
612-0200	SD	FY 80	FY 83	\$2,500		
		DATE PP/REVISION	DATE LAST PAR	DATE NEXT PAR		
		-	-	3/81		

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

ACTIVITY INPUTS	FY 19		CY: 19		BY: 1980		PIPE-LINE	EXPEN-DITURE	PIPE-LINE	OBLI-GATION	EXPEN-DITURE	PIPE-LINE
	OBLI-GATION	EXPEN-DITURE	FUNDING PERIOD (FR-TO)	PIPE-LINE	FUNDING PERIOD (FR-TO)	PIPE-LINE						
TOTAL-										100	35	65
One technical Assistant												
Participants (1 long-term and 10 short-term)					09/80-03/81					40	10	30
Miscellaneous demonstration equipment and supplies					01/81-12/81					15	5	10
Local Costs					01/81-12/81					30	15	15
					09/80-09/81					15	5	10
HC AND OTHER DONOR												
TOTAL-												
HC local costs												

FUNDING	PERSONNEL WORKYEARS (XX, X)					PARTICIPANTS PROGRAM/ID				FOOTNOTES		
	FISCAL YEAR					FISCAL YEAR						
	19 79	19 80	19 81	19 82	19 83	1980	1981	1982	1983			
PROGRAM ACCOUNT												
TOY (ADD)	0.3	0.3	0.3	0.3	0.3							
OPERATING EXPENSES	0.1	0.1	0.1	0.1	0.1							

TABLE IV.A. ACTIVITY DATA - NARRATIVE612-0209 - Malawi Appropriate Technology

1. Purpose: To research, analyze and develop appropriate technology resources which will benefit the poor, with primary emphasis on the rural poor.

2. Background and Progress to Date: A major emphasis of the Congressional Mandate and the Malawi country program is to emphasize benefit to the poor, especially the rural poor. The development strategy of the Government of Malawi (GOM) concentrates on raising the productivity of small farmers with a resultant raising of their standard of living. In both the direct productivity aspects and in assisting them to utilize any increase for improved living standard, the quality and availability of "appropriate technology" is a vital factor. The development and use of indigenous resources and the careful introduction of new or "borrowed" tools, methods and techniques can be a major factor in the goal of improving the life of the small farmer and the broader effect on the rural population as a whole. The GOM has chosen an overall development strategy which builds on the existing agricultural "estate" production and on the concurrent development of the small farm holder. Major FX income derives from tobacco and tea; nearly half of wage employment is based on agriculture, forestry and fishing; thus, the potential is great for raising the income of traditional farmers, and secondary rural service and supply workers, through basic and middle level technological changes. With the successful effort of the GOM to encourage the Asian population to gravitate to the urban centers, and for the native Malawians to carry the development effort in the rural sectors the improvement of traditional tools, methods and techniques becomes even more important.

3. Project Description: This project will concentrate on the solution of the down-to-earth individual problems of the poor. While generalized solutions may work their way "upward" the emphasis is on bottom-up development with the involvement of individual citizens in the assessment of needs and in practical solutions. There may well be secondary benefits in group organization, cooperatives, small-scale production and non-complex marketing systems; but these will follow from the local solution of problems if and when they are needed to implement these more basic and individual problems. The project will utilize the services of a small number of highly practical advisors (three), who will live and work with their counterparts in the rural sector in close contact with the local population. Preliminary planning indicates the need for an agricultural technician with experience in marginal agriculture, a rural sociologist and a practical engineer/mechanic with

experience in simple machinery and production techniques. This "team" will work with GOM ministries and private sector organizations in exploring appropriate technological solutions to problems and needs expressed by local people. The emphasis will be on technology for food production and preparation, tools and their use, health and sanitation, clothing, shelter and weather protection, small cash income generation, basic communications and education, and craft and maintenance skills. A secondary task of this team will be to initiate means for dissemination of technical solutions to a wider group of people when suitable. To assure continuance beyond the life-of-project, a modest participant training element is included. Material support will be limited to necessary transportation and essential materials and supplies; however, provision is made for a demonstration vehicle during the second year, if needed. In accordance with necessary standard practice in Malawi, housing for U.S. technicians is provided.

4. Beneficiaries: The immediate beneficiaries are the targeted rural poor with secondary benefits to the more general population as technological innovations are introduced. The direct cost per capita in a limited area is approximately \$13, with a secondary benefit cost near \$4.

5. Current Year Program: This project is proposed for a FY 1980 start, which will be planned in FY 1979.

6. Budget Year Program: During the Budget Year, the team will be placed and initial reserach and exploration undertaken. The basic nature of the problems to be investigated should permit some imediate solutions, probably in the range of 15-20 technological problems solved. These will be of a simple nature, i.e., water filtering techniques, evaporative cooling for food preservation, strengthening of farm implements or upgrading of construction materials or techniques.

7. Major Outputs: During the life-of project, the number of problem solutions should reach the 80-100 range with may solutions having a broader application than the specific project area.

TABLE IVB ACTIVITY BUDGET DATA		ACTIVITY TITLE		DECISION UNIT		DECISION PACKAGE		BUDGET YEAR	
MALAWI APPROPRIATE TECHNOLOGY		OSARAC/Malawi		Proposed		FY 80		FY 80	
PROJECT NUMBER 612-0209		APPROPRIATION SD		INITIAL OBLIGATION FY 80		FINAL OBLIGATION FY 83		TOTAL COST \$1,745	
DATE PP/REVISION		DATE PP/REVISION		DATE LAST PAR		DATE NEXT PAR		DATE NEXT PAR	
								4/81	

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

ACTIVITY INPUTS	FY: 19 78		CY: 19 79		BY: 19 80		PIPE-LINE	EXPEN-DITURE	PIPE-LINE
	OBLI-GATION	EXPEN-DITURE	FUNDING PERIOD (FR-TO)	PIPE-LINE	EXPEN-DITURE	FUNDING PERIOD (FR-TO)			
TOTAL-									
3 long-term technicians & consultants						01/80-09/80	150	120	30
Participant training (2 long-term academic and 9 short-term)						01/80-01/81	25	20	5
Technician housing						10/79-03/80	90	90	-
Commodities for demonstration & training and vehicles						10/79-06/80	30	30	-
Other Costs						10/79-09/80	5	5	-
HC AND OTHER DONOR									
TOTAL-									
to be determined during project design									

FUNDING	PERSONNEL WORKYEARS (XX, X)				PERSONNEL INTENSITY	PARTICIPANTS PROGRAMMED		FOOTNOTES
	19 80	19 81	19 82	19 83		TYPE A=NONCONTRACT B=CONTRACT	FISCAL YEAR	
PROGRAM ACCOUNT	2.2	3.6	3.4	2.2	HIGH	1	19 80 181	
TOY (ADD-)	0.2	0.3	0.2	0.2	MEDIUM	2	2 2	
OPERATING EXPENSES	0.1	0.1	0.1	0.1	LOW	5	5 2	

AID 1330-R (3-78)

OSARAC - MALAWI

4. DECISION UNIT OVERVIEWI. Description of Malawi's Poverty

A. Description of the poor. Malawi is a small landlocked country in southeastern Africa with a 1978 population of approximately 5 3/4 million growing annually at a rate of 2.6%. Despite an excellent real growth rate of 8% from 1965-73, per capita income was estimated at only \$116 in 1974. Malawi has few mineral resources and very limited industrial potential. Its major economic resources are its land and labor. With a land area equivalent to that of Indiana, the national population density (excluding water areas) is almost 200 people per square mile, third highest in Africa following Rwanda and Burundi. Uncultivated arable land will be exhausted by 1985-90, requiring farming on marginal lands with marginal returns. Over 90% of the population depend on agriculture for their livelihood and only 5% are urban dwellers. There are about 900,000 smallholder families farming plots of less than 2 hectares with primarily traditional methods and low yields. They grow subsistence crops of maize and pulses and some cash crops of peanuts and cotton. Malawi smallholders are generally part of the cash economy and have demonstrated an excellent response to agriculture/^{production}incentives. Although 74% of the relevant age group are now in primary classes, literacy is estimated at only 25% reflecting earlier low enrollments. Only 4% of secondary age youth are enrolled in secondary schools consequently limiting "through put" of students from which higher level manpower can be trained. Education and health combined received only 5.4% of the government development budget in 1975/6-1977/8. Malawi's poor live under unsanitary conditions; thatched roofs reflect their low cash incomes and are havens for rodents and insects. Houses are crowded with family and are poorly ventilated; livestock is kept close to human habitation; most water sources are contaminated. Waste disposal is generally unsatisfactory; prevalent diseases are those typically found in tropical countries including malaria and shistosomiasis at endemic levels. Very little data is available on nutrition among the poor, but cattle, fish and previously wild game have probably provided sufficient protein to most. One study has estimated that almost 10% of cultivator's time was lost through illness.

B. Reasons for poverty. There is nothing unique about the causes of the above conditions: the poverty in one aspect of life reinforces the poverty in another. Poor health conditions are caused by prevailing taboos and life styles which go unbroken due to widespread illiteracy and lack of health education, which, in turn, are reflected in lack of sufficient numbers of trained education and health workers. Traditional farming practices provide subsistence yields, which produce no excess for cash sales for income which might be used to improve shelter which would affect health.

C. Constraints. Malawi's experience, like most other LDCs, shows that there are a multitude of constraints and an intervention at any one point has proved unsuccessful. Relevant technical agriculture "packages" are needed; more staff is needed to extend these inputs to the farmers along with agriculture credit. Physical access to the isolated villagers needs to be improved; programs and leaders are needed to stimulate local participation; access to consumer goods is needed to "pull" farmer attention; basic education is needed to assimilate the information and manage their own affairs.

Limited manpower availability is Malawi's most binding constraint due to pressure to both rapidly expand programs and pressure to localize. The magnitude and complexity of manpower requirements will adversely affect agricultural development. Expansion of education and health services, which are interrelated to agriculture in rural development, are likely to be more constrained by access, time and the availability of financial resources since primary teachers and paramedical workers can be trained relatively easily. To the extent that these constraints are operative, equity aspects of development will be particularly affected since the programs for increased smallholder output and productivity, better access to social services and more equal regional development are especially sensitive to availability of adequate financial and manpower resources.

II. GOM Objectives and Strategy

A. Options and Objectives. Malawi does not have the mineral resources on which to base an extractive growth model. Nor do the capital, manpower or comparative production advantages allow for an industrial development model. Malawi has chosen rural development as their engine of growth. The objective is to concentrate on raising the productivity and living standards of small farmers through integrated rural development programs. These programs and other government efforts are geographically situated so as to decrease regional income disparities.

Malawi has a narrow tax base and must depend almost entirely on donor aid to finance their development budget. U.K. aid for recurrent budget support was terminated only in the 1972/73 budget year. Donors have found Malawi's development policies and efficient government operations to their liking and provided approximately \$60 million to Malawi in 1976/77. The country's development budget focuses on transport and agriculture (35% and 31% respectively of the 1975/76-1977/78 rolling plan budget).

B. Rural Development Strategy. Malawi has an integrated approach to rural development drawn from the experience of several major donor-financed RD projects which were begun on a pilot basis in the late 1960s

and early 1970s. The strategy has two prongs: increase smallholder productivity of both food and cash crops and increase estate production of revenue-producing cash crops for export. Government assistance focuses almost exclusively on assisting the more needy smallholders. The new National Rural Development Program (NRDP) hopes to stimulate smallholder production of crop surpluses by using the strategies successfully developed on intensive-RD projects in a less intensive (and less costly) way nationwide. Malawi is self-sufficient in most years in the staples of maize, rice, cassava, beans, groundnuts, fruits and vegetables although maize must be imported in poor crop years. Smallholders are encouraged to grow surpluses of these crops (especially groundnuts and rice) for export; likewise, smallholders are being encouraged to diversify once subsistence food needs are met, and increase their production of exportable tobacco and cotton. The GOM goal is to increase smallholder income by 100% in seven years.

The second prong is to increase estate production. Agriculture exports, largely but not solely estate-produced, provide a large portion of Malawi's foreign exchange earnings.

The government's RD strategy includes complementary social and infrastructure programs which have been found essential for rapid rural transformation. Access roads are crucial and both the national network and feeder road programs are planned in close coordination with NRDP plans. Expansion of education, health and community development are likewise geared so they will reinforce the rural production objective. As food crop objectives are met, further agricultural diversification is already being promoted. Livestock production is being increased to meet domestic demands for beef, milk and low-cost goat meat for village and urban poor. Fishing programs are underway in many areas. A balance will be struck between smallholder and estate production so that high income and export markets are not supplied at the expense of food for lower income groups. The RD program is paying increased attention to assisting village communities to make provision for future supplies of fuel wood and building materials, while introducing programs to conserve all natural resources and protect the flora and fauna.

C. Human Rights. Malawi's record on human rights has improved significantly over the past year. Hundreds of political opponents of life-President Banda have been released from prison. President Banda has also recently announced that popular elections will be held in 1979 for the first time since independence in 1962. The populace will select National Assembly representatives from 3 candidates nominated by Pres. Banda's party much on the lines of Tanzania and other African elections in one-party states. This improved human rights record coupled with Malawi's excellent development strategy which emphasizes government programs designed to increase the incomes of the rural poor lead OSARAC to recommend a gradual increase in AID assistance to Malawi.

D. Impact of Defense Expenditures on Development. Defense expenditures are reported to have increased to roughly 14 percent of FY 77/78 revenue account expenditures from an initial two percent ratio in the early 1970's. This ratio dropped to 13 percent in FY 78/79 even as defense expenditures rose by 13 percent from \$17.6 million in FY 77/78 to \$19.8 million in FY 78/79. The drop in the ratio of defense to revenue account expenditures is attributable to a more rapid 19 percent rate of growth of "other" revenue account expenditures. Defense to recurrent and capital expenditures were a much lower 7.4 percent in FY 77/78 and declined to 6.8 percent in FY 78/79 reflecting the lack of reported capital account expenditures for defense purposes. Defense expenditures as a percent of GDP in current market prices remained at two percent in FY 78/79, a level roughly in line with the patterns of Botswana and Swaziland.

Malawi's relatively higher ratio of defense to recurrent account expenditure suggests that some share of defense expenditures may well be at the expense of country development efforts. The level of self-financed development expenditures could be higher to the extent that lower defense expenditures would mean an equivalent increase in the revenue account surplus. This may not be the case since estimated development expenditures appear to be excessively ambitious. The FY 78/79 Budget calls for a sizable 27 percent increase in capital account expenditures from a \$112 million level in FY 77/78 to \$139 million in FY 78/79. It is further noted that the proposed FY 78/79 capital account expenditure level of \$139.5 million includes a \$26.3 million carryover from the previous Budget. The shortfall in FY 77/78 capital account expenditures suggests that planned FY 78/79 development expenditures may be overly ambitious. It could be argued, however, that the release of resources from defense efforts might well enhance the government's capacity to implement budgeted development expenditures. The gap between planned and actual capital account expenditures would be reduced. From this perspective, it appears that defense expenditures did have to some extent an unfavorable effect on development performance.

The above problem will be addressed further in analysis supporting the CDSS.

III. USAID Program Goal and Strategy

A. Rural Development Goal. USAID will seek to develop programs which will reinforce the GOM's Rural Development objective. It is a goal which will directly impact on the rural poor who make up 90% of this population and will directly impact on the basic human needs. It is a goal to which the GOM has a strong political commitment and a clear planning directive. It is the goal to which the GOM is focusing its own financial and human resources and administrative machinery, assuring the maximum self-help effort. It is the major focus of other donor attention, combining maximum resources.

It is proposed to write a Country Development Strategy Statement in early 1979. At that time, based on more analytical work than time has permitted in preparing this narrative statement for the ABS, it may be possible to refine this goal in both quantifiable terms (time and outputs) and programmatic terms (work on the various human resources constraints, the area-based programs or the reinforcing RD program, etc.).

B. Strategy. - The GOM's "core" agriculture inputs, extension, marketing program is fairly well defined and supported by other donors. The success of that program hinges on constraints which are both "up and down stream" from the core program. USAID will take as its strategy ameliorating those constraints which are clearly linked to the achievement of the broad RD goal. An optional strategy of trying to expand the base or core programs was discussed with the GOM who convinced us that "linkage" constraints would preclude this strategy from being effective.

We already can see that the scarcity of agriculture manpower and related skills (ag engineers) are limiting the implementation of the NRDP program, and we will continue efforts to expand the output from Bunda Agriculture College. All new rural development program areas included in the NRDP need researched, tested mini-packages of inputs well adapted to the many different ecosystems in Malawi. These are needed for both high production of food crops but also for income-generating cash crops. We are proposing a major applied research effort to break this constraint as our first new FY 1979 project. All ministries have documented that the lack of engineering manpower (certificate, diploma and degree level) is a major constraint to the timely provision of basic rural infrastructure: access roads, irrigation systems, construction of rural schools, clinics and social service centers, etc. OSARAC's second new FY 79 proposal will expand the output of engineering manpower from the Polytechnic College in cooperation with the British aid program.

C. Levels. The minimum program for FY 1980 would be \$2.9 million needed to continue the agriculture Research and Polytechnic College projects, if they are started in FY 1979. No policy-level decision has been taken to resume U.S. assistance to Malawi, but the Embassy and OSARAC are recommending this decision be taken in FY 1978 to allow U.S. assistance to resume in FY 1979. If a positive decision is taken, we would see U.S. aid on the magnitude of \$10 million a year flowing to Malawi. This would grow at 10-15% over the next four-five years to keep "real" resources constant (after inflation) and allow a few new projects to be started that will contribute to the identified goal and strategy.

IV. Commentary on Personnel and Operating Expenses

This ABS is submitted to propose resumption of U.S. bilateral assistance to Malawi in FY 1979. We are, in a real sense, doing zero-based budgeting -- there are presently no AID USDH in Malawi. The two active AID projects are

monitored by the American Embassy DCM, managed by OSARAC and supported by REDSO/EA staff on TDY to Malawi. All four projects could be managed by one full time AID/USDH resident in Malawi. However, if the decision is made to rebuild the aid program to a magnitude commensurate with U.S. interests in southern Africa and to a level commensurate with the size and potential of the country, then a larger staff is proposed for FY 1979. Three USDH staff (and one part time secretary) are recommended (generalist, program and agriculture officers) to manage the two active and two proposed projects, and manage the design of eight new projects proposed for FY 1980. Five additional staff are proposed for FY 1980 to manage the eleven projects which would have an FY 1980 obligation of \$11.3 million, not including a \$2.0 million HIG.

The cost of resuming aid should not be underestimated: it will be necessary to build the organization from scratch. This means adding an office annex to the American Embassy, acquiring transport and residential quarters, hiring and training local employees. Our projected staff is smaller than might otherwise be deployed because of a conscious strategy on our part to:

- A. conduct project designs using consultants in technical fields, and REDSO or AID/W design officers;
- B. implement projects with non-direct hire staff;
- C. conduct major evaluations with external examiners; and
- D. require USDH operating expense-funded staff to manage several projects simultaneously, and perform with versatility in several sectors.

These are options. They turn on the "type" of aid instead of the magnitude. If it was more important to hold down U.S. presence than it was to pursue technical assistance, it would be possible to make budget, program or sector grants which would supply resources, but not technical assistance. The GOM planning, implementing and accounting practices appear sound enough to support this type of approach. The development strategy and priorities are coincident enough with AID's objectives that resource transfer would achieve improvements in basic human needs. If the "resource transfer" approach was adopted, it would be possible to provide funds at the Proposed level with a small staff of only two people. They probably could be housed and supported by the American Embassy with a much lower operating expense to AID.

FY 198Y ANNUAL BUDGET SUBMISSION
(in \$000)

DECISION UNIT: OSARAC/MALAWI

DECISION PACKAGE MINIMUM AND MARK

(Minimum, Mark, Current, Proposed, Expansion)

ACTIVITY DESCRIPTION: The Minimum and Mark program of \$3.1 million would cover second year funding for the two new projects (Agriculture Research and Polytechnic) proposed for FY 1979 starts, plus OE funds for three USDH to manage all four on-going projects.

FY 80

RESOURCE REQUIREMENTS	FY 78	FY 79	THIS PACKAGE	CUMULATIVE TOTAL	
Food and Nutrition	-	\$3,505	1730	1730	
Population	-	-	-	-	
Health	-	-	-	-	
Education	-	1,524	1400	1400	
Selected Development Activities	-	-	-	-	
Sahel Development Program	-	-	-	-	
Other (specify)	-	-	-	-	
Total Program	0	\$5,029	\$3,130	\$3,130	
PL 480 Title I (non-add)	-	-	-	-	
(of which Title III)	-	-	-	-	
PL 480 Title II (non-add)	-	-	-	-	
Housing Guaranties (non-add)	-	-	(2000)	(2000)	
Employment - Full-time Permanent	-	-	-	-	
U.S. Direct Hire	-	3.0	3.0	3.0	
Foreign Nationals	-	1.6	2.0	2.0	
TDY	0.3	0.9	0.9	0.9	
Total	0.3	5.5	5.9	5.9	
FIVE YEAR PROJECTIONS	BY	BY+1	BY+2	BY+3	BY+4
Program					
Personnel (in workyears)					
Mission - US					
- FN					
TDY - USDH					

Program
Personnel (in workyears)
Mission - US
- FN
TDY - USDH

NA

DECISION UNIT: OSARAC/MALAWI

Short-term Objectives

The minimum and mark program level would have substantial benefits to agriculture, rural and manpower development. The second year of agriculture research would see a move from project planning into actual operation of crop field trials in eleven priority research areas; these are essential if the NRDP extension workers are to have tested "packages" to use with small farmers who are trying to improve their incomes through crop diversification. The second year of the Polytechnic project will see construction of education facilities expanded, plus curriculum tested for the expanded engineering classes; these engineers are needed on the teaching staff to replace the high number of expatriates and especially to implement the GOM's development activities. This level would cover staff to manage these projects, plus monitor U.S. inputs into the prior year funded Bunda College and Malawi road Phase II projects.

Impact on Major Objectives:

The Minimum and Mark level would be a holding action that neither reflects the tempo of change in southern Africa, the opportunities for mitigating constraints on poverty, nor political expectations. U.S. aid to neighboring, smaller (some one-tenth the population of Malawi) southern African countries is sharply rising; the GOM would need a minimum program as a lack of USG support to its equitable rural development strategy which coincides so closely with the Congressional Mandate. It would deprive Malawi of the resources needed to accelerate rural transformation by the private enterprise approach when competing ideologies are arguing for a more socialist approach.

Other Information:

DECISION PACKAGE: MINIMUM AND MARK

(Minimum,
Mark,
Current,
Proposed,
Expansion)

FY 198Y ANNUAL BUDGET SUBMISSION
(in \$000)

DECISION UNIT: OSARAC/MALAWI

DECISION PACKAGE PROPOSED

ACTIVITY DESCRIPTION: The proposed package of \$11.3 million would include the minimum/mark package of \$3.1 million, plus \$8.2 million for seven new projects. Five additional USDH staff would be needed to plan, manage and evaluate the proposed package. The proposed program would allow funds for provincial infrastructure, rural self-help education, high level manpower, health education and water improvements and application of relevant technology.

(Minimum, Mark, Current, Proposed, Expansion)

FY 80

RESOURCE REQUIREMENTS

FY 79

FY 78

THIS PACKAGE

CUMULATIVE TOTAL

Food and Nutrition	-	-	3505	-	1730
Population	-	-	-	-	-
Health	-	-	-	880	880
Education	-	-	1524	1890	3290
Selected Development Activities	-	-	-	5400	5400
Sahel Development Program	-	-	-	-	-
Other (specify)	-	-	-	-	-
Total Program	-	-	5029	8170	11300

PL 480 Title I (non-add)
(of which Title III)
PL 480 Title II (non-add)
Housing Guaranties (non-add)

Employment - Full-time Permanent
U.S. Direct Hire
Foreign Nationals
TDY

	3.0	8.9
	1.6	5.0
	0.9	0.9
	<u>5.5</u>	<u>14.8</u>

Total

FIVE YEAR PROJECTIONS

Program	BY	BY+1	BY+2	BY+3	BY+4
Personnel (in workyears)	\$11.3	13.0	15.0	17.2	19.7
Mission - US	8.9	10.8	10.0	11.0	12.0
- FN	5.0	6.0	6.0	7.0	8.0
TDY - USDH	0.9	1.0	1.0	1.2	1.4

FY 1984 ANNUAL BUDGET SUBMISSION
(in \$000)

DECISION UNIT: OSARAC/MALAWI

Short-term Objectives:

The proposed package would carry the benefits of the minimum/mark program plus the following: Trained manpower will be the key constraint to Malawi's development for some time; AID support to Bunda and Polytechnic Colleges provide intermediate term solutions for agriculture and engineering technicians. The proposed program complements this with the short-term provision of high-level manpower (OPFX) to replace Malawi operators while they are away for training; it also establishes a revolving fund from which rural school committees can borrow for school building materials, which is a long-term solution to the manpower constraint. The package would also permit programming in the health sector; a health education and a rural water program would reinforce each other for preventative public health in the rural communities. The rural development strategy of the GOM threatens to stagnate if provincial trails are not upgraded to provide all-weather access tracks for farmers to receive agriculture inputs and market their newly increased production, as well as allow year round services and communication. A \$5 million grant is proposed to facilitate this upgrading process. Remote sensing and appropriate technology projects are included in the proposed packages to apply science at the macro and micro levels of development projects addressed by other programs.

DECISION PACKAGE: PROPOSED

(Minimum,
Mark,
Current,
Proposed,
Expansion)

Impact on Major Objectives:

The development benefits of this package would, in and of themselves, justify the expanded level; so would the size and strategic location of the country. In addition, the GOM has sound program goals which are compatible with the FAA mandate. They are more committed to direct basic human needs, rural development, private enterprise strategy than any other southern Africa country. They have improved their civil rights position with the expectation that sizeable U.S. resources would be available. The proposed level fulfills these objectives, whereas the minimum/mark level will not.

Other Information:

ITEM NO. 6 BUREAU CODE: 47

RANK	TRANSACTION CODE:		BUREAU CODE:		NAME OF DECISION PACKAGE SET		PROGRAM FUNDING INCREMENT/CUMULATIVE
	DECISION UNIT		OSARAC/MALAWI		MINIMUM/MARK/PROPOSED		
	ACCT	INTE	MISSION	TOY	PROGRAM ACCOUNT	PROGRAM INCREMENT	
DECISION PACKAGE - MINIMUM AND MARK							
1	FN	M	0.1	-	6.0	-	-
2	FN	H	0.3	-	6.0	1730	1730
3	EH	H	0.3	-	3.0	1400	3130
			(0.1)	-	(6.0)	-	-
			(0.6)	-	(9.0)	(3130)	(3130)
			(0.7)	-	(15.0)	(3130)	(3130)
DECISION PACKAGE - PROPOSED							
4	ER	M	0.2	0.3	4.0	890	4020
5	HE	L	0.1	-	-	700	4720
6	SD	M	0.1	-	3.0	5000	9720
7	EH	L	0.1	-	-	1000	10720
8	HE	H	0.1	-	2.0	180	10900
9	SD	L	0.1	0.3	0.2	100	11000
10	SD	M	0.1	0.2	2.2	300	11300
11	SD	L	0.1	0.1	-	(2000)	11300
12	SD	L	0.1	-	-	-	11300
			(0.5)	(0.4)	(0.2)	(1800)	(1800)
			(0.4)	(0.5)	(9.2)	(6190)	(6190)
			(0.1)	-	(2.0)	(180)	(180)
			(1.7)	(0.9)	(26.4)	(11300)	(11300)
Summary by Personnel Intensity: Low Medium High Cumulative Total							

TABLE V - PROPOSED PROGRAM RANKING

MISSION OPERATING EXPENSE FUNDED PERSONNEL REQUIREMENTS
(in work years xx.x)

ITEM NO. 7

MISSION SPECIFIC PERSONNEL	FY 78		FY 79		FY 80 Mark		FY 80 Minimum		FY 80 Proposed	
	USDH	FNDH	USDH	FNDH	USDH	FNDH	USDH	FNDH	USDH	FNDH
Directly Related to Activities*			1.2	0.8	1.0	1.0	1.0	1.0	4.5	2.0
Policy, Direction & Management			1.8	0.8	2.0	1.0	2.0	1.0	2.4	1.0
Financial Management		N/A							1.0	1.0
Mission Support				0.8			1.0	1.0	1.0	1.0
IDI's										
OTHER (Specify)										
TOTAL			3.0	1.6	3.0	2.0	3.0	2.0	8.9	5.0
END OF YEAR CEILING			4	2	3	2	3	2	9	5
			Total = 6		Total = 5		Total = 5		Total = 14	

NON-MISSION SPECIFIC PERSONNEL

NON-MISSION SPECIFIC PERSONNEL	USDH	FNDH	USDH	FNDH	USDH	FNDH	USDH	FNDH	USDH	FNDH
Auditor General & IIS										
Other (Specify):										
TOTAL										
END OF YEAR CEILING										
			Total =		Total =		Total =		Total =	

*Even T-17-11

PROJECTED STAFFING PATTERN (SCHEDULE FOR NEW POSITIONS)

NAME & TITLE	OFF/DIV	GRADE	ON BOARD	ETA JUNE	ETA JULY	ETA AUGUST	ETA SEPTEMBER	79 1ST QTR	79 2ND QTR	79 3RD QTR	79 4TH QTR	80 1ST QTR	80 2ND QTR	80 3RD QTR	80 4TH QTR	
1. AG. DVL. OFF	MALAWI	FR-4														
2. ASST. PROG. OFF	"	FR-4														
3. GEN. DVL. OFF	"	FR-3														
4. GEN. ENG. OFF	"	FR-4														
5. WPRS DVL. OFF.	"	FR-4														
6. HLTH. DVL. OFF.	"	FR-4														
7. MGT. OFF.	"	FR-4														
8. ACCT. FINL. ANLST.	"	FR-4														
9. SECY (part time Dep.)	"	FS-7														
FOR FY 80																
PROPOSED 9																
MARK 3																
MINIMUM 3																

OPERATING EXPENSE BUDGET

54

EXPENSE CATEGORY	LINE NO.	OBJECT CLASS	EXPENSE RELATED TO	FY 1978		FY 1979		FY 1980	
				UNITS	\$	UNITS	\$	UNITS	\$
<u>OFFICE OPERATIONS Continued</u>									
Other Equipment	63	319				6.0	-		
Transportation (Freight)	64	22				4.0	2.0		16.0
Communications	65	230				4.6	5.0		20.0
Security (Guard Services)	66	259				5.4	6.0		6.0
Printing and Reproduction	67	24				1.5	1.5		17.8
Operational Travel	68					15.3	39.5		3.0
International	69	210				12.0	33.0		53.0
Domestic	70	210				3.3	6.5		41.0
Charter/Contract Transportation	71	259							12.0
Vehicles	72								
Addition	73	312	No. of Vehicles			9.1	2.3		36.2
Replacement	74	312	No. of Vehicles			1.0	-		27.0
Maintenance	75	259	No. of Vehicles						
Automotive Supplies and Materials	76	26	No. of Vehicles			1.0	1.3		5.2
Other Supplies and Materials	77	26	No. of Vehicles			1.0	1.0		4.0
FAAS	78	257				7.0	9.0		16.0
Other U.S. Government Reimbursements	79	258				2.8	3.0		8.9
Other	80	259				8.0	8.0		18.0
Portion of Lines 55-80 for Program Funded People									

OPERATING EXPENSE BUDGET

55

EXPENSE CATEGORY	LINE NO.	FY 1978	FY 1979	F.Y. 1980	
				MARK	MINIMUM PROPOSED
TOTAL OPERATING EXPENSE BUDGET	82		611.9	268.5	1,428.6
Reconciliation					
Deduct from item 82 items not funded from Mission's allotment:					
Object Class 11	83		(101.4)	(112.1)	(296.3)
Object Class 12	84		(9.1)	(10.0)	(26.8)
Object Class 13	85		(-)	(-)	(-)
Net FAAS (From line 78)	86		(2.8)	(3.0)	(8.9)
Other - Explain on Attachment	87		(0.9)	(1.2)	(3.1)
Net Allotment Requirements	88		497.7	142.2	1,093.5
Operational Year Allotment Requirement by Quarter					
First Quarter	89				
Second Quarter	90				
Third Quarter	91				
Fourth Quarter	92				

ADDITIONAL SCHEDULES AND ANALYSES	Attached	
	Yes	No
Use of Trust Funds		X
ADP Equipment		X
Budget Line 31 Detail	X	
Budget Line 55 Detail	X	
Budget Line 80 Detail	X	

MALAWI - OPERATING EXPENSE BUDGET

56

ADDITIONAL SCHEDULES AND ANALYSES

Line 31 Detail - Object Class 320

(000)

FY 1979

Purchase of three (3) 3-4 bedroom houses to accommodate new employees - at \$70.0 each \$210.0

FY 1980 (Proposed)

Purchase of five (5) 3-4 bedroom houses to accommodate new employees - at \$75.0 each \$375.0

Line 55 Detail - Object Class 320

FY 1979

Extension to existing Embassy building in Lilongwe to provide approximately 1,000 square feet of floor space to accommodate AID staff \$ 26.0

FY 1980 (Proposed)

Construction of new office building consisting of approximately 5,000 square feet of floor space and 2,000 square feet of warehouse space \$120.0

Line 80 Detail - Object Class 259

<u>Item</u>	<u>FY 1979</u>	<u>FY 1980 Mark/Min.</u>	<u>Proposed</u>
A. Medical Costs	\$4.0	\$4.0	\$ 9.0
B. Office equipment service and repairs	1.5	1.5	3.0
C. Residential appliances service and repair	1.5	1.5	3.0
D. Casual Labor	<u>1.0</u>	<u>1.0</u>	<u>3.0</u>
	<u>\$8.0</u>	<u>\$8.0</u>	<u>\$15.0</u>

Line 87 - Object Class 22

	<u>FY 1979</u>	<u>FY 1980 Mark/Min.</u>	<u>Proposed</u>
Payment by AID/W for storage Charges of HHE of USDH employees	<u>(0.9)</u>	<u>(1.2)</u>	<u>(3.1)</u>

ITEM NO. 7

RECAP ON PERSONNEL POSITIONS (USDH ONLY)

	<u>END FY 78</u>	<u>END FY 79 :</u>	<u>END FY 80</u>
BOTSWANA	8	14 plus 1 IDI	14 plus 1 IDI
LESOTHO	8	11 plus 1 IDI	14 plus 1 IDI
SWAZILAND	11	7	7
REGIONAL	3	4 plus 1 IDI	15 plus 1 IDI
TOTAL	30	36 plus 3 IDI's	50 plus 3 IDI's

Workforce level FY 78 - 27, (MODE Approved Ceiling 31 Positions)

Workforce level FY 79 - 36

OSARAC (Regional Office for PLS countries and Malawi with head quarters located in Mbabane, Swaziland)

ITEM NO. 7

MISSION OPERATING EXPENSE FUNDED PERSONNEL REQUIREMENTS
(In work years xx.x)

58

MISSION SPECIFIC PERSONNEL	FY 78 Estimated Actual		FY 79 Estimated		FY 80 Mark		FY 80 Minimum		FY 80 Proposed	
	USDH	FNDH	USDH	FNDH	USDH	FNDH	USDH	FNDH	USDH	FNDH
Directly Related to Activities* 1/	7.5	4.2								
Policy, Direction & Management	10.8	1.0								
Financial Management	1.6	5.1								
Mission Support	3.2	9.5	7.5							
IDI's	1.0									
OTHER (Specify)										
TOTAL	24.1	19.8	7.5							

END OF YEAR CEILING
 Total + 27 = 51
 Total + = = Total
 Total + = = Total
 Total + = = Total

1/ The difference between this figure and the one appearing on Table V is time spent by project related staff on general technical and clerical support not directly attributed to any one project, e.g. ARS, CDSS, sector analysis, responding to AID/W, etc.

NON-MISSION SPECIFIC PERSONNEL

	USDH	FNDH								
Auditor General & IIS										
Other (Specify):										
TOTAL										

END OF YEAR CEILING
 Total + = = Total
 Total + = = Total
 Total + = = Total

*From Table V. Above staffing data assumes the devolution of OSARAC into separate independent Missions in FY 79. See separate country submissions for FY 79 and FY 80 staffing data.

EXISTING OSARAC POSITIONS AS OF MAY 26, 1978

WORKFORCE REALIGNMENTS - SCHEDULE I - EXISTING

LEVEL	AUTHORIZED	BUDGET	RESTRICTED	NON-CERTIFIED	TOTAL FTE
CEILING	POSITIONS	POSITIONS	POSITIONS	POSITIONS	POSITIONS
FY 78	FY 78	FY 79	FY 80	FY 79	007
003	004	005	006	FY 79	008
				FY 80	009

L	POS NO	POSITION TITLE	P	P	G	I	G	STATUS	DATE	F	I	CO
I	013	014	A	L	O	R	R	OF	TC	(C)	TO	CO
N			Y	A	S	A	C	POSIT.	(A)	(E)	IT	POS
E				I	D	U	O	END OF	STATUS		THRU	F
N				T	E	M	E	FY 74	P	PLAT		
O				I	S			OR	A	ACTUAL		
.				O	N	O	O	(C)	J	79	3	
				1		1	T	()	1			
012				5		6		7	(E)	0	019	020

✓	216901007	REG DVL OFF	FR	01	02							
✓	216901012	ASST REG DVL OFF	FR	03	03							
✓	216901013	EXEC OFF	FR	03	03							
✓	216901018	SECY	FS	05	04							
	216901023	SECY	FS	06								
	216901024	SECY	FS	05								
✓	216902007	ASST PRGG OFF	FR	04	04							
✓	216902012	ASST PRGG OFF	FR	05	05							
✓	216902022	ASST PRGG ECON	FR	04	04							
✓	216903008	AID SPMS OFF	FR	03	03							
✓	216903012	HLTH DVL OFF	FR	04	04							
✓	216903015	GT OFF	FR	04								
✓	216903017	ASST GEN DVL OFF	FR	05	04							
✓	216903024	CIV ENG ADV	FR	04	03							
✓	216903029	SECY	FS	07								
✓	216903040	ACCT FINL ANLST	FR	04								
✓	216903050	HMSR DVL OFF EDU	FR	04								
✓	216904014	AID SPMS OFF	FR	03	03							
✓	216904016	CP PRJ DVL OFF	FR	04	04							
✓	216904020	PGT OFF	FR	04								
✓	216904024	ASST GEN DVL OFF	FR	05	04							
✓	216904027	ASST AG DVL OFF	FR	04								
✓	216904032	SECY	FS	07								
✓	216904040	ACCT FINL ANLST	FR	04								
✓	216904050	HMSR DVL OFF EDU	FR	04								
✓	216905007	CTLR	FR	03	03							
✓	216905012	ISO	FR	04	05							
✓	216906008	AG DVL OFF	FR	03	02							
✓	216906010	ASST AG DVL OFF	FR	04	04							
✓	216906013	HMSR DVL OFF EDU	FR	03	03							
	216906020	PA ADV TRG	FR	04	03							
	216906028	SECY	FS	08	07							
	216903016	ASST.AG.DVL.OFF.	FR	04	06							

OPERATING EXPENSE BUDGET - OSARAC (Regional Office for BLS Countries and Malawi with headquarters located in Mbabane, Swaziland)

EXPENSE CATEGORY	LINE NO.	OBJECT CLASS	EXPENSE RELATED TO	FY 1978		FY 1979		FY 1980		PROPOSED UNITS
				UNITS	\$	UNITS	\$	UNITS	\$	
PERSONNEL	01				1,352.8					
U.S. Direct Hire	02									
U.S. Citizens Basic Pay	03	110	USDH Workyears	24.1	1,233.2					
Part-time, Temp. U.S. Basic Pay	04	112	USDH Workyears		744.6					
Differential Pay	05	116	USDH Workyears	10.9	31.4					
Living Allowances	06	118	USDH Workyears							
Other Pay(Overtime and Terminal Leave Pay)	07	119			11.2					
Education Allowances	08	126	No. of Dependents	15.0	48.0					
Retirement	09	120	USDH Workyears	24.1	52.1					
Transportation/Travel	10				317.4					
Post Assignment - Travel	11	212	No. of Movements	50.0	63.7					
Home Leave	12	212	No. of Movements	7.0	18.7					
Post Assignment/Home Leave Freight	13	22			175.0					
R & R	14	215	No. of Movements	34.0	35.5					
Education Travel	15	215	No. of Movements	3.0	7.0					
Medical Travel	16	215			6.3					
Other Travel	17	215			11.2					
Other Personnel Benefits (O.C. 122, 123 & 129)	18				28.5					
Local Employees	19				100.0					
Basic Pay	20	114	FNDH Workyears	19.8	87.5					
Overtime, Holiday Pay	21	115	FNDH Workyears	1.0	5.5					
Other Pay	22	119								
Personnel Benefits	23	129	FNDH Workyears	19.8	7.0					
Benefits for Former Personnel	24	13								
Contract Personnel	25		Workyears		19.6					
PASA Technicians	26	258	Workyears							
Other Reimbursable Details	27	111	Workyears							
Experts and Consultants (FN PSC)	28	113	Workyears	7.5	19.6					
Other Technicians	29	255	Workyears							
HOUSING	30				970.9					
Acquisition of Land and Structures	31	320	Nb. of Residental Units	8.0	540.0					

Note: See separate schedules by country for FY 79 and FY 80 U.E. Budget Data. Above assumes devolution of OSARAC into separate independent Missions in FY 79. Separate budgets prepared for each country.

**OPERATING EXPENSE BUDGET - OSARAC (Regional Office for BLS Countries
and Malawi with headquarters located in
Mbabane, Swaziland)**

EXPENSE CATEGORY	LINE NO.	OBJECT CLASS	EXPENSE RELATED TO	FY 1978		FY 1979		FY 1980	
				UNITS	\$	UNITS	\$	UNITS	\$
HOUSING Continued									
Rent	32	235	No. of Residential Units	20.0	124.0				
Utilities	33	235	No. of Residential Units	31.0	28.0				
Renovation	34	259	No. of Residential Units	31.0	12.0				
Maintenance	35	259	Total Square Feet	5000.0	37.2				
Residential Furnishings and Equipment	36				203.0				
Additions to Inventory	37	311	No. of Residential Units	9.0	164.0				
Replacement	38	311			8.0				
Transportation	39	22			31.0				
Quarters Allowance (Temporary Lodgings)	40	127			24.9				
Mission Director	41				1.8				
Rent	42	235							
Utilities	43	235							
Renovation of Residence	44	259							
Maintenance of Residence	45	259							
Supplies and Materials	46	26							
Furniture Procurement	47	311							
Official Residence Allowance	48	254							
Representation Allowance	49	252			1.8				
Vehicles	50								
Acquisition	51	312							
Operation/Maintenance	52	259							
Portion of Lines 31-52 for Program Funded People	53								
OFFICE OPERATIONS									
Acquisition of Land and Structures	54				893.9				
Rent	55	320			277.0				
Utilities	56	234			50.0				
Renovations	57	234			17.0				
Building Maintenance	58	259			64.0				
Office Furnishings and Equipment	59	259			14.0				
Additions to Inventory	60				59.0				
Replacement	61	310			55.0				
	62	310			4.0				

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1 PAGES 3 OF 4

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OPERATING EXPENSE BUDGET - OSARAC (Regional Office for BLS Countries
and Malawi with headquarters located in
Mbabane, Swaziland)

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PAGE 4 OF 4

(In 000)

EXPENSE CATEGORY	LINE NO.	FY 1978	FY 1979	FY 1980	
				MARK	MINIMUM FUND
TOTAL OPERATING EXPENSE BUDGET	82	3,217.6			
Reconciliation					
Deduct from item 87 items not funded from Mission's allotment:					
Object Class 11	83	(787.2)			
Object Class 12	84	(73.6)			
Object Class 13	85	-			
Net FAAS (from line 78)	86	(25.2)			
Other - Explain on Attachment	87				
Net Allotment Requirements	88	2,331.6			
Operational Year Allotment Requirement by Quarter					
First Quarter	89				
Second Quarter	90				
Third Quarter	91				
Fourth Quarter	92				

ADDITIONAL SCHEDULES AND ANALYSES	Attached	
	Yes	No
Use of Trust Funds		X
ADP Equipment		X
Budget Line 31 Detail	X	
Budget Line 55 Detail	X	
Budget Line 80 Detail	X	

Additional Schedule to OSARAC (Regional
Office for BLS Countries and Malawi with
Headquarters Located in Mbabane, Swaziland

64

1. Budget Line 31 Detail: Object Class - 320:

Purchase of eight (8) houses	- <u>\$540.0</u>
(a) Mbabane, Swaziland - two houses	
(b) Gaborone, Botswana - three houses	
(c) Maseru, Lesotho - three houses	

2. Budget Line 55 Detail: Object class - 320:

(a) Construction of temporary office space in Maseru, Lesotho	- \$67.0
(b) Construction of permanent office space in Maseru, Lesotho	- <u>210.0</u>
Total	<u>\$277.0</u>

3. Budget Line 80 Detail: Object Class - 259:

(a) Medical cost	- \$6.0
(b) Casual Labors and typing help	- 6.0
(c) Office equipments maintenance and repairs	- 5.0
(d) Residential equipments maintenance and repairs	- <u>5.0</u>
Total	<u>\$22.0</u>

65

PROJECT NUMBER AND TITLE.		APPROP CODE	SPECIAL CONCERN CODE	OBLIGATIONS (\$ 000)					
				PY: 78		CY: 79		BY: 80	
				PROJECT TOTAL	SPECIAL CONCERN	PROJECT TOTAL	SPECIAL CONCERN	PROJECT TOTAL	SPECIAL CONCERN
(0202)	Malawi Agriculture Research	FN	XIIB	-	-	2700	2700	1730	1730
(0054)	Bunda Agriculture College	FN	XIIB	-	-	805	805	-	-
(0201)	Malawi Polytechnic	EH	LTRG	-	-	1524	1524	1400	1400
(0206)	Malawi Manpower Development	EH	XIIS	-	-	-	-	890	890
(0203)	Malawi Health Education	HE	PARA	-	-	-	-	180	180
(0103)	Malawi Lower Income Shelter (HIG)	SD	ENVR	-	-	-	-	2000	2000
(0208)	Remote Sensing Data Profile	SD	ENVR	-	-	-	-	100	100
(0209)	Malawi Appropriate Technology	SD	ATNL	-	-	-	-	300	300

Initial
Oblt. FY 76

Item No. 9

Page 1 of 4

DECISION UNIT: OSARAC/Malawi

PERIOD COVERED:

DATE: May 1978

Mission Evaluation Schedule for Operational Year and Budget Year 1

(1) Project Title and Number/Subject	(2) Number and Date of last PAR/PES Submitted	(3) Proposed date of next PES	(4) Period to be Covered	(5) Identification Special Evaluations and Purpose for them.	(6) Remarks ^{2/}
I. Grant					
A. <u>Food & Nutrition</u> 1. Bunda Agricultural College 612-0054	-	8/78	6/76 to 8/78	8/79 external	AID/W to provide 2 people (specifics to be determined)
2. Malawi Agricultural Research 612-0202	-	4/80	10/78 to 4/80	4/81 external	AID/W to provide 2 people (specifics to be determined)
B. <u>Education & Human Resources Development</u>					
1. Malawi Polytechnic 612-0201	-	1/80	10/78 to 1/80	2/81 external	AID/W to provide 2 people (specifics to be determined)

APPENDIX
Exhibit

1/ Supplementary information may be provided either as footnotes or in accompanying narrative.
2/ Include indication of help needed from AID/W - for information and planning only; action requests to be submitted in accordance with normal procedures.

DECISION UNIT: OSARAC-Malawi

PERIOD COVERED:

DATE: May 1978

Mission Evaluation Schedule for Operational Year and Budget Year 1/

(1) Project Title and Number/Subject	(2) Number and Date of last PAR/PES Submitted	(3) Proposed date of next PES	(4) Period to be Covered	(5) Identification Special Evaluations and Purpose for them	(6) Remarks 2/
I. B. (cont'd.) 2. Malawi Educational Building Materials 612-0204	-	2/81	10/79 to 2/81	-	
3. Man-power Development Project 612-0206	-	11/80	10/79 to 11/80	external 11/81	AID/W to provide 2 people (specifics to be determined)

APPENDIX 3C
Exhibit 3-8

1/ Supplementary information may be provided either as footnotes or in accompanying narrative.
2/ Include indication of help needed from AID/W - for information and planning only; action requests to be submitted in accordance with normal procedures.

DECISION UNIT:

OSARAC/Malawi

PERIOD COVERED:

May 1978

DATE:

Mission Evaluation Schedule for Operational Year and Budget Year 1/

(1) Project Title and Number/Subject	(2) Number and Date of last PAR/PES Submitted	(3) Proposed date of next PES	(4) Period to be Covered	(5) Identification Special Evaluations and Purpose for them	(6) Remarks ^{2/}
C. HEALTH					
1. Malawi Health Education 612-0203	-	1/81	10/79 to 1/81	-	
2. Rural Water 612-0207	-	2/81	10/79 to 2/81	external 2/81	AID/W to supply 1 person (specifics to be determined)
D. Selected Development Activities					
1. Remote Sensing Data Profile 612-0208	-	3/81	10/79 to 3/81	external 3/82	AID/W to supply 2 people (specifics to be determined)
2. Malawi Appropriate Technology 612-0209	-	4/81	10/79 to 4/81	external 4/82	AID/W to supply 2 people (specifics to be determined)
3. Malawi Provincial Infrastructure Improvement 612-0205	-	12/80	10/79 to 12/80	external 12/81	AID/W to supply 3 people (specifics to be determined)

APR 30 1978
DIX 36
3-8

1/ Supplementary information may be provided either as footnotes or in accompanying narrative.
2/ Include indication of help needed from AID/W - for information and planning only; action requests to be submitted in accordance with normal procedures.

DECISION UNIT: OSARAC-Malawi

PERIOD COVERED:

DATE: May 1978

Mission Evaluation Schedule for Operational Year and Budget Year ^{1/}

(1) Project Title and Number/Subject	(2) Number and Date of last PAR/PES Submitted	(3) Proposed date of next PES	(4) Period to be Covered	(5) Identification Special Evaluations and Purpose for them	(6) Remarks ^{2/}
D. (Cont'd.)					
4. Malawi Roads (Phase II) 612-0046	-	11-78	6-75 to 11-78	external 11-79	72
5. Malawi Lower Income Shelter (HIG) 612-0103	-	4-81	10-79 to 4-81	-	

APPENDIX 3G
Exhibit 3-8

^{1/} Supplementary information may be provided either as footnotes or in accompanying narrative.
^{2/} Include indication of help needed from AID/W - for information and planning only; action requests to be submitted in accordance with normal procedures.