

PD-ABQ-195

76618

**USAID/MALAWI PERFORMANCE MONITORING PLAN**

**Prepared by:**

**KATHIE KEEL, AFR/DP  
JIM WILLIAMS, AFR/SD  
TOM ZALLA, MSI/PRISM CONSULTANT**

**Submitted to:**

**CYNTHIA ROZELL, MISSION DIRECTOR  
MICHAEL SARHAN, PROGRAM OFFICER**

**U.S. Agency for International Development  
Lilongwe**

**June 1995**

## I. Introduction

During 1994-1995, USAID/Malawi prepared the Country Program Strategic Plan (CPSP) for years 1995-2000 and submitted the CPSP to AID/Washington in February 1995. In March, the strategy was reviewed by the Africa Bureau with participation from PPC and the Global Bureau and the basic framework approved. While the strategy, budget, and programming were discussed at length, discussion on monitoring issues was largely deferred until technical assistance from the Africa Bureau could be provided to review the mission performance monitoring plan. For two weeks in June 1995, a Monitoring, Evaluation, Reporting (MER) team from Washington worked with the mission to review its program level performance monitoring system and refine indicators, data sources, and data collection methods.

The MER team included three members who worked with the relevant technical offices, program office, and MER specialist. Tom Zalla, an MSI consultant funded under the Africa Bureau buy-in to the PRISM contract, assisted the Agriculture and Natural Resources division on Strategic Objectives 1 and 2. Kathie Keel, AFR/DP, worked with the PHN division on Strategic Objective 3. Jim Williams, AFR/SD, assisted the Education division with Strategic Objective 4. This team did not attempt to develop a monitoring plan for the Democracy/Governance strategic objective. Plans are in process for a D/G specialist to come out at a later time to work with the mission.

In reviewing the mission performance monitoring plan, the MER team examined strategic linkages between lower-order results articulated in the program outcomes and higher-order results stated in the strategic objectives. As a result of this discussion, suggestions for refining some results statements at both the SO and PO levels were made. Indicators were examined on the basis of specific criteria with the goal being to develop indicators which measure progress toward an objective or outcome as directly as possible, are framed in precise and operational terms, and are practical in terms of data collection.

Since staff turnover over time can hinder continuity, definition of indicators and data sources was important to document so a record would be left for others who will follow. In this case, the person who has tracked and recorded data for all strategic objectives for the past few years is leaving soon, and a replacement MER specialist has not yet been selected. It is especially important at this time to have an agreed-upon plan since the mission is now setting into place a monitoring plan for the next five years.

In this report, the team will present the results of the MER exercise. This report represents substantial consultation with mission staff, implementing organizations, and in some cases the

relevant ministry. However, this report does not necessarily represent the final mission performance monitoring plan. Rather than attempt to reach a final consensus on indicators during the two week TDY, the team was asked to submit their recommendations for later mission consideration. The team member working on SO 4 remained in Malawi for several weeks following the MER exercise so the education section reflects a more finalized monitoring plan. Remaining monitoring issues for the mission to follow up on are outlined.

Under the program goal and each strategic objective, there are two separate tables. The first table outlines the Performance Monitoring Plan with precise indicator definitions and data sources. The second table includes baseline, actual results, and performance targets and contains less detail than Table 1 on indicator definitions. Data sources are noted in the "comments" section.

For each strategic objective, Table 2 (the data table) is formatted to be used throughout the five years of the strategy period. In order to include all five years, columns were planned to reflect actual data for past years, expected and actual results for the year which is being reported on, and only expected results in the outyears. The table can be easily adjusted year to year to reflect two columns (expected and actual) for the reporting year and one column for other years ("actual" for past years, "expected" for outyears). The number and width of columns will always stay the same--only the "years" and "expt/actual" heading will need to be slightly altered.

## II. Goal: Broad-based, sustainable economic growth

The five strategic objectives outlined in the CPSP contribute to the mission goal of **Broad-based, sustainable economic growth**. It is acknowledged that the goal has a much longer timeframe than a strategic objective, is not within the manageable interest of the mission program, and that progress may be slow and uneven. Nevertheless, it is important to track key indicators to keep in mind "the big picture" and provide the country context for progress in strategic objective areas.

The mission identified several indicators at the goal level in the CPSP. The MER team did not specifically focus on the goal level due to time constraints, but developed monitoring and data tables nevertheless for the mission to use as well as a few suggestions.

This Performance Monitoring Plan includes tentative targets for the goal indicators. Per capita income is expressed in real terms and assumes the gross growth rates projected in the 1995 Economic Report of the MEP&D. For population projections we have used data from a World Bank report cited in the table, which is somewhat different from a recent report examining the impact of AIDS that came to our attention on the day of our departure. For all per capita indicators the mission needs to adopt a single source for its population estimates to ensure comparability between the various indicators. The source should be one that will be updated on a regular basis.

There were two indicators dealing with food availability, one at the goal level and one at the SO1 level. The one at the goal level related to national food production and the SO indicator apparently to gross availability. This is the reverse of what one would normally expect since the latter figure is a higher level indicator that conventionally includes food-aid, food imports and excludes food exports. Moreover, calculating it involves a substantial amount of work. On the other hand, if the mission is really interested in self-reliance, then availability, excluding food aid, would be the indicator to use. I recommend that only food production be monitored, and this at the goal level. If availability is important to the mission, then per capita food production should be moved to SO1 and availability substituted at the goal level.

### **Savings and investment as percent of GDP**

This is a dual indicator and the value of each component frequently diverges from each other. In the tables, this indicator has been redefined as **investment as percent of GDP** in order to make it unidimensional. However, it is a volatile measure from year to year and is not likely to produce a meaningful indicator of USAID intervention. Because of poor predictability, ability to extract trend data is limited. It is recommended that this indicator be

dropped because of limited correlation with the program goal over a five year period.

#### **HIV seroprevalence**

AID/Washington and WHO/Global Programme on AIDS has developed ten core priority prevention indicators for tracking progress of HIV/AIDS prevention programs. State 2407132 (August 1994) discusses recommended measures for USAID HIV/AIDS programs and outlines issues and limitations in using HIV seroprevalence as an indicator. If it has not already done so, the mission may want to consider dropping this indicator unless they have confidence in the data source and it is consistent year to year. If the indicator is kept, the base population needs to be defined and the data collection method documented.

#### **Suggested additional indicators:**

In addition to **infant mortality rate**, AFR/SD recommends reporting the **Under 5 mortality rate** and **Child vaccination coverage rate**. Data for all three indicators are available in the 1992 MDHS.

### **III. STRATEGIC OBJECTIVE 1: INCREASED PER CAPITA INCOMES AND NATIONAL FOOD SECURITY**

#### **A. Description of Program and Rationale**

The mission is firmly convinced that low incomes limit effective demand for improved agricultural technologies in Malawi, and that inadequate food production and the resulting low food security leads to poor nutrition, high infant mortality and low resistance to disease at all age levels. Breaking this vicious circle requires coordinated interventions on several key fronts.

The mission program for SO1 focusses on liberalizing markets and the policy reforms necessary to achieve this. Open markets increase the choices resource poor farmers have with respect to producing income and managing resources. The major accomplishments in this area are the opening of the lucrative burley tobacco market to small holders, and freeing farmers to diversify away from maize for greater food security. The income this generates is expected to stimulate rural enterprises and rural incomes through the second order multiplier effects of the expected increase in income.

#### **B. Performance Monitoring Plan for SO1 and Related POs**

Malawi's GDP in 1995 prices is approximately one billion dollars. Agriculture accounts for about 35% of that. An investment of \$30 million at a 12% rate of return will produce an additional \$3.6 million in income, adding just over 0.3% to GDP each year, other things being equal. Progress on the food production front may not be much greater without a series of major breakthroughs in agricultural technology.

The recent identification and diffusion of a hybrid flint maize variety appears to be one such breakthrough. Unlike earlier hybrids, this variety stores and processes well under farm conditions. It is, therefore, much more acceptable to small semi-subsistence farmers. But even in countries with a developed agriculture such technologies take time to spread and require supporting infrastructure and inputs to reap the full benefits of the technology.

Moreover, if a technology is truly cost-reducing, it will increase incomes mostly of the early adopters, who often are the larger, more successful farmers. Unless there is a vent for surplus in the form of export markets or industrial demand, these lower costs will quickly be passed on to consumers in the form of lower prices. Late adopters and non-adopters will suffer a drop in income to the extent they depend on market sales of maize for cash income. Net buyers of maize, on the other hand, will enjoy higher real incomes as the price of a major foodstuff declines. On balance, the increase in income for the rural economy as a whole will be

somewhat less than the increase in production or productivity resulting from adoption of the new technology.

It is even more difficult to have a major short-term impact on production and incomes when a substantial portion of resources are directed at long-term investments such as conservation of natural resources. Until the economy's capacity to absorb such investments expands considerably, the rates of return on these investments may not be very high. This takes time. For these and other reasons, it is not easy to bring about significant increases in per capita incomes and per capita food production in the relatively short time covered by the 1995-2000 CPSP. This suggests a measure of humility is in order when setting the quantitative targets for the performance indicators used to measure the program outcomes.

The first performance indicator for SO1 has been recast from all tobacco to just burley. Burley represents about 70% of all tobacco production and virtually all tobacco produced by smallholder. By limiting the indicator to burley we avoid having the denominator increase sharply (and the ratio decline) in the year following opening a new tabasco type to smallholder producers. The indicator now specifies quantities in order to ensure consistency between data gatherers. It could just as easily be expressed in value terms. What is important is that one or the other be specified and used on a consistent basis.

Indicator 2 for SO1 has been made precise by specifying cultivated area, rather than land for the denominator of the indicator. For all three indicators we have removed the direction of the result that was specified in previous versions. An indicator can move down as well as up. The direction is the result.

In comparison with earlier drafts of the performance monitoring plan, number of rural enterprises has been deleted since it is overlaps substantially with PO1.2, and is available relatively infrequently. The proportion of smallholder tobacco marketed through private channels has been moved to PO1.1, which focusses on markets.

Under the liberalized markets PO1.1, the contribution of HYV maize to total maize production has been removed. With the introduction of the flint hybrid, it appears that variety rather than pricing policy is what was limiting smallholder hybrid production. If so, the indicator is measuring availability of technology rather than the effect of liberalizing markets.

The total value of smallholder cash grown and privately marketed is a multi-dimensional indicator that has been discarded. How can we get data on the amount privately marketed? Is it to be counted if it is grown but not marketed? What is a cash crop? Tobacco is covered under the indicators moved from the SO level.

Smallholder marketing of tobacco through private channels, as well as fertilizer and maize, have been redefined so that share sold to ADMARC is related to total sales, making them reverse indicators of the program outcome. The reason for the reversal is the likelihood of a multiplication of private sector intermediaries as liberalization proceeds, making it more and more difficult to track them. ADMARC sales and total sales should be easier to track. As long as ADMARC and total sales are available, though, the indicators can be constructed either way.

PO1.2 groups all agribusiness activities under one PO. The marketing component of the PO has been removed and marketing indicators moved to PO1.1. This avoids having a dual indicator without giving up the marketing aspect.

PO1.3 now includes an indicator more specifically directed at transport costs. Assuming published tariffs respond to changes in costs and competition, it should be fairly simple to construct an index of prices for important commodities carried between key markets.

#### **IV. STRATEGIC OBJECTIVE 2: INCREASED SUSTAINABLE USE, CONSERVATION, AND MANAGEMENT OF RENEWABLE NATURAL RESOURCES**

##### **A. Description of Program and Rationale**

The backbone of this strategic objective is the NATURE program. Unfortunately, the policy issues and solutions to them are still being debated and defined. Still, there are a few areas in which most key players seem to agree, permitting definition of several indicators for the program outcomes identified as critical by the mission.

The mission has identified the policy framework, weak institutional capacity to administer environmental programs and policies, and a low level of community involvement and awareness as the critical problems needing to be addressed in this context. At this point the NEAPS still puts a heavy reliance on policing activities. By focussing on market-based solutions the mission hopes to make natural resource management more sustainable over the longer term.

Of all the SOs, SO2 is, by far, the most off the mark with respect to targets. Following 30 years of fairly oppressive government with respect to community work projects, the fabric of genuine community cooperation appears rather torn. Organizing community-based approaches to natural resource management will require a lot of time and skill it is to succeed. Property rights will need to be redefined, generating opposition at all levels, including within rural communities themselves. Malawi's absorptive capacity in this area appears very limited at the present time.

Assuming Malawi has 28% of its land area under indigenous woodland, increasing the percent under community-based management programs by 5% means over 100,000 hectares. That's a lot to accomplish in five years even when effective institutional programs are in place and profitable technologies are available and tested. More thought needs to be given to what is really doable, given the relatively slow pace at which institutions can be reformed.

##### **B. Performance Monitoring Plan for SO2 and Related POs**

The monitoring plan outlined in this report is really little more than an indicative plan, since much remains to be done in defining the nature of specific problems and solutions that will work in Malawi. The thrust of the plan, nonetheless, is toward private sector and community participation, with a healthy amount of monitoring.

PO2.1 has been reduced to a policy outcome only, with programs covered in the other outcomes. This avoids having a dual indicator that requires very different measures of progress.

The most difficult program outcome for identifying measurable indicators is PO2.1 dealing with the policy framework. The low real price of wood from government plantations is, perhaps, the most serious to viable private sector plantations. By forcing this price up, the program strategy will eventually make it profitable for the private sector to become involved.

PO2.4 has been redefined to include a wider range of programs, not only community based programs and not just protected area programs. Effective natural resource management will require a wide range of interventions and implementation vehicles. This indicator as redefined catches those.

**V. STRATEGIC OBJECTIVE 3: Increased adoption of measures that reduce fertility and HIV/AIDS transmission**

**A. Description of program**

With high fertility rates and low contraceptive use, a population at high risk of HIV/AIDS, and high infant mortality, the imperative for USAID involvement in family planning, HIV/AIDS prevention, and promoting child health is clear. The mission's program focuses on increasing access to family planning especially in rural areas and improving quality of health/FP service delivery points in terms of providing a wider choice of method.

The HIV/AIDS program aims to increase access to HIV/AIDS information and condom supply services by establishing worksite service points at targeted private companies and estates, increasing knowledge of primary and secondary students about AIDS prevention, and improving STD case management. Through social marketing, access to condoms will increase as well.

The mission's efforts to increase access to safe water in rural areas and improve delivery and quality of child health services (specifically malaria treatment) aims to contribute to reduced infant and child mortality and morbidity. The mission views improving child health primarily as a key determinant in women's fertility decisions. Conversely, child spacing is one of the key factors influencing infant and child mortality.

**B. Performance Monitoring Plan for Strategic Objective and Program Outcomes**

Attached are three versions of a program monitoring plan for this strategic objective. Version 1 is the monitoring plan developed by the mission for inclusion in the CPSP. After the CPSP review in Washington but prior to the MER team's arrival, the mission had modified the original plan in the March CPSP.

After reviewing mission documents and discussing the mission program with PHN and other USAID staff, the MER team member working with this SO drafted a version 2. Version 2 represents the program in terms of increased knowledge, improved access, and improved quality in keeping with the mission's integrated approach to family planning, HIV/AIDS, and child health. Program Outcomes are not disaggregated by "subsector" or "topic" although indicators are specified by area of focus.

Version 3 represents a hybrid of Versions 1 and 2. For programming reasons, the mission wished to retain the singular "topic" focus by program outcome. However, some of the simplicity and directness of Version 2 was incorporated by maintaining a parallel level of impact across all program outcomes--improved access to and quality of services. Program outcomes were further simplified by reducing the number from five to three.

The strategic objective statement was modified slightly to represent the mission's interventions to improve child health practices and clarify linkage between the program outcome and strategic objective. Since specific child health activities are viewed as contributing to fertility reduction, the phrasing of the strategic objective attempts to reflect the mission's relative priorities in this sector.

Table 2 was developed to represent Version 3.

### **C. Remaining Monitoring Issues and Recommendations**

- Performance targets need to be determined for the outyears in which the mission expects to have actual data for that particular indicator. There is no need to make estimates for years when actual data will not be available. When reporting in the API, the mission should not extrapolate from previous year data points just to fill in the boxes! It is recognized, and documented in the performance monitoring plan, that data intervals for various indicators will differ. In Table 2, an \* has been placed in the boxes for years where a performance target needs to be set. In some cases, an \* represents baseline points for which data exist (according to the PHN office) and needs to be incorporated into the table.

### **Strategic Objective Indicators**

- **Indicator 2. Number of sexual partners.** The reporting timeframe will need to be determined for this survey question prior to administration of the 1996 MKAPH.

### **Program Outcome 1 Indicators**

- **Indicator 2. Couple Years of Protection (CYP).** It is a little worrisome that data for this standard family planning indicator will not be available until the HIS is operational in 1996. Are there any alternative means of obtaining the data and establishing a baseline prior to 1996?
- **Indicator 5. Community-based distributors providing limited family planning services.** The mission expressed intent to disaggregate this indicator by male/female. The baseline and targets will need to be adjusted to reflect this.
- **Indicator 6. FP client satisfaction.** The mission will need to decide on the best measure of client perception of treatment received from a family planning provider. Factors should include provider attitude toward family planning and clients, level of training, competence in providing information on choice of methods, and quality of counseling should be considered. The mission should review "Provider Attitude and Practice" (Paula

Tarrou, 1995) and determine if an appropriate indicator can be developed from data collected in the survey. The mission may choose to repeat Tarrou's survey or conduct a situation analysis.

#### Program Outcome 2 Indicators

- **Indicators 1 and 3.** The mission needs to establish baseline, performance targets, and a plan for data collection.

For **Indicator 1**, the base needs to be established--all primary and secondary school students in the country or a targeted geographic area and/or levels? As well, the method of data collection could be reviewing pass rates of HIV/AIDS questions on leaving exams or a sample survey (written or oral interview) of students at selected levels. A "less good" alternative indicator may be "percent of schools with implemented AIDS curriculum."

For **Indicator 3**, the mission with John Snow, Inc. needs to determine the base--the total number of private companies and estates the mission expects to impact over the life of the project by establishing onsite AIDS information and condom supply points. From that #, the total number of employees who would then have access to those worksite points could be defined as the denominator. To take this a step further, the mission may want to look at utilization of services (# of condoms distributed through worksite points or # of visits/requests for information).

- **Indicator 2. Condom sales and free distribution.** The numbers for sales and free distribution are reversed in the CPSP table from what was reported in the API. The mission needs to confirm that the data for sales in the CPSP monitoring plan reflects sales and not free distribution and vice versa. Also, the data tables in the CPSP do not specify a baseline year.
- **Indicator 4. Quality of care provided to STD patients.** With JSI, the mission should verify the definition of the indicator (i.e., define patients presenting at what type of facility), the data source, and method of collection.

#### Program Outcome 3 Indicators

- **Indicator 1. Knowledge of malaria transmission.** This indicator was chosen largely because of the relatively poor knowledge of mosquito vectors and the serious nature of the malaria problem in Malawi. Other indicators of knowledge could be substituted such as caretaker knowledge of symptoms of malaria or knowledge of proper treatment.

- **Indicator 2. Population with access to safe water.** The CPSP does not specify a baseline year or data point. The PHN office reports that the data for this indicator are available but will require some collating from more than one source. The indicator includes population in the catchment areas of all USAID-supported efforts such as boreholes and protected wells (activities implemented by PVOs).

## **VI. STRATEGIC OBJECTIVE 4: Increased Access to and Quality and Efficiency of Basic Education, Especially for Girls**

### **A. Description of program**

Given the importance of literacy for social and economic development and the critical role that literacy, especially of women and girls, plays in terms of reduced fertility, improved child survival and health, and increased productivity and economic growth, USAID/Malawi considers basic education a key strategic objective in its country program strategic planning. Malawi lacks the natural resources of many of its neighbors and must, to a large extent, rely on its human resources as engine for development.

The mission seeks to take steps to increase access to basic education, and at the same time improve the quality and efficiency of the basic education system. These three objectives are often considered tradeoffs -- improvements in access tend to reduce quality, and so forth -- suggesting that it may not be possible to realize simultaneous improvements in all three areas. Nonetheless, program activities address all three areas. Indeed, examination of actual conditions in Malawi's basic education system suggest that improvements *must* be made in all three areas. Quality must be improved for access to have real meaning. Efficiency must be improved for improvements in quality to be feasible. Girls are stressed because of the importance of girls' education for reductions in fertility and improvements in health, and because when not addressed explicitly, the needs of women and girls are often overlooked.

### **B. Performance Monitoring Plan for Strategic Objective and Program Outcomes**

The three foci of the strategic objective are reflected in the primary indicators used to track progress. Access is represented by the net enrollment rate, the proportion of the primary school-age population enrolled in primary school. Net enrollment is tracked for both girls and the overall primary population. Quality is indicated by the pupil:teacher ratio. Second to the pupils themselves, teachers are probably the single most essential ingredient of an education system. Pupil:teacher ratios in Malawi have been among the highest in the world, and the Ministry of Education with USAID support is undertaking a number of steps to improve them. Efficiency is measured by the promotion rate, the percentage of children moving from one grade to the next in a single year. Promotion rates capture both repetition and dropout. Again, progress is tracked in terms of the overall school-age population and girls. Indicators, definitions, baseline data, and performance targets are summarized in Tables 1 and 2, as noted above.

This overall strategic objective is supported by four program outcomes -- increased financial resource base for education; increased instructional resources in the country's primary schools; improved learning environment for girls; and increased internal efficiency. Achievement of each of these program outcomes will be tracked by a series of indicators detailed in Tables 1 and 2.

In addition, the Mission has planned to make progress in certain areas which do not lend themselves to quantitative measurement. These areas will be discussed in the narrative portion of the annual report; they are summarized here in Table 3. One example is the activities of the Gender Appropriate Curriculum (GAC) lecturer. The lecturer has been in place for several years and has made a number of important contributions -- improved gender sensitivity in the curriculum, revision of the previous pregnancy policy, etc. These contributions, however important, do not lend themselves to quantitative measurement. However, it is important to note them in describing progress made by the Mission in achieving country program goals. Some of these areas are related to specific program outcomes; others relate to more general agency practices and policies, such as increasing host country participation in design and implementation. Throughout sub-Saharan Africa, USAID has worked to enhance the capacity of host country governments to improve education. In many cases, this has meant putting a process in place rather than achieving specific pre-specified objectives. The Mission hopes to document progress in such areas through narrative discussion.

#### PO4.1. Increased financial resource base for education

This program outcome is measured by three indicators, which measure the share of the total revenue budget devoted to education, the share of the total education (revenue) budget devoted to primary education, and the share of the total primary revenue budget devoted to instructional materials. In each case, progress is shown by increases. The rationale is that for progress in improving Malawi's human resource base to be made, greater resources must be devoted to these areas.

#### PO4.2 Increased instructional resources in primary schools

For learning to take place, aggregate resources must be translated into instructional resources in use in the schools. Malawi's primary school system has traditionally lacked learning inputs such as teachers, classrooms, textbooks, and writing books. USAID/Malawi is concentrating its efforts in three areas, as suggested by the indicators -- constructing schools in key areas of need; reducing the pupil:teacher ratios to a level at which instruction can be effective, increasing the number of exercise books available to each pupil. It should be noted that provision of other instructional materials is felt to be important but that Mission activities are concentrated in these areas.

PO4.3 Improved learning environment for girls

USAID/Malawi plans to continue its traditional emphasis on girls' education, by making the improvement of girls' learning environments an explicit program outcome. A number of activities will be undertaken in support of this program outcome. Four indicators will be tracked -- 1) the proportion of teachers receiving gender training from the Gender Appropriate Curriculum (GAC) Unit; 2) the proportion of girls in Standard 1 (1st grade) who are between ages 6 and 8, inclusive; 3) girls as a percentage of total enrollment in Standard 8 (the final year of primary school and the year in which preparation for the all-important examination to enter secondary school is concentrated; and 4) girls as a percentage of total enrollment in Form I, the first year of secondary school.

Few countries include explicit gender training in their education development plans, and thus the Mission plans to document Malawi's efforts in this area. Increasing age-appropriateness of girls enrollment in Standard 1 suggests improved attitudes towards girls' school participation. Increasing proportions of girls in late primary and early secondary school indicate several things -- improved attitudes towards girls' education, increased persistence on the part of girls, and increased willingness to invest in higher levels of girls' education.

In addition to these quantitative indicators, narrative discussion will include progress in other areas related to this program outcome -- the Social Mobilization Campaign, Gender Appropriate Curriculum, Secondary Scholarships for Girls.

PO4.4 Increased internal efficiency in the primary school system.

A final program outcome relates to the efficiency of the system, specifically the rates at which pupils progress through primary grades. Internal efficiency is important in several ways. The current system is quite wasteful of scarce resources; it takes more than 10 years of resources to produce a primary school graduate. Because of high repetition rates, pupils, especially girls, are likely to drop out before achieving permanent functional literacy, thus helping to perpetuate a low-level equilibrium in human resource utilization. Repetition and dropout are concentrated at the beginning and end of the primary cycle. Less than half of Standard 1 pupils make the transition in one year to Standard 2, thus setting the stage for further failure in school. Standard 8 pupils often repeat the same curriculum multiple times in an effort to gain entrance to secondary school, rather than learning new material. The Mission is supporting the Ministry in a number of efforts to increase the system's internal efficiency.

The Mission will track progress with three indicators -- the

repetition rate, overall and for girls; the dropout rate, again, overall and for girls; and the net admission rate, or the percentage of Standard 1 enrollment that is the proper age, 6. This last indicator captures the extent to which right-age pupils make up the most crucial transition, from home to formal school. The lower the proportion of proper age pupils, the less efficient the system is in keeping out or promoting under or overage pupils. Instruction is more effective the more homogenous the class, particularly in the critical first year. Two important non-quantitative aspects of progress in this program outcome will be the extent to which the planning capacity of the Ministry of Education can be enhanced and the extent to which the Ministry formulates, adopts, and implements appropriate and effective policies to improve internal efficiency in the primary school system.

### **C. Remaining Monitoring Issues and Recommendations**

Partly as a consequence of USAID activities, primary education in Malawi has assumed great public importance as indicator of the good intentions of the new multi-party government and in its own right. The environment is ripe for change, and that, in general, is good. However, a changing environment makes specification of future performance targets more difficult.

A case in point is the abolishing of primary school fees by the newly-elected government in 1994. As a consequence, primary enrollment increased from 1.9 million to between 2.4 to 3.2 million children. Much of this enrollment growth was concentrated in Standard 1, already the weakest part of the system. Half the enrollment in some schools was concentrated in Standard 1. Such an increase is welcome from the perspective of increased access, but it wreaks havoc on an already weak system and, quite likely, on indicators of system quality and efficiency.

In this case, the effects of the increase are likely to be felt in the 1995/96 school year, reported in the 1996 APIs. The impact on Mission targets is unknown and largely outside the control of the Agency. Specifically, this increase may affect achievement of progress in relation to indicators 4.2.2, 4.2.3, 4.3.2, 4.4.1, and 4.4.2.

It will be important in the annual review of program impacts to describe the full context in which program performance indicators are being achieved. Progress may be uneven -- faster in some areas in some years, and more slowly in other areas or times. In some cases, it may be necessary to review targets in line with changed external conditions.

Other targets requiring possible revision are those related to the shares of current expenditures devoted to various purposes. At

this time, progress is represented by increasing those shares. Future imponderables may change this situation to one in which progress would be indicated by different targets. These measures aim to document a growing sufficiency of resources being devoted to the critical parts of the basic education system.

Finally, due to lack of data, some baseline figures are unavailable, as indicated in Table 2. Figures indicated by a \* will need to be entered as data become available later in the year or early next year. The Ministry of Education's annual education statistics are the primary source of data. Because the Ministry has improved data collection and processing systems, indicators related to enrollment, repetition and dropout may need to be revised or clarified in later reporting.