2013/14 PERFORMANCE ASSESSMENT FRAMEWORK

Common Approach to Budgetary Support (CABS)

October 2013/14 Performance Assessment Framework

The 2013/14 Performance Assessment Framework (PAF) provides a jointly approved set of indicators for measuring progress, derived mainly from the Second Malawi Growth and Development Strategy (MGDS II, 2011-2016). The PAF contains notes explaining how progress of indicators will be measured, how achievement of set targets will be validated, and identifies Government and development partner counterparts responsible for assessing progress on each indicator. The design of the PAF will assist in preserving institutional memory both amongst development partners and in Government ministries and departments. The end result will be increased understanding of how the targets will be measured and hence increase efficiency in the manner in which the assessment is done. The PAF sets targets for the October 2013 review and indicative targets for the October 2014 review.

NO.	INDICATOR	BASELINE	TARGET FOR OCTOBER 2013 REVIEW	INDICATIVE OCTOBER 2014 TARGET
PUBLIC FINANCIAL MANAGEMENT (INDICATORS 1 - 9)				
1	**Macroeconomic program**	The IMF Board approved a new ECF in July 2012.	1st,2nd and 3rdECF reviews completed by June 2013.	4th and 5th reviews completed by June 2014.
A. Objectives To restore prudent fiscal and macroeconomic policy management. **B. Methodology for measuring progress:** **(i).**The completion of a successful 3rdreview of the ECF by June 2013 will constitute achievement of the target. **C. Meansofverifying progress:** IMF Press Statements and Reports. **D. Lead agencies** Government – Ministry of Finance (Economic Affairs Divisions), CABS DP –World Bank.				

2[a]	**Credibility of the budget: In-year expenditure reallocation between primary expenditure votes**	As in FY2009/2010, variance of expenditure outturn against the approved budget for primary expenditure votes amounted to 6.7%. Variance between budgeted expenditure and outturn expenditure for 25 votes for 2010/11 was 6% of the 2010/11 approved budget's primary expenditure. Variance between budgeted expenditure and outturn expenditure for 25 votes for 2011/12 amounted to 9.2% of the 2011/12 approved budget's primary expenditure.	Variance between budgeted expenditure and outturn expenditure for 25 votes for 2012/13will amount to 10% or less of the 2012/13 approved budget's primary expenditure.	Variance between budgeted expenditure and outturn expenditure for 25 votes for 2013/14 will amount to 10% or less of the 2013/14 approved budget's primary expenditure.
A. Objectives To ensurebudgetcredibility. **B. Methodology for measuring progress:** **(i)** If the total difference between 2012/13 approved budgeted expenditure and 2012/13 outturn expenditure for the 25 votes amounts to 10 per cent or less of 2012/13 primary expenditure then the target has been achieved. **(ii)** Primary Expenditure = total expenditure minus [debt service payments + externally financed expenditure (Part 1 of development budget)]. **C. Meansofverifying progress:** **(i)** Sources: 2012/13 Approved Budget documentation; 2012/13 Annual Consolidated Accounts. **(ii)** Comparison between approved expenditure and outturn expenditure for the largest 20 votes plus 5 governance votes: NAO, ODPP, DPP, ACB and Ombudsman. **D. Lead agencies** Government – Ministry of Finance (Budget Division), CABS DP – European Union.				
3[b]	**Protecting priority expenditures: Government maintains budget commitments to key public services**	(1) In 2010/11, 23.6% of Voted Recurrent Expenditure was spent on Education and 53.2% went to Primary Education. There was a real increase of 6%in 2010/11 in Government contribution to the Health Sector.In 2011/12, there was no Health SWAp but GoM's health budget increased by 14.7% inthe budget. In 2011/12, GoM allocated 23.9% to education against a 20% SWAp target.	Government meets budget allocation requirements of Health and Education SWAPs in the 2012/2013 approved budget.	Government meets budget allocation requirements of Health and Education SWAPs in the 2013/2014 approved budget.
A. Objectives To protect pro-poor expenditures and ensure allocation of resources in accordance with strategic priorities.				

[a] EU variable tranche.
[b] EU variable tranche.

B. **Methodology for measuring progress:** Comparison between SWAp budget requirements, as set out in agreement documentation, approved budget and budget review. If the Government has allocated resources in line with Health and Education SWAp requirements and this allocation is sustained after budget review, then this element of the target has been achieved. In the absence of SWAp agreement in Health Sector, government contribution to Health is expected to increase in real terms. **C.** **Meansofverifying progress:** **(i)** 2012/13 approved budget and budget review documents. **(ii)** SWAp documents, MoUs and JFAs signed by donors and Government as part of Health and Education SWAp arrangements. **D.** **Lead agencies** Government – Ministry of Finance (Budget Division), CABS DP – European Union.				
4[c]	**Value for money in the national budget**	The proportion of Primary Expenditure that was spent on Travel (Items 21, 22 and 34) in fiscal year 2011/12 was7.7% of the expenditure set out in the 2011/12 budget.	(i) The proportion of Primary Expenditure that is spent on Travel (Items 21, 22 and 34) in fiscal year 2012/13 to be no more than the proportion set out in the 2012/13 budget. (ii) Quarterly monitoring of budget implementation.	(i) The proportion of Primary Expenditure that is spent on Travel (Items 21, 22 and 34) in fiscal year 2013/14 to be no more than the proportion set out in the 2013/14 budget. (ii) Quarterly monitoring of budget implementation
A. **Objectives** To reduce wastage of GoM financial resources on travel and promote value for money in the national budget. **B.** **Methodology for measuring progress:** (i) The 2012/13 approved budget proposed to spend 7.57% of primary expenditure (defined as Total expenditure – (debt service payments + Development Part I) on travel (defined as items 21, 22, and 34). If the proportion of primary expenditure that is spent on travel in fiscal year 2012/13 is no more than 7.57% then the target will have been met. (ii) Government to provide a quarterly monitoring report to donors for the previous budget quarter. Given the availability of expenditure data, this will mean reports being provided, November 2012 (Q1, 2012/13),February 2013 (Q2, 2012/13), June 2013 (Q3, 2012/13) and August 2013 (Q4, 2012/13) **C.** **Meansofverifying progress:** (i) Approved 2012/13 budget documents and 2012/13 Annual Consolidated Accounts. (ii) Quarterly monitoring reports published on Ministry of Finance website and submitted to CABS. **D.** **Lead agencies** Government – Ministry of Finance (DAD, Budget Division), CABS DP – DFID. Government – Ministry of Finance (Budget Division), CABS DP – European Union/DFID.			
5[d]	**Improved payroll**	(i) By March 2011, the manual job	(i) Review of HRMIS internal controls by	(i) Roll out of HRMIS to 12 district

[c] PRSC trigger.
[d] PRSC trigger, AfDB trigger, EU variable tranche.

	management	descriptions was in use but the HRIMS record system of recruitment was not in place (ii) The Performance Management module was operationalized in June 2012 with personnel performance assessments anchored in the staff contracts.	July 2013	councils (ii) Roll out of Performance Management System to all district councils
A. Objectives To improve record keeping of employee records and efficient management of payroll. **B. Methodology for measuring progress:** **(i)** If the HRMIS has been rolled out to 6 district councils by July 2013 then the target has been achieved. **(ii)** If the HRMIS internal controls have been reviewed by July 2013 then the target has been achieved. **C. Meansofverifying progress:** **(i)** Extracts from HRMIS from district councils. **(ii)** HRMIS Internal Controls Review Report **D. Lead agencies:** Government – DHRMD, CABS DP – World Bank				
6[e]	**Expenditure reporting: Timeliness and quality**	In June 2011, IFMIS rollout had been completed in 22 out of 34 Local Assemblies. By December 2011, IFMIS roll out not done to 12 remaining sites[f]. IFMIS rolled to 5 additional sites by June 2012. Power backup diesel generators not installed by September 2012.	(i) By February 2013 roll out of IFMIS to be completed in the 7 remaining sites (ii) By June 2013 the Accountant General will complete the Business process design and chart of accounts and functional requirements for the IFMIS	By June 2014, the Government will enhance the system by: (i) The automatic capture of all Government revenues, expenditures and financing transactions in IFMIS; (ii) Interfacing IFMIS with the Central Bank to foster automation and efficiency in reconciliations. (iii) Implementation of an electronic payments system. (iv) Implementation of Cash Basis International. (v) Public Sector Accounting Standards (IPSAS).

[e] EU variable tranche, AfDB trigger.

[f] The 12 sites are Likoma, Ntchisi, Mulanje, Luchenza, Kasungu, Lilongwe, Mzuzu, Machinga, Neno, Ntcheu, Chiradzulu and Balaka.

A. Objectives To cover all local councils with IFMIS and strengthen its use to enhance accountability. **B. Methodology for measuring progress:** (i) Number of sites that have completed IFMIS roll-out and are fully functional. **C. Meansofverifying progress:** (ii) IFMIS implementation reports. **D. Lead agencies** Government – Ministry of Finance (Accountant General), CABS DP – European Union.				
7[g]	**Audit: Timeliness, follow-up and internal control**	i. Treasury Minutes for 2004/05, 2005/06 and 2006/07 submitted to Parliament ii. The 2010/11 Auditor General Annual Report (AGR) submitted and tabled in Parliament in June 2012. iii. The work to prepare for external audit of NAOs ORT funds for the first time started in 2012/13. iv. Annual consolidated internal audit reports for 2011/12 Q3 and Q4 submitted[Ref. PI-21]. v. Central Internal Audit Office (CIAU)Strategic plan for 2010-15 developed but not yet approved.	(i) Treasury Minutes responding to PAC audit reports for FYs 2007/08; 2008/09 and 2009/10 by June 2013. (ii) Performance Audit Reports submitted to Parliament before June 2013. (iii) External audit of NAOs ORT funds for 2010/11 and 2011/12 finalized by June 2013. (iv) Annual consolidated internal audit reports for 2011/12 Q3/Q4 and 2012/13 Q3 produced by June 2013. (v) CIAU Strategic plan aligned with the Second Malawi Growth and Development Strategy (MGDS II, 2011-2016) and PFEM RP objectives and approved by June 2013.	(i) 2012/13 AGR submitted to Parliament by December 2013. (ii) Changes to the Constitution and Public Audit Act tabled in Parliament before June 2014. (iii) Consolidated Annual Internal Audit Report for 2012/13 financial year submitted to OPC. (iv) A bi-annual consolidated Internal Audit Report for June – December 2013 compiled by January 2014. (v) CIAU establishes an Information Technology Internal audit department by June 2014.

[g]Norway trigger, AfDB trigger, EU variable tranche, PRSC trigger.

A. Objectives

(i) The TMs are aimed at ensuring that the executive acts on recommendations and findings of the Annual Audit Reports and hence strengthen good governance practices

(ii) The objective of submission of the Performance Audit Reports is to strengthen accountability in use of public resources.

(iii) The objective of external audit of NAOs ORT funds is to strengthen accountability within the institution.

(iv) The Annual Consolidated Internal Audit target aims at strengthening effectiveness of Internal Audit Committees (IACs) and strengthening coordinating role of CIAU.

(v) The Strategic Plan adoption will provide guidance to the Central Internal Audit Office (CIAU) in executing its mandate.

B. Methodology for measuring progress:

(i) If the executive submits TMs for 2007/08, 2008/09 and 2009/10 to Parliament, then the target has been met

(ii) If Minister of Finance tables 3 Performance Audit Reports in Parliament before June 2013, then the target has been achieved.

(iii) If the external audit of NAOs ORT funds for FY 2010/11 and 2011/12 is completed and the reports submitted to PAC by June 2013 then the target is met.

(iv) If CIAU submits Consolidated Internal Audit Reports for 2011/12 Q3/Q4 and 2012/12 Q3 by June 2013, then the target has been achieved.

(v) If GoM approves a CIAU Strategic Plan, then the indicator has been achieved.

C. Meansofverifying progress:

(i) Letter of submission of TM with copies of the Minutes.

(ii) Letter submitting the Performance Audit Reports to Parliament and copy of the Reports.

(iii) Letter submitting the external audit reports to PAC and copy of the audit reports.

(iv) Copy of Consolidated Internal Audit Reports for2011/12 Q3/Q4 and 2012/12 Q3 submitted to MoF.

(v) Copy of Strategic Plan adopted by government.

D. Lead agencies Government – Ministry of Finance (i), National Audit Office (ii and iii), Central Internal Audit Office (iv and v), CABS DP – Norway and ADB				
8	**Resource Mobilisation and Debt Management**	(i) GoM through the Malawi Revenue Authority (MRA) plans to introduce Electronic Tax Registers/Electronic Fiscal; Devices for VAT collection. Prequalification of device suppliers and dealers as well as software providers has been done. (ii) Plans underway by MRA to introduce Price Reference Database. (iii) The Debt and Aid Division is using Commonwealth Secretariat Debt Recording and Management System CS-DRMS which only records external debt instruments. This renders public debt analysis incomplete. In order to improve debt management system, GoM engaged Commonwealth Secretariat to merge the excel database at Reserve Bank of Malawi and Ministry of Finance CS-DRMS. Preliminary work to start capturing domestic debt data was almost complete. (iv) As part of increase the maturity profile of domestic debt by issuing longer term instruments, GoM plans to introduce an auction calendar for Government securities. An auction calendar will improve Government credibility in the market and help to reduce interest premiums. It will also help market participants plan their participation in the Government auctions. This is also in	**(i)** Electronic Tax Registers for Value Added Tax in place by 30th June 2013. **(ii)** Price Reference Database designed by June 2013. **(iii)** Domestic debt data processed through CS-DRMS by June 2013. **(iv)** Introduce an auction calendar for Government securities by June 2013.	**(i)** Preliminary activities for introducing and implementing an Integrated Tax Administration Systems (ITAS) by June 2014.

		line withinternational best practice.		

A. Objectives

(i) The Electronic Tax Register (ERT) aim at strengthening Value Added Tax (VAT) collection system and reducing transaction costs by both Malawi Revenue Authority and retailers.

(ii) The Price Reference Data Base (PRDB) aim at ensuring that correct amount of customs revenue is collected by ensuring that authentic price guide values are used. This will reduce incidences of under valuation of goods and improve tax compliance.

(iii) The CS-DRMS aims at improving management of the public debt.

(iv) To improve predictability and public information on public debt management.

B. Methodology for measuring progress:

(i) Identification and procurement of an ETR hardware and software, and piloting of the ETR system in selected main retail shops.
(ii) Identification and procurement PRDB hardware and software.
(iii) Data on domestic debt fully recorded and transferred into the CS-DRMS.
(iv) Auctionscalendar in place.

C. Means of verifying progress:

(i) ETR piloted in selected retail shops.
(ii) PRDB in place.
(iii) Report on domestic Debt processed through CS-DRMS.
(iv) Copy of the auction calendar for GoM securities.

D. Lead agencies

Government – Ministry of Finance (Revenue Division), CABS DP – African Development Bank.

9[h]	**Public procurement: Improvedcapacity**	**(i)** GoM undertook the first Procurement Audit in 2008 covering three FYs (2005/06, 2006/07 and 2007/08) covering 30 Procuring Entities (PEs). The Audit made a number of recommendations which ODPP and PEs have been implementing. A second Procurement Audit, using local consultants and in liaison with the National Audit Office (NAO) was done in 2011 [Ref PI-19). For sustainability purposes, ODPP has been learning how the audits are conducted and has since started conducting the audits on its own using the audit manual and hands-on training obtained from the international consultants. It is envisaged that this will make audits and their subsequent recommendations and remedial actions current and relevant. In this connection, ODPP conducted	(i) By June 2013, the 2011-2012 Procurement Audit is finalized and adopted. (ii) An implementation plan for e-procurement systems and other procurement information management systems (PIMS)approved by June 2013 (iii) By June 2013, draft Public Procurement and Disposal of Assets Bill submitted to Ministry of Justice.	(i) Recommendations from Procurement Audit Report implemented. (ii) E-procurement system (incorporating PIMS) piloted in 10 PEs. (iii) Public Procurement and Disposal of Assets Bill passed.

[h]EU variable tranche, AfDB trigger.

		its first Procurement Audit in June 2012 and the review period covered was FY 2010/2011. The resulting report is yet to be released. **(ii)** In order to enhance transparency and efficiency in procurement, ODPP plans to introduce e-procurement. As a starting point, ODPP undertook a readiness review to guide the design and roll-out of the e-procurement system. **(iii)** GoM passed the Public Procurement Act (PPA) in 2003. Operationalization of the PPA has been in progress since then. In July 2011, the office embarked on a law review program leading to repeal of the Act to address the identified weaknesses and also accommodate new developments in the procurement environment. In this connection, the Office, using its own task team and support from COMESA Secretariat came up with a draft bill. A number of sensitization meetings on it have been held with some of our key stakeholders and when completed, the Office shall come up with a final draft which will be submitted to Ministry of Justice and Constitutional Affairs (MoJCA) for vetting before being sent to the Cabinet.		

A. Objectives

(i) The target on Procurement Audit aims at assessing the effectiveness of procurement systems and controls and identifying loopholes and weaknesses requiring redress.

(ii) The ultimate aim of the E-Procurement and PIMS target is enhancing transparency and accessibility of data and information on procurement. The target on PPA repeal aims at ensuring that the PPA (2003) is repealed to seal the identified loopholes and also take into account emerging procurement issues. Implementation of the action plan therefore ensures that the process leading to the final draft is expeditiously done to enable timely enactment of the Act.

B. Methodology for measuring progress:

(i) The Procurement Audit Report finalized and adopted.

(ii) Development of an implementation action plan for e-procurement outlining major activities involved and the roadmap for rolling-out the system following adoption of consultant's recommendations.

(iii) Finalization of consultations and the subsequent draft bill.

C. Meansofverifying progress:

(i) Copy of the Procurement Audit Report.

(ii) Copy of an approved implementation plan for e-procurement.

(iii) Copy of draft Bill submitted to MoJ.

D. Lead agencies

Government – ODPP, CABS DP – African Development Bank.

DRIVERS OF ECONOMIC GROWTH (INDICATORS 10 – 11)

10	**Improved business environment:** a) Energy b) Trade facilitation	1. Insufficient progress with reform of energy sector policy and legal framework and continuing financial weakness at ESCOM remain a challenge. Most of the sector's problems are caused by the weak institutional and policy framework, which results in inadequate pricing, lack of competition, inadequate routine maintenance, and insufficient new investment to expand access. 2. Delays at border crossings are now a significant part of journey times. The introduction of simplified immigration and customs procedures in a phased approach is being investigated by MIT with support from USAID/Southern Africa Trade Hub.	(i) Have the Energy Policy in place by July 2013. (ii) Agreement reached with Mozambique on introduction of one-stop border post procedures at Mwanza, Muloza, Chiponde and Dedza borders by September 2013. (iii) Targets are set and a measurement system is place at the MoTPW for Weighted average of total transport cost from point of origin of export (Blantyre) to the sea port (Beira) for a 40ft container by Road.	(i) At least one Power Generation License for an Independent Power Producer by August 2014. (ii) [Target to be inserted] for desired movements in the Weighted average of total transport cost from point of origin of export (Blantyre) to the sea port (Beira) for a 40ft container by Road

A. Objectives

To develop a conducive business environment that will enhance productivity, economic diversification and competitiveness so as to promote sustainable private sector led growth.

B. Methodology for measuring progress:

(i) Energy -The October 2013 indicator will be met if the Energy Policy is in place by July 2013.

(ii) Existence of an agreement signed by the Governments of Malawi and Mozambique on the introduction of one-stop border post procedures at the borders between the two countries by July 2013.

(iii) If targets are set and a measurement system is place at the MoTPW for weighted average of total transport cost from point of origin of export (Blantyre) to the sea port (Beira) for a 40ft container by Road by July 2013 then the target is met.

C. Meansofverifying progress:

(i) Copy of the Energy Policy.

(ii) Agreement signed by Governments of Malawi and Mozambique made available.

(iii) Copy of document describing the targets and measurement system for the weighted average costs.

D. Lead agencies

(i) Government – Ministry of Industry and Trade/Ministry of Transport and Public Works, CABS DP – World Bank.

(ii) Government – Ministry of Energy and Mining, CABS DP – World Bank.

11[i]				

[i] PRSC trigger.

	Promote agricultural sector growth and diversification	The Government of Malawi in coordination with its development partners formulated the Agricultural Sector Wide Approach (ASWAp) as a strategy and investment framework for improving the efficiency and effectiveness of the agricultural sector. The final ASWAP was approved in October 2011 and a roadmap has been developed to guide ASWAp implementation. The ASWAp framework identifies three priority areas for investments: (i) Food security and risk management; (ii) Commercial agriculture, agro-processing and market development; (iii) Sustainable agricultural land and water management. • It is expected that agriculture sector planning and budgets will be aligned to ASWAp. The ASWAp Sector Working Group will constitute a multi-stakeholders forum for policy dialogue and Technical Working Groups will provide guidance on technical issues and methodologies for implementation of investments. • The Farmer Input Subsidy Program (FISP) and (3) the Strategic Grain Reserve (SGR) are two key elements of the Government's food security strategy. Adequate strategy and proper management of these instruments are therefore crucial to achieving food security. • The promotion and development of contract farming is key to improving a stronger integration of smallholder farmers in commercial-oriented agricultural supply chains. It is also an important instrument to promote stronger collaboration along supply chains to increase agricultural produce quality and competitiveness. • Five of the seven ASWAp Technical Working Groups (TWGs) were operational in September 30, 2012). • The SGR Management Strategy was not re-formulated to cover modalities for maize	(1) TWGs have produced their first set of guiding principles and the SWG has met quarterly to incorporate TWGs inputs into ASWAp implementation strategy (by September 30, 2013). (2) FISP fertilizer procurement modalities have been revised with a refined bid evaluation methodology (by March 31, 2013). (4) A draft comprehensive disaster risk mitigation strategy is developed to better coordinate contingency plans, emergency financing instruments, insurance mechanisms and early warning tools (by June 30, 2013). (4) A review of the existing seeds regulation and legislation pertaining to seed production and registration and breeder's rights has been carried out by MoAFS in consultation with producers and seed companies (by September 30, 2013). (5) A communication strategy targeting various stakeholders has been developed by the Ministry of Lands and Housing to explain the objectives and content of the Land Bill (by September 30, 2013).	(i) MoAFS budget for FY 2014/2015 is aligned with ASWAp investment framework and priorities (by June 30, 2014). (ii) FISP 2014/2015 has been redesigned, aligned with ASWAp priorities and coordinated with other GoM's programs (by August 31, 2014). (iii) The Seed Act has been revised and proposed for adoption by Cabinet (by September 30, 2014). (iv) A comprehensive national land use and physical planning and management strategy has been developed by the Ministry of Land and Housing (by September 30, 2014).

		distribution to food insecure households as declared by the Humanitarian Response Committee by September 30, 2012. • Consultations with private sector and producer organizations on the revised Contract Farming Strategy were undertaken in September 2012.		

A. Objectives

To support the increase in agricultural productivity and diversification.

B. Methodology for measuring progress:

(i) Recommendations of the 7 ASWAp technical working groups have been discussed and agreed upon at the Sector Working Group level.
(ii) FISP fertilizer procurement modalities have been discussed and agreed upon within the FISP Task Force.
(iii) The Government (OPC/DoDMA/MoAFS) has started discussion with interested stakeholders and DPs on the elaboration of a comprehensive disaster risk mitigation strategy.
(iv) ToRs have been drafted and consultant has been hired by MoAFS; report is available for discussion.
(v) A communication plan has been developed and is being implemented by the Ministry of Land and Housing.

C. Meansofverifying progress:

(i) Minutes of the ASWAp Sector Working Group meetings.
(ii) 2013/2014 FISP fertilizer bidding documents.
(iii) Minutes of meetings on disaster risk mitigation strategy.
(iv) ToRs and Study report.
(v) Communication plan and messages disseminated through various media.

D. Lead agencies

(i) Government - MoAFS (ASWAp Secretariat, FISP coordination unit / Department of Crops Development, Department of Agricultural Research Services).
(ii) Government – OPC, Ministry of Finance, DoDMA and Ministry of Lands and Housing; CABS DP – World Bank.

SOCIAL SECTOR (INDICATORS 12 – 19)				
12[j]	**Improved coordination and coverage of social protection programs**	1. The Government has affirmed the importance of Social Protection by including it in the MGDS2. The Government has approved the Social Support Policy, however, in order to operationalize the Policy implementation, the draft Social Support Program needs to be in place. 2. Strengthening the national social support to be permanent, predictable and scalable for	**(i)** Social Support program finalized and approved by the Steering Committee by 30th June 2013.	(i) Enhancement of delivery systems underway (Systems include community-based targeting with the Proxy Means Testing, Management Information System, unified registry of beneficiaries, enhanced monitoring and evaluation of program processes and impacts) by 30 June 2014.

[j] PRSC trigger.

		the needy		
A. Objectives To improve resilience and quality of life for the poor to move out of poverty. **B. Methodology for measuring progress:** (i) Approval of the Social Support Program by Steering Committee. **C. Meansofverifying progress: superseed** (i) Government notification. (ii) Approved Social Support Program document. **D. Lead agencies** Government- Ministry of Economic Planning and Development, CABS DPs – World Bank.				
13[k]	**Pupil to qualified teacher ratio in primary schools in rural areas**	The pupil to qualified teacher ratio in rural primary schools was 96:1 in the 2011 school year against a target of 92:1. Therefore the target was not achieved. (i) 4,378ew teachers trained by September 2012 and were awaiting MANEB results to graduate, and (ii) 1000 new primary school classrooms at various construction levels by September 2012 but not fully completed. The two targets were used as proxies for improved pupil to qualified teacher ratio in rural areas in 2011/12.	The pupil to qualified teacher ratio in rural primary schools is at 95: by end-September 2013.	The pupil to qualified teacher ratio in rural primary schools is at 95: by end-September 2014.
A. Objectives Improve the quality of the education delivered in rural primary schools. **B. Methodology for measuring progress:** If the pupil to qualified teacher ratio in rural primary schools is at 95: by end-September 2013, then the target has been achieved. Means of verification for target performance to be provided by end-September 2013. **C. Meansofverifying progress:** Education Management Information System. **D. Lead agencies** Government – Ministry of Education, Science and Technology, CABS DP – DFID				

[k] EU variable tranche.

14	**Survival rate in standard 5 and Girl's survival rate in Std 8**	By December 2011, the following survival rates were reported: **(i)** 60% for boys in Std 5 against a target of 55% (achieved). **(ii)** 57% for girls in Std 5 against a target of 54% (achieved). . **(iii)** 26% for girls in Std 8 against a target of 30% (not achieved).	By September 2013, the following survival rates should be achieved: **(i)** 62% for boys in Std 5; **(ii)** 59% for girls in Std 5; **(iii)** 31% for girls in Std 8.	By September 2013, the following survival rates should be achieved: **(i)** 63% for boys in Std 5; **(ii)** 60% for girls in Std 5; **(iii)** 32% for girls in Std 8.

A. Objectives
To achieve universal primary education (MDG2, indicators 6 and 7) and gender equality in primary education (MDG3, indicator 9).

B. Methodology for measuring progress:
If survival rates of 62% for boys in Std 5, 59% for girls in Std 5, and 31% for girls in Std 8 are reported by September 2013, then the target has been achieved. Or alternatively, if 10% more pupils complete full 8 years of primary school by 2013, then the target has been met.

C. Meansofverifying progress:
Education Management Information System.

D. Lead agencies
Government – Ministry of Education, Science and Technology, CABS DP – DFID.

15	**Proportion of one year olds immunized against measles:** **(i) National level** **(ii) Districts below80%level.**	**(i)** By June 2012 proportion of one-year olds immunized against measles was at 91% against a target of 89%. **(ii)** By June 2012 three districts had measles immunization coverage below 80% (Karonga = 73%, Nkhata Bay = 79%, and Mchinji = 76%) against a target of not more than 2 districts.	**(i)** By June 2013 proportion of one-year olds immunized against measles is not less than 89%. **(ii)** By June 2013 number of districts with measles immunization coverage below 80% not exceeding two.	**(i)** By June 2014 proportion of one-year olds immunized against measles is not less than 89%. **(ii)** By June 2014 number of districts with measles immunization coverage below 80% not exceeding two.

A. Objectives
To reduce child mortality as envisaged in the MDG goal 4.

B. Methodology for measuring progress:
(i) If proportion of one-year olds immunized against measles is not less than 89% by June 2013, then the target has been met.
(ii) If number of districts with measles immunization coverage below 80% does not exceed two, then the target has been met.

C. Meansofverifying progress:

(i) Health Management Information System (HMIS) Data Set.
(ii) Health Management Information System (HMIS) Data Set.

D. Lead agencies
Government – Ministry of Health, CABS DP –Germany/Norway.

16	**Proportion of births attended by skilled health personnel.**	By June 2012, Ministry of Health facilitated 59%[l] institutional deliveries against a target of 67%.	By June 2013, Ministry of Health facilitates at least 65% institutional births.	By June 2014, Ministry of Health facilitates at least 70% institutional births.

A. Objectives
To reduce child mortality and improve maternal mortality in accordance with MDG No. 4 and No. 5.

B. Methodology for measuring progress:
If proportion of institutional births is at 65% by June 2013 and the means of verification stated in (C) below is provided when reporting progress, then the target has been fully achieved.

C. Meansofverifying progress:
Health Management Information System (HMIS) Data Set.

D. Lead agencies
Government – Ministry of Health, CABS DP – Germany and Norway

17	**Nurse to population ratio in public sector (MoH and CHAM)**	By June 2012, there were 4,858 nurses, out of which 3,545 were under the Ministry of Health and 1,313 under CHAM serving a 14,844,822 population. Thus the nurse population ratio was at 1:3,055 against a target of 1:2,500 for June 2012. Therefore the target was not achieved.	By June 2013, the nurse to population ratio to be at least 1:2,776[m].	By June 2014, the nurse to population ratio to be at least 1:2,558

A. Objectives
To reduce nurses' patient workload and thus reduce nurse turnover and improve the quality of health care.

B. Methodology for measuring progress:
If nurse to population ratio in the public health sector (i.e. MoH and CHAM) is at 1:2,776 by June 2013 and the means of verification stated in (C) below is provided when reporting progress, then the target has been fully achieved.

C. Meansofverifying progress:
Ministry of Health Human Resource Department; the National Organization of Nurses and Mid-wives of Malawi reports; and HIMS.

D. Lead agencies
Government – Ministry of Health, CABS DP – Germany and Norway.

[l]Source: Annual Report of the Work of the Malawi Health sector 2011/12 – produced for the October 2012 Health Sector Joint Annual Review.
[m]Obtained from the Health Information Management System (HIMS) by adding the current nurses in post with the expected number to graduate in 2012/13.

18	**HIV/AIDS Indicator** **Percentage of the population in need of ART who are on ART (i.e. ART population coverage)**	**(i)** By June 2012, 74% of the population in need of ART was on ART.	By June 2013, at least 74% of the population in need of ART is on ART (obtained from the HSSP Log frame).	By June 2014, at least 86% of the population in need of ART is on ART (obtained from the HSSP Log frame).

A. Objectives
To improve access to HIV/AIDS treatment in line with the MDG goal 6 (section B).

B. Methodology for measuring progress:
If the percentage of the population in need of ART who are on ART (ART population coverage) is at 74% by June 2013 and the means of verification stated in (C) below is provided when reporting progress, then the target has been fully achieved.

C. Meansofverifying progress:
Health Management Information System (HMIS) Data Set.

D. Lead agencies:
Government – Ministry of Health, CABS DP – Germany and Norway.

19	**Gender Indicator** Malawi Gender and Development Index a. Gender Status Index. b. Africa's Women Progress Scoreboard (AWPS)	1. In 2010, the Malawi Gender and Development Index was 0.639, for 2011 it was 0.644. 2. In 2010 the Africa's Women Progress Scoreboard for Malawi was 67.1% and for 2011 it was 67,3%	(i) Gender Status Index for 2012 of 0.650. (ii) AWPS for 2012 of 67.6%.	(i) Gender Status Index for 2013 of 0.656. (ii) AWPS for 2013 of 67.9%.

A. Objectives
(i) To facilitate an effective monitoring mechanism on gender equality and women's advancement
(ii) To measure the gap in the status of women and men in Malawi and
(iii) To assess the progress made by the government in implementing the gender policies that have been developed

B. Methodology for measuring progress:
(i) If GSI for 2012 is 0.650 or higher, the target has been achieved.
(ii) If AWPS for 2012 is 67.6% or higher, the target has been achieved.

C. Means of verifying progress:
The Malawi Gender and Development Index report from NSO which reports on both indexes.

D. Lead agencies
Government – Ministry of Gender, Children and Social Welfare, CABS DP – Norway.

GOVERNANCE (INDICATORS 20 – 24)				
20	**Government compliance with the Constitution and rule of law.**	• 1. The baseline will be the number of children in prisons at 1 April 2011. The target is to reduce by 25% the number of children on prison remand by August 2012. 2. One state party report was submitted on the Universal Periodic Review to the United Nations in January 2011. 3. Section 46 of the Penal Code that was restricting press freedom was repealed in 2012.	**(i)** No children in prison by July 2013 **(ii)** By July 2013 Cabinet should have approved/endorsed the Democratic Governance Sector Strategy and the Policy Framework Paper for the Democratic Governance Sector.	(i) Increase by 20% the number of children entering diversion program by July 2014. (ii) By April 2014, amend the Local Government Act.

A. Objectives

To assess compliance with the rule of law and the Constitution and to reduce the number of children kept in prison so as to improve their life opportunities.

B. Methodology for measuring progress:

(i) If number of children on prison remand has been reduced to zero by July 2013, then the target has been met. The target to reduce the numbers of children in prison is intended to measure the Government's ability to (i) speed up trials of children on remand or (ii) to transfer imprisoned children to accredited juvenile detention centres or (iii) to implement appropriate diversion procedures for children found guilty of minor offences. It is not intended that the target be achieved by detaining children in police cells, rather than prisons.

(ii) If by July 2013 Cabinet should have approved/endorsed the Democratic Governance Sector Strategy and the Policy Framework Paper for the democratic Governance Sector, then the target has been met.

C. Means of verifying progress:

(i) Prison records, NJJF, Police, and DPP records. The number will not include under 5s, detained with their mothers.

(ii) Gazette

D. Lead agencies

Government – Ministry of Justice and Constitutional Affairs, CABS DP – DFID.

21	**Elections judged free and credible by local civil society and international observers**	1. Rumphi Central, Mzimba Central, and Mzimba South West by-elections held, on October 9, 2012 2. A draft budget for the 2014 tripartite elections was prepared by the end of August 2012,	Have the elections timetable and budget for the 2014 tripartite election validated by the end of January 2013	(i) Elections free and fair as judged by local civil society and international observers. (ii) Voter register completed and displayed 6 months prior to elections.

A. Objectives
Free and fair elections held in accordance with the Constitution of Malawi.

B. Methodology for measuring progress:
If the elections timetable and budget for the 2014 tripartite election has been validated by the end of January 2013, then the target will have been met.

C. **Meansofverifying progress:**
Reports from the Malawi Electoral Commission.

D. **Lead agencies**
Government – Malawi Electoral Commission, CABS DP – DFID

22	**Human Rights**	1. A new version of the Malawi Police Service database was completed in October 2009 by UNICEF and database has been installed in all police stations but still remain sketchy. By December 2011, aPolice database was not fully functional used in all police stations. A MS Excel system was used to capture data on domestic violence. 2. By March 2011, the proposed amendments to the Prevention of Domestic Violence Act (PDVA) had been reviewed. By December 2011, a five year implementation plan on Child Care, Protection and Justices was in place but was yet to be costed. 3. (3)The Freedom House media freedom rating for Malawi was 56, which translated to media freedom being partial. The Freedom House media freedom rating for Malawi was at 55 against a of 53 in 2011.	(i) Reduce the case backlog for the Internal Affairs Unit of the Malawi Police Service by 50% by July 2013. (ii) Access to information Policy is approved by cabinet by January, 30th, 2013 (iii) Access to Information Bill is enacted into law by Parliament by June, 30th , 2013 (iv) Communications Act is amended by Parliament by June 30th, 2013	(i) Clear the case backlog for the Internal Affairs Unit of the Malawi Police Service by July 2014 (ii) Freedom House media freedom rating for Malawi to be at 51 for 2013.

		4. Mice's Access to Information Policy not yet approved by Cabinet and Access to Information Bill not yet submitted to Parliament by end August 2012. 5. Freedom House media freedom rating for Malawi was at 60 in 2011/12 down from 56 achieved in 2010/11		
A. Objectives To enhance access to justice, including for the vulnerable, and to protect freedom of speech, as set out in Malawi's constitution. **B. Methodology for measuring progress:** **(i)** Evidence of reduction in case backlog for the Internal Affairs Unit of the Malawi Police Service by 50% by July 2013 **(ii)** If Mice's Access to Information Policy is approved by Cabinet by January 30, 2013, **(iii)** If the Access to Information Bill is submitted to Parliament by May 31, 2013 **(iv)** If the Access to Information Bill is enacted into law by Parliament by June 30, 2013. **(v)** If the Communications Act is amended by Parliament by June 30th, 2013. **C. Meansofverifying progress:** **(i)** Reports of the Internal Affairs Unit of the Malawi Police Service **(ii)** Gazzette. **(iii)** Assented Bills **D. Lead agencies** Government – Ministry of Justice and Constitutional Affairs and Malawi Police Service, CABS DP – DFID. Ministry of Information and Civic Education, CABS DP – DFID.				
23	**Corruption:** **ACB performance**	i. By December 2009, 360 investigations had been concluded. 555 investigations were concluded by December 2010 (surpassing a target of 400 cases by 39%. 496 investigations were concluded by December 2011 against a target of 480. By June 2012, 176 investigations were concluded against a target of 250. This was due to funding constraints. ii. By December 2009, 20 cases had been taken to court. By December 2010, 48 cases had been taken to court surpassing the 2010 target of 25 cases by 92 %. 105 cases were taken to court by December 2011 against a set target of 30. By June 2012, 19 cases were taken to court out of a	(i) 173 investigations to be concluded by June 2013. (ii) 44 cases to be taken to court by June 2013. (iii) M&E Master plan developed and resourced by June 2013	**(i)** 182 investigations to be concluded by June 2014 **(ii)** 50 cases to be taken to court by June 2014 **(iii)** M&E Master plan start being implemented by June 2014

		50 target. iii. M & E Planning and Implementation		
A. Objectives (i) The target on investigations aims at reducing the backlog of cases authorised for investigations and strengthening accountability systems. (ii) The target on cases taken to court aims to strengthen rule of law, promoting justice and separation of duties; **(ii)** The objective of target is to improve monitoring of ACB performance and the amount and nature of corruption reported, to better target the anti-corruption work. **B. Methodology for measuring progress:** **(i)** 173 investigations are concluded by June 2013. **(ii)** 44 cases are taken to court by June 2013. **(iii)** A functional M&E with a Master plan that will assess the impact of ACB activities **C. Meansofverifying progress:** IICs **(i)** ACB Quarterly Reports and a summarized report containing statistics on total received complaints, authorized cases and investigations concluded. Where the information is classified or confidential, concluded/ investigated cases may be summarized in a manner that will not compromise confidentiality. **(ii)** ACB Quarterly Reports and a summarized report on all the cases filed in courts and their corresponding charge sheets. **(iii)** ACB Master plan document. **D. Lead agencies** Government – ACB, CABS DP – ADB and Norway				
24	**Corruption: broad progress**	(1) By October 2012, 75 institutions had IICs and action plans. However, the ACB was unable to support all these IICs due to limited funding. As such, 15 priority institutions[n] have been identified (based on their strategic function) as requiring more focus and support. These institutions were failing to implement their action plans due to limited funding and on average had an implementation rate of 5%. (2) The second Governance and Corruption Survey was done in 2010. By December 2011, 69 % of the recommendations in the Survey Report were implemented against a target of 40%.	**(i)** Provide technical support to IICs of 15 priority institutions and ensure that 20% of the activities in the action plans are implemented by June 2013. **(ii)** Governance and Corruption Follow-up Survey in progress by June 2013	(i) Improvement in institutional integrity at ACB supported institutions. (ii) Governance survey conducted and 20% of recommendations implemented
A. Objectives				

[n]Immigration Department, Malawi Housing Corporation, Malawi Bureau of standards, Malawi Revenue Authority, Accountant General, National Aids Commission, Ministry of Education, Ministry of Lands, Department of Road Traffic, Telecom Networks Malawi, Ministry of Health, Administrator General, Electricity Supply Commission of Malawi, Office of the Director of Public Procurement, Malawi National Examinations Board

(i) The target on IICs aims at strengthening the fight against corruption through public participation in priority institution to improve service delivery.
(ii) The objective of the Survey target is to ensure that follow-up survey is conducted in 2013 to evaluate how Malawi is fairing in the fight against corruption.

B. Methodology for measuring progress:
(i) A functional IIC means: existence of the Committee with clear Action Plan approved by Board of Directors of Controlling Officers. By June 2013, 15 existing IICs should continue implementing their work plans and submit annual reports to ACB on activities carried out based on the work plan as a basis for verifying that these committees were active.
(ii) 2013 follow –up survey in progress.

C. Means of verifying progress:
(i) 15 IICs approved work plans and progress reports.
(ii) Progress Report on 2013 follow-up survey.

D. Lead agencies
Government – Office of the President and Cabinet, CABS DP – African Development Bank/Norway.

Addendum:

MUTUAL ACCOUNTABILITY AND FUNDAMENTAL PRINCIPLES (INDICATOR 25)				
25	**Predictability**	1. An action plan to accelerate use of country systems was developed in 2010 with the development of the Public Financial and Economic Management Reform Program (PFEM RP) 2. No budget support disbursements were made in 2011/12 financial year due to concerns raised by CABS DPs on the underlying principles for budget support cooperation. 3. By September 2012 develop an action plan to accelerate the use of country systems. 4. UK reviewing budget support to Malawi. All CABS DPs will have provided indicative information on budget support for the next three years (2012/13, 2013/14 and 2014/15) in line with the GoM MTEF.	(i) By September 2013 develop an action plan to accelerate the use of country systems. (ii) Budget support disbursements in 2012/13 and first quarter of 2013/14 in line with estimates provided to GoM (iii) All CABS DPs provide indicative information on budget support for the next three years in line with the GoM MTEF.	(i) Start implementing priority actions in the Action Plan to Accelerate Use of Country Systems that will ensure increased use of GoM procurement systems by CABS members.
A. Objectives To improve on the use of country systems by CABS members. **B. Methodology for measuring progress:** (i) Published Action Plan which has jointly been agreed with CABS DPs. (ii) If estimates provided in the disbursement plan of the CABS review Aide memoire are in line with amounts disbursed then the target has been met.				

C. Meansofverifying progress:

(i) An Action Plan on the Use of Country Systems.

(ii) Actual Disbursements versus estimates in the CABS Review Aide Memoire disbursement plan.

D. Lead agencies

Government – Ministry of Finance (Debt & Aid Division), CABS DP – World Bank.