

Telephone: (265 1 776 550/554)

Communication should be addressed to:
The Principal Secretary



In reply please quote No.....

**PUBLIC SECTOR REFORMS MANAGEMENT
OFFICE OF THE PRESIDENT AND CABINET
PRIVATE BAG 301
LILONGWE 3**

Ref.No.OPC/PSRMU/05/1

16th February, 2011

Resident Representative
UNDP
P.O. Box 30135
Lilongwe 3.
Attention: Venge Nkosi

Dear Sir,

**2011 ANNUAL WORK PLAN FOR CAPACITY DEVELOPMENT
PROGRAMME FOR PUBLIC SERVICE MANAGEMENT**

Find attached signed copies of the 2011 Annual Work Plan for your records.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'L. Sikwese'.

Luckie K. Sikwese

**For: SECRETARY FOR PUBLIC SECTOR
REFORMS MANAGEMENT**



2011 Annual Work Plan

Country: **Malawi**

Project Title:	Public Sector Capacity Development Program (PSCDP)
UNDAF Outcome(s):	UNDAF Outcome 5: Good governance, gender equality and rights based approach to development enhanced by 2011
Expected CP Outcome(s):	Improved national capacity to formulate policy, manage, monitor and deliver services to protect the rights of vulnerable groups.
Expected Output(s):	5.1 Strengthened capacity of central and local government to formulate policies and strategic plans, deliver services and be more visibly accountable to the populace.
Implementing Partner:	Office of the President and Cabinet
Other Partners:	Accountant General, Auditor General, Department of Human Resources Management, Ministry of Agriculture and Food Security, Ministry of Economic Planning and Development, Ministry of Education, Science and Technology, Ministry of Finance, Ministry of Health, Ministry of Information and Civic Education, Ministry of Irrigation and Water Development, Ministry of Local Government and Rural Development, National Audit Office, Office of the Director of Public Procurement

Narrative

The Public Sector Capacity Development Program (PSCDP) aims at "creating an effective public service able to deliver the goals of the National development Framework, currently the Malawi and Growth Development strategy (MGDS)". Its purpose is to "strengthen capacity in public sector management and administration for sustained performance improvement in service delivery". The design of the Programme is also consistent with the five outputs identified under the 2008-2011 UNDP Country Programme Action Plan that feed into the achievement of UNDAF Outcome 5.2 of "improved national capacity to formulate policy, manage, monitor and deliver services to protect the rights of vulnerable groups by 2011".

Six thematic areas have been identified and deemed as crucial for the development of the public service in Malawi. These are: (a) human resource management and development; (b) financial management; (c) audit; (d) project and programme management; (e) procurement; and (f) information and communication technology. In terms of management, the Office of the President and Cabinet (OPC) will coordinate and supervise all capacity development activities under the Programme. Other key partners include: Ministries of Finance; Development Planning and Cooperation; Health; Education; and Agriculture and Food Security on the Government side and UNDP and other government and development partners on the donors' side.

Programme Period: 2008 – 2011
Programme Component: Good Governance
Capacity Development
and Accountability
Intervention Title: Public Sector Capacity
Development Program
Budget Code Award: 00048389
Project No. 00058526
Duration: 4 years

Estimated annualized budget: **\$2,000,000**

Allocated resources: \$1,360,000
UNDP (TRAC) \$1,000,000
Government \$ 360,000
UNDP (One Fund) tbd
Other: tbd

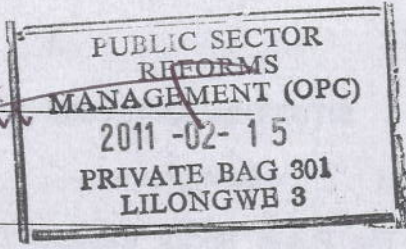
Unfunded budget: \$640,000
Not applicable

Agreed by Implementing Partner:

Office of the President and Cabinet:

Date :

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15/2/2011



Lilongwe, Malawi

Agreed by Donor:

UNDP:

Date :

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14/2/2011

Lilongwe, Malawi

I. SITUATION ANALYSIS

I.I Background

The Public Sector Capacity Development Program (PSCDP) aims at creating “an effective public service able to deliver the goals of the National Development Framework, currently the Malawi Growth and Development Strategy (MDGS)”. Its purpose is “to strengthen capacity in public sector management and administration for sustained performance improvement in service delivery”. Specific objectives of the Programme include:

- Improving the public sector leadership and management for implementing MDGS;
- Improving planning and managing of development projects; and
- Increasing public sector accountability.

The Programme has six thematic areas. These are: (i) human resource management and administrative common service; (ii) public financial management; (iii) audit; (iv) project and programme management; (v) procurement; and (vi) information and communication technology.

The design of the Program is also consistent with United Nations Development Assistance Framework (UNDAF) Outcome 5.2 of “improved national capacity to formulate policy, manage, monitor and deliver services to protect the rights of vulnerable groups by 2011”.

III. 2011 ANNUAL WORK PLAN

The 2011 AWP builds on achievements made in 2009 and 2010. However, while the past two years were largely devoted to reviewing and updating policies, legal frameworks and procedures, 2011 AWP focuses on assessing results. For example, in the area of external and internal audit, UNDP will support the National Audit Office expand its audit coverage – both in terms of total national budget audited as well as physical presence – from the current 55% to 65%. A total of 10 key parastatals will be audited namely Lilongwe Water Board, Blantyre Water Board, Central Region Water Board, Northern Region Water Board, Southern Region Water Board, Air Malawi, Malawi Broadcasting Corporation, Malawi Communications Regulatory Authority and Malawi Housing Corporation.

Another area of focus will be making follow-ups on audit recommendations. The National Audit Office has been very weak in following-up audit recommendations. Such initiatives will assist in improving public service delivery.

A major activity under human resource management will be the development of the Public Administration and Human Resource Management Strategy and the Action Plan. The Strategy and the Plan is expected to guide the implementation of MGDS II in terms of public sector reform and capacity development initiatives.

The Government will also continue conducting Public Sector Administration (PSA) Courses in collaboration with the Malawi Institute of Management (MIM). As a way of underscoring its commitment, in 2011, the Government has allocated \$360,000 in the domestic budget to carry out these courses. Plans are to increase this budget every

fiscal year. According to the Chief Secretary, PSA Courses will form the basis for accelerating civil servants into leadership positions.

As regards public procurement, support will be given to the Office of the Director of Public Procurement (O/DPP) undertake procurement audit exercise to establish the extent to which procurement entities are compliant with procurement rules and procedures. This exercise is a follow-up to a similar exercise done in 2007/2008.

The following are the major expected results that will be monitored the implementation of 2011 AWP:

- Result 1: % staff trained in leadership and management skills increased at central and district levels, with emphasis on women.
- Result 2: Public Administration and Human Resource Management Strategy in place informing MGDS II.
- Result 4: Audit coverage increased from 55% (2010) to 65% (2011).
- Result 5: PEs rated "moderate" and "good" increase from 60% (2006/7) to 70 % (2010/11).
- Result 6: Number of PIUs/PMUs mainstreamed into national implementation.
- Result 7: GWAN coverage increased from <30% to 35% (2011).

IV. Estimated Budget

The 2011 estimated annualized budget is \$2,000,000, down from last year's actual budget of \$2,630,000. Of this amount, \$1,000,000 is from TRAC resources and \$360,000 has been made available by the Government of Malawi largely in support of leadership and management training activities. A total of \$640,000 remains unfunded and will have to be mobilized. The reduction in TRAC resources reflects general declining trends globally. In addition, the reduction in the 2011 budget is consistent with the fact that most of the major procurement requirements for the Program have now been finalized. The budget is distributed as follows:

• Program Coordination	\$ 302,341
• Administrative Common Service (Leadership and Management)	\$ 360,000
• Human Resource Management	\$ 169,000
• Information Communication and Technologies	\$ 212,888
• Public Financial Management and Audit	\$ 400,500
• Program and Project Management (Economic Common Services)	\$ 124,459
• Public Procurement	\$ 325,812
• Young Professionals Program	\$ 105,000
Total	<u>\$2,000,000</u>

IV. Annual Work Plan

Year: 2011

EXPECTED OUTPUTS <i>And baseline, associated indicators and annual targets</i>	PLANNED ACTIVITIES <i>List activity results and associated actions</i>	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET		
		Q1	Q2	Q3	Q4		Funding Source	Budget Description	Amount
Activity 1: Program Management and Coordination									
	1. Staff Salaries	X	X	X	X				
	Salary for Capacity Building Specialist (P4)	X	X	X	X	UNDP	71100 Salaries	\$120,000	
	Salary for CD Analyst	X	X	X	X	UNDP	61100 Salaries	\$60,000	
	Salary for CD Program Associate	X	X	X	X	UNDP	61100 Salaries	\$15,000	
	2. PSRMU Operating Costs	X	X	X	X	UNDP	72100 Contr. Serv.		
	Communications	X	X	X	X	UNDP	74100 Printing	\$5,000	
	Land telephone	X	X	X	X	UNDP	72400 Commun.	\$1,741	
	Vehicle running/maintenance	X	X	X	X	UNDP	74500 Misc.	\$10,600	
	Printing and publications		X			UNDP	72500 Supplies	\$5,000	
	Stationery	X	X	X	X	UNDP	72500 Supplies	\$5,000	
	3. Consultations held with DPs followed by Roundtable Meeting	X	X	X	X	UNDP	72100 Contr. Serv.	\$15,000	
						UNDP	72500 Supplies	\$2,000	
						UNDP	71600 Travel	\$3,000	
	5. Business Support Services								
	IP Review/Training	X	X	X	X	UNDP	74100 Prof. Serv.	\$5,000	
	Program Monitoring	X	X	X	X	UNDP	71600 Travel	\$15,000	
	Program Evaluation & Re-formulation	X	X	X	X	UNDP	72100 Contr. Serv.	\$30,000	
	HACT (Assessment, Training and Audit	X	X	X	X	UNDP	72100 Contr. Serv.	\$8,000	
	Coordination/Communication Advocacy	X	X	X	X	UNDP	72100 Contr. Serv.	\$2,000	
Sub-total Activity 1								\$302,341	

Activity 2: Implement Administrative Common Services CD Strategies (Leadership and Management)													
1. Undertake Public Service Administration (PSA) course for senior government officials at central and local government levels	X	X							OPC/PSRMU	GoM	72100 Contr. Serv.	\$300,000	
		X	X						OPC/PSRMU	GoM	72100 Contr. Serv.	\$40,000	
	X						X		OPC/PSRMU	GoM	72100 Contr. Serv.	\$20,000	
Sub-total Activity 2													
Activity 3: Implement Human Resources Management CD Strategies													
Indicator 1: 2012 -2016 Public Administration Strategy developed with an Action Plan and Budget	1. Workshop to kick-start development of Public Administration Sector Strategy												
	X	X	X							DPSM	UNDP	71600 Travel	\$10,000
	X	X	X							DPSM	UNDP	72100 Contr. Serv.	\$3,000
	X	X	X							DPSM	UNDP	72500 Supplies	\$500
		X	X	X						DPSM	UNDP	72100 Contr. Serv.	\$25,000
		X	X	X						DPSM	UNDP	71600 Travel	\$6,000
		X	X	X						DPSM	UNDP	74100 Misc.	\$2,000
		X	X	X						DPSM	UNDP	72100 Contr. Serv.	\$2,000
		X	X	X						DPSM	UNDP	71600 Travel	\$5,000
		X	X	X						DPSM	UNDP	74100 Misc.	\$500
		X	X	X						DPSM	UNDP	72100 Contr. Serv.	\$10,000
		X	X	X						DPSM	UNDP	71600 Travel	\$5,000
		X	X	X						DPSM	UNDP	74100 Misc.	\$2,000
2. Development of Public Administration Sector Strategy													
4. Operationalize Public Administration Sector Working Group/SWG Meetings													
3. Define transition arrangements from PIUS to national implementation of programs/projects													
5. Develop Capacity Development Strategy for Water and Irrigation Sector													
	X	X	X						DPSM/MoIWD	UNDP	72100 Contr. Serv.	\$15,000	
	X	X	X						DPSM/MoIWD	UNDP	71600 Travel	\$8,000	
	X	X	X						DPSM/MoIWD	UNDP	74100 Misc.	\$2,000	
6. Mainstream gender in human resource functions													
		X	X						DPSM	UNDP	72100 Contr. Serv.	\$15,000	

GMS on Cost Sharing

Total for UNDP TRAC	\$1,000,000
Total Government GMS (3%) -- \$0	\$360,000
Total for One UN Fund (incl. GMS (7%) -- tbd	tbd
Total Funds Available	\$1,360,000
Total GMS	\$0
Total Estimated Annual Budget	\$2,000,000
Total Unfunded	\$640,000

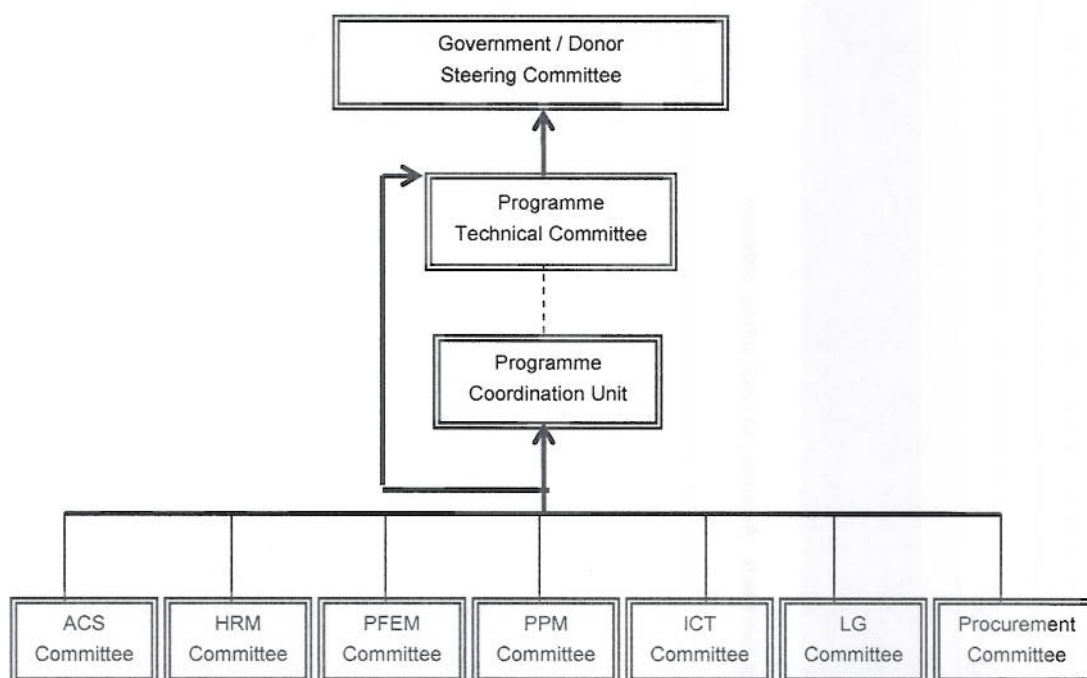
Note: 1./ The Government will manage its own funds. As such, no GMS will be collected.

V. MANAGEMENT ARRANGEMENTS

V.I Programme Management and Institutional Arrangements

Currently, OPC is the lead implementer of the Program with other implementing partners being responsible for the implementation of development strategies for each functional area. Since the Program is yet to be finalized, the management is done by the Project Management Team (PMT). However, as per the organizational structure below, the Programme will be managed by a Government-Donor Steering Committee comprising, at the highest level, the Chief Secretary or Deputy Chief Secretary, Solicitor General and Secretary to the Treasury from the Government side with UNDP and other and key donors. The Committee will be responsible for: (i) providing policy direction; (ii) approving the AWP and budgets; (iii) review of the Programme report; and (iv) monitoring and evaluation of the programme. The schema below shows the Program Organizational Structure.

Programme Organisational Structure



However, considering that the Program cuts across many sectors, in 2011, an evaluation of will be done to see if there is need for redesigning the Program. Recommendations from this evaluation are likely to affect both the management and institutional arrangements of the Program.

V.II Financial Arrangements

For 2011, the Program activities will be funded from UNDP TRAC (\$1,000,000) and Government resources (\$360,000) leaving unfunded balance of \$640,000. It is expected that the unfunded balance will be met through One UN Funds as well as other resource mobilization efforts. The UN Agencies are still discussing with UN Headquarters on the possibility of accessing One UN Funds. Also, efforts are underway to bringing other development partners into cost-sharing implementation of activities under the Program .

VI. MONITORING FRAMEWORK AND EVALUATION

VI.I Monitoring and Evaluation

As currently designed, it has been observed that most program indicators are "activity-oriented" as opposed to being "results-oriented". The 2011 AWP has been developed with these shortcomings in mind. As such, the indicators are more "results-oriented". These indicators will be tracked through: (i) field visit reports, quarterly; (ii) performance assessment reports; (iii) quarterly progress reports; (iv) quarterly board meetings; and annual progress report.

The Program will be evaluated in 2011 to see its relationship with other sectors and if there is any need to redesign and change direction.

ANNEX I: RISK LOG

#	Risk Description	Type	Impact & Probability Scale 1 (low) to 5 (high)	Countermeasures/ Management response	Owner	Last Update	Status of risk
1	Lack of collaboration between Ministries	Strategic	Risk occurring would have a serious negative impact hampering achievement of the Programme outcomes. Probability: 3 Impact: 4	OPC to impress upon Ministries the imperative to collaborate and coordinate across the Programme. TWG to ensure sharing of information across Ministries. Ministry PSs will ensure Directors coordinate and collaborate across Ministries.	OPC TWG PS of Ministries		
2	Lack of coordination between this Programme and other public sector development programmes	Strategic	Risk occurring may result in inefficient allocation of resources and/or duplication of activities within the public service and an increased burden on GoM in Programme management. Probability: 2 Impact: 3	Steering Committee, OPC and UNDP to ensure information is shared across public sector programmes, whether GoM or donor funded initiatives.	Steering Committee OPC UNDP		
3	Insufficient funding from donors	Financial	Insufficient funding may suggest low donor confidence in the Programme. This would have a serious negative impact on the pace and scope of programme implementation. Probability: 2 Impact: 4	Steering Committee, OPC and UNDP to lobby donors for collaborative funding approach.	Steering Committee OPC UNDP		
4	Insufficient Government funding from	Financial	Insufficient funding would suggest limited ownership by Government. This would have a marked negative impact on the pace and scope of programme implementation. Probability: 2 Impact: 3	Steering Committee and OPC to lobby GoM for appropriate funding and in-kind contributions.	Steering Committee		
5	Basket fund disbursement too	Financial	If donors fail to adhere to agreed payment schedules for their contribution, or if there are	UNDP to endure the financing mechanism and disbursement	OPC		

	slow		internal delays in the UNDP system, then implementation of the Programme will be delayed. Probability: 2 Impact: 2	process are supported with appropriate resources for efficient management. OPC to ensure timely and accurate management of financial processes and reporting to minimise delays in the process.	UNDP		
6	Insufficient high-level support to champion and lead implementation	Organisational	Risk occurring will lead to ineffective and inefficient implementation of Programme activities. Probability: 2 Impact: 4	Ministry PSs and Directors will own and drive implementation of their respective Programme Components.	PS and Directors of Ministries (Component Leaders)		

ANNEX II: MONITORING TOOL

CP Component _____
 Implementing Partner _____

EXPECTED CP OUTPUTS AND INDICATORS INCLUDING ANNUAL TARGETS	PLANNED ACTIVITIES <i>List all the activities including monitoring and evaluation activities to be undertaken during the year towards stated CP outputs</i>	EXPENDITURES <i>List actual expenditures against activities completed</i>	RESULTS OF ACTIVITIES <i>For each activity, state the results of the activity</i>	PROGRESS TOWARDS ACHIEVING CP OUTPUTS Using data on annual indicator targets, state progress towards achieving the CP outputs. Where relevant, comment on factors that facilitated and/or constrained achievement of results including: - Whether risks and assumptions as identified in the CP M&E Framework materialized or whether new risks emerged - Internal factors such as timing of inputs and activities, quality of products and services, coordination and/or other management issues
CP Output 5.1: Strengthened capacity of central and local government to formulate policies and strategic plans, deliver services and be more visibly accountable to the populace Indicator 1: % increase in trained in leadership and management skills (disaggregated by gender) increased Men: Women:	1. Undertake Public Service Administration Course for senior government officials at central and local government levels			

	<p>2. Undertake induction for newly recruited professionals in the civil service</p>		
<p>Indicator 2: 2012 -2016 Public Administration Strategy developed with an Action Plan and Budget</p>	<p>2. Operationalize Public Administration Sector Working Group</p> <p>3. Develop Public Administration and Management Strategy</p> <p>3. Conduct an assessment of local training institutions' readiness to contribute to the achievement of MGDS II</p>		
<p>Indicator 3: GWAN coverage increased from <30% to 35% (2011)</p>	<p>1. Development of record management system</p> <p>2. Consolidate all other domains registered outside DISTMS under GoM administrative interface</p> <p>3. Integrate GWAN management and monitoring system for network, security, asset tracking and reporting</p>		
<p>Indicator 4: % of audit coverage increased from 55% (2010) to 65% (2011)</p>	<p>1. Audit of selected parastatals (LWB, BWB, CRWB, NRWB, SRWB, ESCOM, Air Malawi, MBC, MACRA, MHC</p> <p>2. Establish an Audit Unit to carry out public debt – domestic and foreign debt – audit</p> <p>3. Train internal auditors in the use of computer assisted audit techniques (CAATs)</p>		
<p>Indicator 5: % of audit coverage increased from 55% (2010) to 65% (2011)</p>	<p>1. Audit of selected parastatals (LWB, BWB, CRWB, NRWB, SRWB, ESCOM, Air Malawi, MBC, MACRA, MHC</p>		

<p>Indicator 6: % of procurement entities rated "moderate" and "good" increased from 60% (2010) to 70% (2011)</p>	<ol style="list-style-type: none"> 1. Undertake Procurement Audit to establish compliance rating of procurement entities. 2. Assess value for money of public procurement activities 3. BSc in Supply Chain Management at the Polytechnic 4. Public awareness of procurement activities 5. Procurement trainings for public, NGOs and private sector 	
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Project ID: 00058526
 Project Title: CAPACITY DEVELOPMENT FOR PUBLIC SECTOR MANAGEMENT (OFFICE OF THE PRESIDENT AND CABINET)
 Annual Plan period: 2011

Date	Request submitted by (Name)	Description of goods, services or works (type of supply)	Unit of Measure	Quantity Required	Estimated Unit Price in MK	Estimated Total Price in MK	Estimated budget in USD	Method of Procurement Govt/UNDP	Implementing partner focal point	Start of Activity (Date)	Completion of Activity (Date)	Responsible officer UNDP
12/15/2010	(Deputy Secretary) Luckie Sikwese	Capacity Building Specialist	1	1	12,064,000	12,064,000	80,000	UNDP	Feston Chimphamba	1/1/2011	31/06/2011	Venge Nkosi
12/15/2010	(Deputy Secretary) Luckie Sikwese	Consultant for PSCDP Evaluation	1	1	6,032,000	6,032,000	40,000	UNDP	Feston Chimphamba	1/1/2011	31/06/2011	Venge Nkosi
TOTAL						18,096,000	120,000					

Date	Request submitted by (Name)	Description of goods, services or works (type of supply)	Unit of Measure	Quantity Required	Estimated Unit Price in MK	Estimated Total Price in MK	Estimated budget in USD	Method of Procurement Govt/UNDP	Implementing partner focal point	Start of Activity (Date)	Completion of Activity (Date)	Responsible officer UNDP
12/15/2010	(Auditor General) R. Kampanje	Laserjet printers	1	4	300,000	1,200,000	7,958	UNDP	Lawrence Chinkhunda	1/1/2011	31/06/2011	Venge Nkosi
12/15/2010	(Auditor General) R. Kampanje	Photocopiers	1	5	728,960	3,644,800	24,170	UNDP	Lawrence Chinkhunda	1/1/2011	31/06/2011	Venge Nkosi
12/15/2010	(Auditor General) R. Kampanje	Laptops	1	20	180,000	3,600,000	23,873	UNDP	Lawrence Chinkhunda	1/1/2011	31/06/2011	Venge Nkosi
TOTAL						8,444,800	56,000					

