

# Quarterly Progress Report

Apr – Jun 2017

Development of a robust standardization, quality assurance, accreditation and metrology (SQAM) infrastructure in Malawi

This project is funded by the European Union



July 2017

Project: FED/2012/297-561

UNDP Project ID: 00083913

UNIDO Project ID: 106075 / 2000002410



UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

2017

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## ACRONYMS

AWP	Annual Work Plan
BOBS	Botswana Bureau of Standards
COMESA	Common Market for Eastern and Southern Africa
CTA	Chief Technical Advisor
DTIS	Diagnostic Trade Integration Study
ERP	Enterprise Resource Planning
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
FD	Food and Drug Administration
FSAT	Food Safety Assessment Tool
FSMS	Food Safety Management Systems
HQ	Headquarters
IAF	International Accreditation Forum
IE	International Expert
IEC	International Electrotechnical Commission
IFSTL	International Food Safety Training Laboratory
ILAC	International Laboratory Accreditation Cooperation
INNOQ	National Institute for Standards and Quality
IRCA	International Register of Certificated Auditors
ISO	International Organization for Standardization
MATCB	“Malawi: Market access and trade capacity building support for agro-industrial products”
MBS	Malawi Bureau of Standards
MDGs	Millennium Development Goals
MGDS	Malawi Growth and Development Strategy
MoITT	Ministry of Industry, Trade and Tourism
MSD	Metrology Services Department
NEP	National Enquiry Point
NMiSA	National Metrology Institute of South Africa
NML	National Metrology Laboratory
NASFAM	National Smallholder Farmers Association of Malawi
NORAD	Norwegian Agency for Development Cooperation
NQI	National Quality Infrastructure
NQP	National Quality Policy
NQS	National Quality Strategy
PM	Project Manager
PRP	Pre-Requisite Programmes
QASD	Quality Assurance Services Department
SME	Small and Medium Enterprise
SADC	Southern African Development Community
SANAS	South African National Accreditation System
SPS	Sanitary and Phytosanitary
SQAM	Standardization, Quality Assurance, Accreditation and Metrology
TBT	Technical Barriers to Trade
ToRs	Terms of Reference

TSD	Testing Services Department
UK	United Kingdom
UNDAF	United Nations Development Assistance Framework
UNECE	United Nations Economic Commission for Europe
UNDP	United Nations Development Programme
UNIDO	United Nations Industrial Development Organization
USA	United States of America
USAID	United States Agency for International Development
WHO	World Health Organization
WTO	World Trade Organization

## Executive Summary

The purpose of the “Development of a robust standardization, quality assurance, accreditation and metrology (SQAM) infrastructure” project is to contribute to a more adequate, effective and sustainable National Quality Infrastructure (NQI) in Malawi in accordance with international and regional principles and practices (e.g. Common Market for Eastern and Southern Africa (COMESA), Southern African Development Community (SADC)), by supporting the enhancement of the performance of the Malawi Bureau of Standards (MBS). This will have direct implications in terms of benefits for Malawi enterprises through improved business services provided by the National Quality Infrastructure and indirectly, and in the long term, in terms of improved protection of consumer rights of Malawian citizens.

The project is being implemented in terms of a contribution agreement between the European Union (EU) and the United Nations Development Programme (UNDP). An inter-agency agreement (IAA) was subsequently concluded between the UNDP and the United Nations Industrial Development Organization (UNIDO) for UNIDO to provide specialized technical assistance to ensure the success of the overall project.

This progress report to the UNDP presents a summary of the work done by UNIDO during the second Quarter of 2017 (1 April to 30 June) and it serves, therefore, to fulfill reporting requirements in the IAA. The reference for this report is the amended Annual Work Plan for 2017 (AWP 2017) which was approved during the 13<sup>th</sup> Steering Committee meeting held in Lilongwe on 10<sup>th</sup> November 2016.

The report shows the implementation progress throughout the quarter. As per inputs received by UNIDO’s Financial Management of Technical Cooperation Unit, the financial implementation for this quarter is in the amount of USD 86,268.68 (see Annex 2: obligations and disbursements), bringing the total financial expenditure to USD 2,393,978.16. In terms of Disbursements only (refer to Annex 1), the quarter reports a total of USD 71,916.67, bringing the total financial disbursement to USD 2,245,569.57.

The main focus of implementation by UNIDO during this reporting period was:

(i) recruitment of the Chief Technical Advisor (CTA), (ii) equipment procurement bidding for CRMs and Peripherals and UPLC/MS/MS, (iii) technical assistance actions to the MBS and cohort companies of the International Experts under Output 6, (iv) procurement of the subcontract for the accreditation body with waiver of bidding initiated at the UNIDO HQ, (v) project visibility activities, including EU Day Celebration in Malawi, (vi) continuation of the collection of inputs and discussion with UNDP in preparation of a concept note for a possible successor programme in Malawi with private sector participation and involvement of new donors, and (vii) regular project management activities, including the UNIDO SQAM Project Manager and CTA participation to the Mid-Year Budget Review Workshop in Zomba (29-30 May 2017) and the 14<sup>th</sup> SQAM Project Steering Committee Meeting in Lilongwe (1<sup>st</sup> June 2017). Similarly to the previous quarters, during this reporting period, the UNIDO Project Manager had an increased support particularly between the end of the assignment of the CTA ad interim (31 March 2017) and the deployment and recruitment of a CTA (taking duty in Malawi on 3 July 2017), so as to ensure smooth continuation of implementation.

While UNIDO interventions pertaining outputs 4, 5 have been completed, outputs 1, 2 are nearly completed and therefore current efforts are focusing on implementation of activities related to outputs 3 and 6, towards reaching the accreditation targets of the project.

## **A. Situational Background/Context**

There is a clear need for rapid and sustainable economic growth if Malawi is to achieve the Millennium Development Goals (MDGs) and the overall objective of poverty reduction on a meaningful scale. Trade, as recognized by the Malawi Growth and Development Strategy II (MGDS II), has the potential to be an engine for growth that can lift many Malawians out of poverty.

Malawi's standardization, quality assurance, accreditation and metrology infrastructure is currently inadequate to support the growth in exports envisaged by the MGDS II. The MBS is the National Enquiry Point (NEP) required by the World Trade Organization (WTO) under the Agreement on Technical Barriers to Trade. MBS sets and implements standards and conducts conformity tests on selected imports and exports. However, certificates from MBS are not recognized widely and exporters incur high costs to obtain certification overseas. More generally, MBS has very limited infrastructure to meet demands for the provision of SQAM services within Malawi.

To address these issues, the SQAM project intends to achieve internationally recognized accreditation of the conformity assessment services of the MBS, contributing to an efficient and adequate National Quality Infrastructure in Malawi by 2016 (this was extended to May 2018). This will have direct benefits for Malawian enterprises, and indirect, long-term benefits for Malawian citizens in terms of improved protection of consumer rights.

As well as the MGDS II, the SQAM project also aligns with the United Nations Development Assistance Framework (UNDAF) 2012-2016. The project will contribute to poverty reduction through the achievement of UNDAF Outcome 1.2, "Women, youth, people with disability and households benefit from decent employment, income generation and pro-poor private sector growth by 2016," under Theme 1, "Sustainable and equitable economic growth and food security". More directly, the project ties into UNDAF Output 1.2.2 that aims at improving Malawi's access to international and regional markets.

The Lead Implementing Partner for the project is the MBS. Financial and Management oversight is provided by the UNDP whilst UNIDO provides specialist technical expertise.

The National Quality Policy (January 2014) paves the way for Malawi to gradually implement a modernized National Quality Infrastructure and is a statement by the Government of Malawi of commitment towards this modernization process and lays a solid foundation that supports the project objective and outcomes. The National Quality Strategy was launched on May 18, 2016 to guide the implementation of the NQP. The launch of the NQS provides a demonstration of the Government's intentions to inculcate a quality culture and aims at improving the competitiveness of production value chains to expand the export performance of Malawian products worldwide. It is however noted that implementation of actions as outlined in the NQS remain very slow; failures to implement these actions will pose challenges to the achievements of the policy objectives.

## **B. Assessment of Project Results During the Reporting Period**

This progress report presents a summary of the work done by UNIDO during the second Quarter of 2017 (1 April to 30 June) in accordance with the Annual Work Plan for 2017 (AWP 2017).

The main focus of implementation by UNIDO during this reporting period was: (i) recruitment of the Chief Technical Advisor (CTA), (ii) equipment procurement bidding for CRMs and Peripherals and UPLC/MS/MS, (iii) technical assistance actions to the MBS and cohort companies of the International Experts under Output 6, (iv) procurement of the subcontract for the accreditation body with waiver of bidding initiated at the UNIDO HQ, (v) project visibility activities, including EU Day Celebration in Malawi, (vi) continuation of the collection of inputs and discussion with UNDP in preparation of a concept note for a possible successor programme in Malawi with private sector participation and involvement of new donors, and (vii) regular project management activities, including the UNIDO SQAM Project Manager and CTA participation to the Mid-Year Budget Review Workshop in Zomba (29-30 May 2017) and the 14<sup>th</sup> SQAM Project Steering Committee Meeting in Lilongwe (1<sup>st</sup> June 2017). Similarly to the previous quarters, during this reporting period, the UNIDO Project Manager had an increased support particularly between the end of the assignment of the CTA ad interim (31 March 2017) and the deployment and recruitment of a CTA (taking duty in Malawi on 3 July 2017), so as to ensure smooth continuation of implementation.

Some of the key achievements from UNIDO implementation actions during this quarter include:

### Output 3:

- Following the deliberations during the 14th SQAM Project Steering Committee Meeting (1st June 2017) and agreement with the MBS and the donor, the Southern African Development Community Accreditation Services (SADCAS) has been selected to offer accreditation services to the MBS. UNIDO has commenced the process for subcontracting SADCAS as the accreditation body with a waiver for competitive bidding in a way that the accreditation process could possibly be undertaken during the late second half of 2017/first quarter of 2018.
- The bidding processes for CRMs and Peripherals and for the UPLC/MS/MS have been initiated at UNIDO HQ and funds have been obligated. Finalization of technical specifications for XRF, ICP-MS and Oil Analyzer has been reported to be in progress and will be submitted by beginning of June 2017. The MBS is also preparing the requirements of the Laboratory Management System (LIMS), which will facilitate the design of the LIMS technical specifications. It is the understanding that the LIMS will be installed in the new Laboratory complex, but sample registration module will be initiated at current premises.

### Output 6:

- Technical Assistance to Cohort I ISO 22000 companies and Work session with MBS:
  - i. Anya Knoetze, the International Expert on food safety and food management systems (ISO 22000 and HACCP) was on mission to Malawi between 2 to 13

April 2017 and 23 April to 4 May 2017 providing Technical Assistance to Cohort I ISO 22000 companies and a Work session with the MBS.

- ii. The mission was an implementation mission based on the outcomes of missions conducted during 2016 in support of the SQAM Project output 6 - Small and Medium sized Enterprises (SME), in particular activity 6.2 Technical assistance to SMEs where these selected three Cohort I companies (Ethco, Linga Winery and Project Peanut Butter) were exposed to food safety, food safety concepts and the implementation of a food safety management system (FSMS) towards the overall objective of being a Malawi Bureau of Standards (MBS) Certified FSMS food handler.
  - iii. The International Expert was also working with the MBS on ISO 17021 documentation in order to align them with ISO 22000 and provided potential considerations and assistance in relation to FSMS/Certification approach.
  - iv. Report and preliminary feedback document on the MBS and ISO 22000 facilities were prepared by the IE and were shared with the facilities and the MBS for remedial actions. The preliminary feedback document from the international expert's involvement in the first half of 2017 reflects pending matters to be addressed: i) facilities being supported by SQAM project in preparation for certification by MBS, ii) MBS operations being supported by SQAM project in preparation for accreditation of four scopes.
  - v. The International Expert participated and provided her contribution in the 32<sup>nd</sup> Project Management Meeting on 27<sup>th</sup> June 2017.
- Technical Assistance to Cohort I ISO9001 companies and Work session with MBS Quality Assurance Services Department:
    - i. Shashank Sheth, the International Expert on ISO 9001, was on mission to Malawi between 23 May and 20 June 2017.
    - ii. The mission was conducted based on the outcomes of missions conducted during 2016 and 2017 in support of the SQAM Project output 6 - Small and Medium sized Enterprises (SME), in particular activity 6.2 Technical assistance to SMEs where these selected Cohort I companies shall be exposed to the implementation of a Quality management system (QMS) towards the overall objective of being a Malawi Bureau of Standards (MBS) Certified QMS organization as well as getting Malawi Bureau of Standards (MBS) accredited to ISO 17021 requirements.
    - iii. The report prepared by the International Expert indicates that each Cohort I company (CORI, Mzuzu Coffee, Promat and Flowtech) has better clarity on requirements of ISO 9001:2015 for an effective implementation and successful completion of certification process. Action plan for critical pending action points, related to infrastructure, documentation and work practices has been already shared with each company. Monitoring the progress of this action plan by IE as well as each Cohort I companies will be crucial for overall success of the mission. Out of the four cohort I companies, confidence level at three cohort companies seems positive apart from one, whose implementation level, approach for cooperation and willingness for active participation is still behind.



- iv. The report of the International Expert also recommends that the MBS shall revert back with status of each action points as per agreed target dates for MBS specific concerns identified by IE, which have been already communicated to the MBS DDG, DQAS.

#### Output 8:

- Programme Management:
  - i. Following to the selection and recruitment process initiated by UNIDO for the position of a CTA in Malawi, Mr. Alaa Fahmy has been appointed and the start of his duty in Malawi on 3<sup>rd</sup> July 2017 was confirmed.
  - ii. The UNIDO Project Manager had an increased support particularly between the end of the assignment of the CTA ad interim (31 March 2017) and the deployment and recruitment of a CTA (taking duty in Malawi on 3 July 2017) so as to ensure smooth continuation of implementation.
  - iii. In occasion of the EU Day Celebration in Malawi on 5 May 2017, the SQAM Project, which was selected by the EU Delegation as one of the flagships projects for the celebration, received great visibility with the presence of high-level representatives from the public and private sector as well as the local press. On this occasion there was a wider visibility and promotion of the SQAM project; UNIDO contributed with promotional material, posters, articles about success stories, brochures and with the support of the communication's team promotion the success of the event was promoted also on social media.
  - iv. UNIDO participated in the Mid-Year Budget Review Workshop which was held in Zomba from 29 – 30 May 2017.
  - v. UNIDO participated in the 14<sup>th</sup> SQAM Project Steering Committee Meeting which was held in Lilongwe on 1<sup>st</sup> June 2017.
  - vi. UNIDO participated in the 32<sup>nd</sup> Project Management Meeting on 27<sup>th</sup> June 2017.

#### **Action matrix:**

The tables on the pages to follow present a summary of the status of progress of the activities for each output where UNIDO is listed as the party responsible for implementation.

<b>Output 1: Strengthened capacity of the Malawi Bureau of Standards to deliver business services and achieve financial sustainability</b>	
<b>ACTIVITY</b>	<b>STATUS</b>
1.0 National Quality Policy [MoITT (MBS/UNDP/UNIDO)] - Dissemination of the NQP - Development of a National Quality Strategy (NQS)	<ul style="list-style-type: none"> <li>• This activity was completed.</li> <li>• This activity is a national implementation activity under MBS and MoITT.</li> <li>• UNIDO learnt that the MoITT appointed the high level committee in support of the implementation of the NQS and ultimately the NQP.</li> <li>• The National stakeholders chose to proceed without</li> </ul>

	<p>involvement of UNIDO and of the CTA, and as result no more contribution is required. It is now the responsibility of National stakeholders to ensure the objectives under this Output is achieved.</p>
1.1 Project Visibility event	<ul style="list-style-type: none"> <li>• This activity is a national implementation activity under the MBS as provided for under activity 8.2.</li> </ul>
1.2 Review and set-up of organizational structures, service delivery procedures and knowledge management within MBS [MBS (MoITT/UNDP)]	<ul style="list-style-type: none"> <li>• This activity is a national implementation activity under MBS.</li> <li>• UNIDO took note that the draft of the 2017-2021 MBS Strategic Plan developed by the national consultants was not accepted by the MBS and it has been submitted to the consultants for remedial action.</li> <li>• UNIDO took note of the need of MBS to recruit a marketing manager.</li> <li>• It remains essential for the achievement of project indicators and objectives for MBS to incorporate findings and recommendations arising from final reports by various UNIDO International Experts into MBS Strategy and Business Plan and implement these in order to ultimately achieve the anticipated reforms.</li> </ul>
1.3 Market survey on the demand for testing and calibration in Malawi [MBS (UNDP)]	<ul style="list-style-type: none"> <li>• This activity is a national implementation activity under MBS.</li> <li>• UNIDO noted that the status of the Laboratory Mapping report was still in a preliminary phase: the overall analysis of the laboratories, common challenges and possibilities for networking among laboratories, the checklists or questionnaires used, the list of acronyms and a summary of the labs are still missing.</li> </ul>
1.4 Preparation of a business plan and monitoring system for MBS [MBS (UNIDO)]	<ul style="list-style-type: none"> <li>• This activity is under national implementation by MBS.</li> <li>• UNIDO trusts that the national consultants and MBS Management will commit to ensure the findings and recommendations arising from project reports will find its way into the MBS Strategic Plan 2016-2020, and ultimately contribute to the anticipated reforms and project outputs.</li> </ul>
1.5 Development of a “marketing unit” within MBS [MBS (UNIDO)]	<ul style="list-style-type: none"> <li>• This activity is under national implementation by MBS.</li> <li>• The report by IE (Visser) made clear recommendations on the marketing strategy and require of MBS to formulate also a marketing policy but UNIDO understands that no actions have been taken by MBS to advance in this matter.</li> <li>• It was noted that the functional review made positive recommendations about the MBS marketing unit and UNIDO therefore hopes the action will form part of the MBS Strategic Plan 2016-2020 to ensure the objective is achieved.</li> </ul>
1.6 Enhancement and updating of the MBS website [MBS (UNDP)] During	<ul style="list-style-type: none"> <li>• This activity is a national implementation activity.</li> <li>• UNIDO encourages MBS to ensure regular updating thereof, including of implementation activities under this project and to maintain hyperlinks to all project partners.</li> <li>• UNIDO has taken note of the issue of intermittent functioning of the MBS website and e-mail system.</li> </ul>

<p>1.7 Preparation and implementation of a “training plan” for MBS [MBS (UNIDO)]</p>	<p><u>Out-of-country trainings (testing):</u></p> <ul style="list-style-type: none"> <li>• Training arrangements on (1) <i>LC-MS/MS for the identification of Chemical Contaminants in Food</i> and (2) <i>Methods of Determination for Mycotoxins</i> discussed with MBS Testing Lab Director and Deputy Director. Food and Environmental Research Agency (FERA) in the United Kingdom (UK) is considered as the training provider. New nominations for training from MBS are awaited. FERA has not been contacted yet regarding the remaining training in elements for MBS Officers, because UNIDO was awaiting replenishment of funds by UNDP.</li> <li>• It has been agreed that if there would be need for other trainings, the MBS should inform UNIDO. Targeted training on new equipment to be procured will need to be agreed upon with MBS once the equipment is delivered. UNIDO and MBS can discuss if there would be need for more equipment and/or more trainings.</li> <li>• The MBS informed about the need of exchange visits. MBS would inform UNIDO about how the exchange visits would be undertaken and about the venue. UNIDO would consider the exchange visits upon receipt of funds from UNDP considering that for Activity 1.7 only 20,000 USD were allocated.</li> </ul>
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<b>Output 2:</b> Technical Regulations reviewed to promote efficient, effective and accountable delivery of information in accordance with SQAM legislation and regulations	
<b>ACTIVITY</b>	<b>STATUS</b>
<p>2.1 Documentary and field survey of the Malawian situation with regards to technical regulations and enforcement. [MBS (UNDP/UNIDO)]</p>	<ul style="list-style-type: none"> <li>• UNIDO notes that the process of meetings of the TBT Committee under the MoITT are provided for and that MBS and MoITT requires no more support from UNIDO in this regard. It is now the responsibility of National stakeholders to ensure the objectives under this Output are achieved.</li> </ul>
<p>2.2 Awareness campaigns and training on "Better regulation". [MBS (UNDP/UNIDO)]</p>	<ul style="list-style-type: none"> <li>• One regulation was notified by MoITT to WTO in February 2017; 6 regulations were sent for notification by MBS to MOITT, which they will be sent to WTO after whetting. Matter is pending with MoITT. Notifications are expected to be made each time new regulations are developed. Regular follow-up among the parties involved is taking place for the completion of notifications.</li> </ul>
<p>2.3 Data gathering on TR, analysis and consolidation. Preparation of a strategy and a plan for the institutionalisation of "Better Regulation" in Malawi. [MBS (UNDP/UNIDO)]</p>	<ul style="list-style-type: none"> <li>• The Study Tour to Uganda National Bureau of Standards (UNBS), an Established National Enquiry Point (NEP), was proposed for 5 - 9 June 2017, however due to late communication from the UNBS of the proposed dates, new dates would need to be arranged and communicated to UNIDO.</li> </ul>
<p>2.4 Preparation of a strategy and a plan for the institutionalisation of "Better Regulation" in Malawi [MBS (UNDP/UNIDO)].</p>	

**Output 3: Structurally enhances capacity of the Malawi Bureau of Standards for conformity assessment services**

ACTIVITY	STATUS
<p>3.1a Construction of the Metrology building. [MBS (GoM)].</p>	<ul style="list-style-type: none"> <li>• This activity is under national implementation by MBS and the Government of Malawi.</li> <li>• UNIDO notes that the construction works are in progress and the Government of Malawi (GoM) is honoring the payments for construction works as per certificates of payments that are issued.</li> <li>• Provision remains under the MATCB project for UNIDO to support the MBS request for a study tour for the engineering team concerned with the design of the laboratory air conditioning systems to NSBs in the region. Provision for a study tour for MBS/Contractor in regard to MBS new laboratory complex has been scheduled for July 2017 and the visit to facility in the region (Botswana, Kenya, and Mozambique) with well-established engineering/materials testing facilities will be made.</li> <li>• The contractor for Heavy Mass and Large Volume Laboratory to finalise all outstanding issues with regard to the facility acquiring the certificate of occupancy and also issues relating to the environmental conditions, motorized door mechanisms and also upgrade of electrical installation of the MSD.</li> <li>• MBS submitted a report to UNIDO with regard to the utilization of the weighbridge truck and that it has generated an income of \$50,000.00 then. UNIDO will continue monitoring the utilization of the weighbridge so that Malawi should have traceable and reliable weighbridge verification services and thus providing confidence to businesses and consumers in Malawi.</li> <li>• The IE (Benjamin Van Der Merwe) reviewed the MSD Master plan and construction works (last quarter of 2016), as well as, conducted workshop with MSD officers to review traceability charts and define the exact scope for the calibration services in mass, volume and length to be accredited within the project timeframe. MBS to revise the roadmap of accreditation within the project time frame.</li> <li>• Assessment of the upgrading infrastructure work was performed by the NE, Hendrix Mgawana who produced the report in March 2017 requesting the contractor to provide a quotation for control cards for the three air conditioners (malfunctioning due to electrical surge) and cost of installation of these. UNIDO and MBS to expedite these so that the environmental conditions in the laboratories. And also the installation of the generator at MSD to address electricity outages.</li> <li>• The procurement for the remainder of equipment and consumables to be procured (e.g. furnishing and fittings for offices at MSD) has been put on hold in order to provide priority to equipment that has direct impact to the accreditation of the MSD like the generator, air conditioners.</li> <li>• Technical Specifications for prepackages equipment and toolboxes have been drafted in consultation with MSD/MBS MSD and reviewed by UNIDO's IE, Mr. Brian</li> </ul>

	<p>Beard. Procurement process has been launched and local suppliers are being consulted to bid.</p> <ul style="list-style-type: none"> <li>• Results of a first comparison by MBS of an on-site electronic balance calibration supported by the project are available. The scheme was organized by the National Laboratory Association of South Africa on 2 March 2017 and submitted to MBS staff. The results were satisfactory as they are consistent and within the expected limits and are comparable results from other participating laboratories in the region.</li> </ul>
<p>3.1b Develop within MBS an accredited product certification body [MBS (UNIDO/UNDP)]</p>	<ul style="list-style-type: none"> <li>• Current implementation by MBS is in terms of the Pilot Phase for MBS to be accredited to ISO/IEC 17065 as a product certification body, and UNIDO having taken actions during the quarter in response to that plan and to the findings and recommendations in the pre-assessment report (December 2015).</li> <li>• Further to the outcome of the Steering Committee meetings held in November 2016 and in May 2017 in Lilongwe, MBS and UNIDO deliberated and agreed that SADCAS should be considered the accreditation body for the MBS because it is a local accreditation body in the SADC region to which Malawi is contributing and it is familiar with the challenges which laboratories within the region experience and so the MBS can be at an advantage if it is accredited by SADCAS.</li> <li>• UNIDO has commenced the process for the sub-contract of the accreditation body for the actual accreditation process to be undertaken and prepared a waiver of the open tendering against restricted tendering.</li> <li>• The MBS DG, DDG and Director responsible for product certification body have welcomed UNIDO to participate in the monthly meetings of the roadmap progress assessment for support and guidance.</li> <li>• In terms of the accreditation scope agreed upon with MBS Management for product certification, UNIDO has recommended to focus on products for which the testing laboratories are ready for accreditation. MBS should be evaluating the options and select a product which would lead to faster product certification.</li> <li>• The two International Experts on ISO 9001 and ISO 22000 (Shashank Sheth and Anya Knoetze) are working with 7 companies with support under output 6 to make them ready for certification in ISO 22000 (3 companies) and ISO 9001 (4 companies). The International Experts have submitted to UNIDO and to the MBS a preliminary feedback document and reports, where they have identified and expressed their feedback and concerns related to product certification and the progress made by the MBS and the facilities during their missions.</li> <li>• UNIDO received the existing roadmaps and encouraged MBS to update them and make necessary adjustments and share roadmap progress assessment as per monthly meetings as well as to provide a marketing plan for the product certification body and its revenue potential for sustainability.</li> </ul>

<p>3.2 Develop within MBS a management systems certification body for ISO 9001 and ISO 22000 / HACCP [MBS (UNIDO/UNDP)]</p>	<ul style="list-style-type: none"> <li>• Current implementation is in terms of the Pilot Phase for MBS to be accredited to ISO/IEC 17021 for ISO 9001 management system certification.</li> <li>• The status on accreditation is the same as that of activity 3.1b.</li> </ul>
<p>3.3 Upgraded and accredited testing laboratories in MBS [MBS (UNIDO)]</p>	<ul style="list-style-type: none"> <li>• Current implementation is in terms of the Pilot Phase for MBS to be accredited to ISO/IEC 17025 with scope limited to microbiology, pesticides, elements analysis, and food contaminants (e.g. aflatoxins), and those recommendations and findings arising from the pre-assessment that was conducted during July 2016.</li> <li>• The recommendation from the International Expert for ISO/IEC 17025, Reimond Willemse, is to prioritize Aflatoxin for accreditation of the Testing Laboratories of the MBS considering that it is 100% ready.</li> <li>• It was reported that the scopes for the accreditation for Testing Services Department (TSD) were: Microbiology (E-Coli in water), Pesticides (in water), Elements (Zinc, Copper, Aluminum in water) and Aflatoxin. The MBS indicated that the results of Aflatoxin were satisfactory and that the MBS did well in Proficiency Testing (PT) Scheme. The other 3 scopes were remaining with validation of the methods and these were being considered.</li> <li>• The status on accreditation is the same as that of activity 3.1b.</li> <li>• Procurement of equipment: <ul style="list-style-type: none"> <li>i. The supplier of the Ion Chromatograph sent a technician to the MBS from 8-10 March 2017 to repair the faulty equipment. During his visit the technician identified that the suppressor was also damaged and needs replacement. The suppressor was ordered and arrived at the MBS on 31 March 2017. The suppressor is still to be installed due to a damage caused by not using deionized water. Upon receipt of deionized water, which is included in the TS of the ongoing bidding for CRMs and peripherals and expected to be during Q3 2017, the suppressor will be installed.</li> <li>ii. Procurement of CRMs and Peripherals and UHPLC/MS/MS has been initiated and funds have been obligated.</li> <li>iii. UTM Accessories to be delivered by beginning of July 2017 to the MBS.</li> <li>iv. Preparation of technical specifications (TS) for XRF, ICP and Oil Analyzer is in progress.</li> <li>v. The MBS is yet to submit TS for Laboratory Management System (LIMS). It is the understanding that the LIMS will be installed in the new Laboratory complex, but sample registration module will be initiated at current premises.</li> </ul> </li> </ul>

<p>3.4 Upgraded and accredited calibration laboratories in MBS</p>	<ul style="list-style-type: none"> <li>• Current implementation is in terms of the Pilot Phase for MBS to be accredited to ISO/IEC 17025 with scope limited to mass, volume and dimension (length) being implemented in close collaboration with the MATCB project.</li> <li>• MBS presented at the 8th MATCB Project Steering Committee Meeting on 26 April 2017 that the roadmap of accreditation for MSD laboratories (Mass, Length and Volume) has been planned for December 2018 as when the facility will be accredited. MBS justified the timeline due to poor environmental conditions as the air conditioners are not working, training of staff is not complete, minimal participation in PT schemes, no internal audits to date, and some pieces of equipment have not been received. The Project Manager provided guidance on the matter that this timeline of December 2018 is not possible as the project winds up in December 2017, the accreditation date is outside project time frame and MBS was asked to revise the timeline. The meeting agreed that amidst all challenges that MBS - MSD is facing, April 2018 is realistic and should strive to achieve accreditation by April 2018. The meeting asked UNIDO to consider requesting NORAD to extend the project to April 2018 in order to fully support the accreditation of MSD.</li> <li>• The procurement for the remainder of equipment and consumables to be procured (e.g. furnishing and fittings for offices at MSD) was has been put on hold in order to provide priority to equipment that has direct impact to the accreditation of the MSD like the generator, air conditioners, especially considering that UNIDO is waiting for NORAD to release their next installment.</li> <li>• MBS reported that it has not managed to get the quotations for acquiring the generator to guide UNIDO in order to advance with next equipment procurement. At the 8th MATCB Project Steering Committee Meeting it has been asked to the field office and MBS to expedite the process and to consider that the Electrical Engineer (Consultant) to be engaged to assist on this activity. MBS was advised to consider also the future electricity demand of the facility.</li> </ul>
<p>3.5 Develop a training business unit. [MBS (UNIDO)]</p> <p>3.6 Establish a pool of Malawian auditors [MBS (UNIDO)]</p>	<ul style="list-style-type: none"> <li>• The functional review of the MBS recommended the establishment of a training unit. UNIDO recalls that, during the mid-year review in June 2016, MBS informed that a training officer was being recruited and that the new unit will be established by end of 2016; however UNIDO is not yet informed whether there was any progress in this regard.</li> <li>• Implementation by UNIDO to support this activity can only proceed once the unit is established.</li> <li>• This activity provides for technical assistance to MBS in the development of processes and system to support the management of a pool of auditors where such auditors are integral to conformity assessment services earmarked for accreditation. MBS is being trained through accompanying visits to companies being supported for future certification (see activity 6.5, partially 6.3); in fulfillment of international requirements related to transparency and impartiality, those trainees shall not participate in audits to those companies. In addition, companies currently certified</li> </ul>

<p>3.7 Collaboration with the Malawi Laboratory Association to strengthen the association as an integral part of the national quality infrastructure, notably in view of testing and calibration services [MBS (UNDP)]</p>	<p>by other certification bodies are being approached in a way that they grant permission to conduct mock audits in their premises to further train auditors.</p> <ul style="list-style-type: none"> <li>• This activity is a national implementation activity under MBS as was concluded during 2014.</li> </ul>
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**Output 4: Strengthened, proactive and responsive National Enquiry Points (NEP) to the information and notification requirements of WTO/TBT/SPS agreements**

ACTIVITY	STATUS
<p>4.1 Identify, store, update, create and use the information on foreign TR, standards and conformity assessment dispositions of countries that import from Malawi [MBS (UNIDO)]</p>	<ul style="list-style-type: none"> <li>• UNIDO component was concluded early in 2015 as per previous reports.</li> <li>• Implementation towards the compliance by Malawi with the WTO transparency provisions of the three National Enquiry Points for SPS and the National Notification Authority as per the findings and recommendations from the work concluded by UNIDO in 2015 is required under national implementation responsibility. These specific responsibilities go beyond only the MBS: <ul style="list-style-type: none"> <li>○ Food Safety [Malawi Bureau of Standards, Blantyre]</li> <li>○ Animal Health [Ministry of Agriculture, Dept. Animal Health and Livestock, Lilongwe]</li> <li>○ Plant Protection [Ministry of Agriculture, Dept. Agric. Research Services, Lilongwe]</li> <li>○ The National Notification Authority [Ministry of Industry and Trade, Lilongwe]</li> </ul> </li> <li>• UNIDO encourages MBS to ensure regular updating thereof, including of national implementation activities under this project and to maintain hyperlinks to all project partners.</li> </ul>

**Output 5: Sanitary and Phytosanitary (SPS) infrastructure improved and mainstreamed into National policies**

ACTIVITY	STATUS
<p>5.1 Review the national SPS infrastructure [MBS (UNIDO)]</p>	<ul style="list-style-type: none"> <li>• The work under this Output concluded in 2016 Q3 and was approved during the 13th Steering Committee meeting held on 10th November 2016.</li> <li>• The work on development of the Food Safety Legislation was expected to continue outside the SQAM Project, FAO indicated that it had funds for continuation of the work but there has been no progress. The MBS was tasked to follow up on the matter with FAO.</li> </ul>
<p>5.2 Develop a road map to improve the Malawian SPS infrastructure. [MBS (UNIDO)]</p>	
<p>5.3 Review and upgrade the legislation for the SPS infrastructure [MBS (UNIDO)]</p>	



**Output 6: Capacity of Small and Medium sized Enterprises (SME), and particularly women and youth led enterprises, strengthened to comply with quality requirements**

ACTIVITY	STATUS
<p>6.1 Preparation of an overall training and technical assistance programme for SMEs, in particular female and youth headed SMEs. [MBS (UNDP/MoIT)]</p>	<ul style="list-style-type: none"> <li>• Programme implementation related to the 7 Cohort I companies to benefit from technical assistance through international experts for ISO 9001 and ISO 22000 quality management systems commenced in accordance with the AWP2017 and as reported under act. 6.2 and 6.3.</li> </ul>
<p>6.2 Technical assistance to 15 SMEs, in particular female and youth headed SMEs, to comply with HACCP / ISO 22000 Food safety management systems [MBS (UNIDO)]</p>	<ul style="list-style-type: none"> <li>• Anya Knotze, the International Expert on food safety (ISO 22000 and HACCP) was on mission to Malawi between 2 to 13 April 2017 and 23 April to 4 May 2017 providing Technical Assistance to Cohort I ISO 22000 companies and Work sessions with MBS.</li> <li>• This was an implementation mission based on the outcomes of missions conducted during 2016 in support of the SQAM Project output 6 - Small and Medium sized Enterprises (SME), in particular activity 6.2 Technical assistance to SMEs where the selected three Cohort I companies (Ethco, Linga Winery and Project Peanut Butter) were exposed to food safety, food safety concepts and the implementation of a food safety management system (FSMS) towards the overall objective of being a Malawi Bureau of Standards (MBS) Certified FSMS food handler.</li> <li>• A “To do list” was drawn up by the IE indicating action items required for the Cohort I companies (Ethco, Linga Winery and Project Peanut Butter) to reach a certification status by December 2017. The “To do list” also included an estimated time frame for when these action items are to be completed by. Subsequent missions will focus on the “To do list” and progress made with the implementation of the recommended activities.</li> <li>• The mission included assistance visit to the MBS Management System Certification Division with the focus of initiating the FSMS Certification Scheme specific documents, processes and activities. The remaining mission time then available was used to rewrite the MS documentation. The additional planned implementation actions in support of the implementation road map for MBS as well as for the facilities were proposed by the IEs.</li> <li>• A visit to the SANAS offices on 9 May 2017 by the IE confirmed the accreditation process that is to be followed, i.e. application, quotation, appointment of assessor team, document review, on-site witnessing during the stage 2 audits (by December 2017) and office assessment once the certification process of facilities has been completed (by April / May 2018).</li> <li>• The next missions of the IE Anya Knoetze will be planned during the second semester of 2017 based on budget availability and in accordance with the AWP 2017.</li> </ul>
<p>6.3 Technical assistance to 10 SMEs, in particular female and youth headed SMEs, to comply with ISO 9001 Quality management systems. [MBS (UNIDO)]</p>	<ul style="list-style-type: none"> <li>• Shashank Sheth, the International Expert on ISO 9001, was on mission to Malawi between 23 May and 20 June 2017.</li> <li>• The mission was conducted based on the outcomes of missions conducted during 2016 and 2017 in support of the SQAM Project output 6 - Small and Medium sized</li> </ul>

	<p>Enterprises (SME), in particular activity 6.2 Technical assistance to SMEs where these selected Cohort I companies shall be exposed to the implementation of a Quality management system (QMS) towards the overall objective of being a Malawi Bureau of Standards (MBS) Certified QMS organization as well as getting Malawi Bureau of Standards (MBS) accredited to ISO 17021 requirements.</p> <ul style="list-style-type: none"> <li>• Key activities during this mission were: (i) review of the progress of gaps identified during previous mission (15 Feb 2017 ~ 16 March 2017) at each Cohort company, (ii) review of the progress and status of action points discussed with MBS during previous mission (5 Feb 2017 - 16 March 2017) closing review meeting, (iii) jointly prepare and handover pragmatic documented QMS as per ISO 9001:2015 – Quality management systems requirements in line with prevailing culture, competence and documented system at each of the 4 cohort I companies, (iv) prepare a plan of action for upcoming missions with each of the 4 cohort I companies of Malawi for the eventual completion of implementation of the QMS and certification to ISO 9001:2015 – Quality management systems requirements, (v) brief MBS during closing review meeting , all the concerns observed at 4 cohort I companies, critical for successful certification of ISO 9001:2015, (vi) discuss with the MBS about the entire project mission activity plan of ISO 9001:2015 certification of 4 cohort I companies in line with ISO 17021 accreditation plan of MBS.</li> <li>• The report prepared by the International Expert indicates that each Cohort I company (CORI, Mzuzu Coffee, Promat and Flowtech) has better clarity on requirements of ISO 9001:2015 for an effective implementation and successful completion of certification process. Action plan for critical pending action points, related to infrastructure, documentation and work practices has been already shared with each company. Monitoring the progress of this action plan by IE as well as each Cohort I companies will be crucial for overall success of the mission. Out of the four cohort I companies, confidence level at three cohort companies seems positive apart from one, whose implementation level, approach for cooperation and willingness for active participation is still behind.</li> <li>• The report of the International Expert also recommends that the MBS shall revert back with status of each action points as per agreed target dates for MBS specific concerns identified by IE, which have been already communicated to the MBS DDG, DQAS.</li> <li>• The next missions of the IE will be planned during the second semester of 2017 based on budget availability and in accordance with the AWP 2017.</li> </ul>
<p>6.4 Other type of quality requirements in export markets. Technical assistance to 10 SMEs. [MBS (UNIDO)]</p>	<ul style="list-style-type: none"> <li>• This activity is under National implementation.</li> <li>• This activity is dropped as per the agreement of the Steering Committee meeting held in November 2016.</li> <li>• UNIDO is therefore excluded from the achievement of indicators foreseen from implementation of this activity as outlined in the project logical framework.</li> </ul>

6.5 Trainers-cum-counsellors and auditors: Training in HACCP / ISO 22000 Food safety management systems. [MBS (UNIDO)]	<ul style="list-style-type: none"> <li>• MBS staff has been given exposure to ISO 22000 through company visits.</li> <li>• This activity was concluded in 2016 Q3.</li> </ul>
6.6 Training in ISO 9001 Quality management systems for trainers-cum-counsellors and auditors. [MBS (UNIDO)]	<ul style="list-style-type: none"> <li>• This activity was concluded in 2016 Q3.</li> </ul>
6.7 Trainers-cum-counsellors: Training in "Initiating quality improvement in selected sectors" [MBS (UNIDO)]	<ul style="list-style-type: none"> <li>• This activity is dropped as per the agreement of the Steering Committee meeting held in November 2016.</li> <li>• There is no longer a requirement for any UNIDO implementation under this activity.</li> <li>• UNIDO is therefore excluded from the achievement of indicators foreseen from implementation of this activity as outlined in the project logical framework.</li> </ul>
6.8 Awareness seminars: ISO 14000 Environment management systems; GLOBALG.A.P. (Good Agricultural Practice) [MBS (UNIDO)]	<ul style="list-style-type: none"> <li>• This activity was concluded in 2016 Q4.</li> </ul>
6.9 Trainers-cum-counsellors and auditors: Training in ISO/IEC 17025 [MBS (UNIDO)]	<ul style="list-style-type: none"> <li>• This activity was concluded in 2016 Q3. The international expert (Steve Sidney) undertook the ISO/IEC 17025 training course to 45 participants during the week of 15-19 August. The results of the course were reported to UNIDO.</li> </ul>

#### **Output 7: MBS Compliant with International Regulations established**

<b>ACTIVITY</b>	<b>STATUS</b>
7.1 TA for the preparation of the organizational ad operational bylaws and business plan for the Malawian accreditation body. [MBS (UNIDO)]	<ul style="list-style-type: none"> <li>• This activity was concluded in 2015.</li> </ul>

#### **Output 8: Programme Management**

<b>ACTIVITY</b>	<b>STATUS</b>
8.1 Operational Management Team	<ul style="list-style-type: none"> <li>• Provision for International Technical Assistance and related costs, including the project CTA and UNIDO travel and the contracts of the CTA and project associate at UNIDO.</li> <li>• As part of the contingency plan, the UNIDO Project Manager had and increased involvement and monitoring of the project so as to ensure smooth continuation of the activities during the transition period until a new long term CTA is recruited and on the job; in addition, Similarly to the previous quarters, during this reporting period, the UNIDO Project Manager had an increased support particularly between the end of the assignment of the CTA ad interim (31 March 2017) and the deployment and recruitment of a CTA (taking duty in Malawi on 3 July 2017).</li> <li>• Recruitment and appointment of Alaa Fahmy as Chief Technical Advisor in Malawi with entry on duty as of 3 July 2017.</li> </ul>

	<ul style="list-style-type: none"> <li>• SQAM Project Manager and newly appointed Chief Technical Advisor were on mission to Malawi from 29 May until 1 June 2017.</li> <li>• UNIDO (SQAM PM and newly appointed CTA) participated in the Mid-Year Budget Review Workshop which was held in Zomba from 29 – 30 May 2017.</li> <li>• UNIDO (SQAM PM and newly appointed CTA) participated in the 14th SQAM Project Steering Committee Meeting which was held in Lilongwe on 1st June 2017.</li> <li>• UNIDO participated in the 32nd Project Management Meeting on 27th June 2017.</li> </ul>
8.2 Communications and Visibility	<ul style="list-style-type: none"> <li>• In occasion of the EU Day Celebration in Malawi on 5 May 2017, the SQAM Project, which was selected by the EU Delegation as one of the flagships projects for the celebration, received great visibility with the presence of high-level representatives from the public and private sector as well as the local press. On this occasion, there was a wider visibility and promotion of the SQAM project; UNIDO contributed with promotional material, posters, articles about success stories, brochures and with the support of the communication's team promotion the success of the event was promoted also on social media.</li> </ul>

## **C. Financial Status and Utilization**

Summary of financial payments to date include receipt of first installment of EUR 550,000 (equivalent to USD 717,079.53, incl. support costs) received from the UNDP on 28 October 2013 in accordance with the schedule of payment of the inter-agency agreement. At the end of March 2014 financial implementation by UNIDO was reported as 83% allowing for request for the second disbursement of funds. This installment was received on 10 October 2014 totaling EUR 1,009,728 (equivalent to USD 1,199,074.47).

The third installment of EUR 781,784 (originally requested by UNIDO on 8 December, 2015) was received on 17 June, 2016 (equivalent to USD 881,379.93). This brought the amount of total funds received (installment 1 + installment 2 + instalment 3) to USD 2,881,469.

Further to agreement with UNDP, UNIDO's Donor Relations Office is processing the Amendment of the Intern-Agency Agreement with the necessary updates on the schedule of payments, reporting obligations and reflection of funds reallocation from Output 6 to Output 3 from the EU-UNDP Contribution Agreement dated 21 December 2016.

The total financial implementation by the end of the second quarter of 2017 is equal to 83% of total instalments received. Therefore the next installment is ready to be triggered.

## D. Lessons Learned

- Despite the challenges faced derived from the departure of the former CTA in December 2016, the project continues to make positive progress. The contingency plan that was activated upon announcement of the decision of former CTA not to extend his contract for the year 2017 has proven to be essential to ensure continuity and smooth operation of the project. The increased involvement of UNIDO Project Manager, along with recruitment of a CTA *ad interim* between 1 February and 31 March 2017 and a quick recruitment of a Project Associate at HQ, as well as a temporary and part time contract to former CTA during the transition period to fill the gap proved to be a good decision prior to the recruitment and appointment of the longer-term CTA with entry on duty 3 July 2017.
- The previous IAA amendment was key to improve administrative processes amongst UN agencies when it comes to such contractual matters. Considering the amendment signed between the EU Delegation and UNDP in December 2016 reflecting transfer of funds from output 6 to output 3 and therefore new ceilings per outputs, as well as the new schedule and amount of next installments from June 2016, the IAA requires an amendment to reflect those developments, as well as to bring better clarity on the reporting deadlines. It is therefore a priority in the future to coordinate with the partners in order have an agreement which is consistent and agreed among all parties, particularly with a view to facilitate procurement of additional equipment under output 3. In this context, it is important to highlight that assistance through International Experts to reach the targets related to accreditation might require increased involvement.
- As the project approaches the final stage of the implementation cycle, a more direct participation of UNIDO in the monthly Project Management meetings is highly advisable. If so, a revised schedule of events and early notification to allow a meaningful participation would be required.
- In order to plan the conclusion of the current project and the preparations for a possible next phase, it is crucial in the next quarters:
  - for the MBS to provide an update on the status of implementation for each accreditation roadmap, and the level of readiness for submission of applications for accreditation. It is advisable to inform the status on the basis of a formal internal audit exercise;
  - for UNIDO through the work of its International Experts on ISO 9001 and ISO 22000 and beyond to report if they identify or encounter any challenges during their missions, along with prospective corrective actions. Further support also pertaining accreditation will be required through additional work by the International Experts already engaged in the project, as well as additional International Experts in the field of accreditation to accompany the process;
  - for UNDP to support monitoring in situ, as well as follow up during the monthly Project Management meetings.

## E. Conclusion

Following to the resignation of Francois Denner from the role of Chief Technical Advisor (CTA) in Malawi in December 2016 and the assignment of Ouseph Padickakudi in the role of CTA *ad interim* between 1 February and 31 March 2017, who tied-up the missing links of the project, and normalized working arrangements with the top management of MBS, UNDP, European Union, MoITT, after the selection and recruitment process conducted by UNIDO, Alaa Fahmy has been appointed for the position of CTA in Malawi. His entry on duty in Malawi on 3 July 2017 has been confirmed.

Procurement of equipment was continued for UPLC/MS/MS and UTMS accessories, which were submitted for bidding. Further specifications for ICP-MS, XRF, Oil Analyzer are being developed in close consultation with the MBS management for their procurement. To accelerate the accreditation of testing and calibration laboratories, respective road map review is being made and it will continue by the MBS.

Work on the management systems certification of 4 companies and food safety system certification of 3 companies was reported by the International Experts to be in progress.

UNIDO has further elaborated the bullet point concept note prepared by the CTA *ad interim* and continued with the collection of inputs. A draft concept note has been formulated for a possible successor programme in Malawi with private sector participation and involvement of new donors. This has been shared and discussed with UNDP for inputs and further development. A separate meeting with the EU will be arranged after a more advanced concept note has been prepared.

Considering the pending matters raised by the International Experts on ISO 9001 and ISO 22000 to UNIDO and the MBS in relation to the interface between the requirements that the enterprises need to comply with for successfully undergoing certification poses a series of challenges arising from requirements in Malawian standards and the provision of MBS services particularly but not exclusively in metrology is critical.

Fulfillment of ISO 17021 requirements is still work in progress. The MBS DDG has reported 75% progress in three scopes and approximately 40% in metrology. What is needed is objective evidence to validate the progress in the scopes. An internal audit is advisable for this purpose.

In terms of the accreditation scope agreed upon with MBS Management for product certification, UNIDO has recommended to focus on products for which the testing laboratories are ready for accreditation. MBS should be evaluating the options and select a product, which would lead to faster product certification.

UNIDO encouraged the MBS to make necessary adjustments to the roadmaps for all four accreditation scopes being supported, to share the roadmap progress assessment and internal audit exercise and have them ready the latest by end of July 2017. The outcome of the internal audit to be communicated in a concise presentation to the Steering Committee members.

The preliminary feedback documents from the International Experts, Anya Knoetze (ISO 22000) and Shashank Sheth (ISO 9000) related to their involvement in the first half of 2017 reflect pending matters to be addressed by both of them: i) facilities being supported by

SQAM project in preparation for certification by MBS, ii) MBS operations being supported by SQAM project in preparation for accreditation of four scopes. The timelines should be agreed upon, in a way that milestones can be fixed for better monitoring as mandated by the 14th Steering Committee meeting from 1 June 2017. The feedback obtained from the IEs is that MBS staff is very motivated and committed to working as a team to reach the goal as soon as possible.

Considering that the project is ending in May 2018, there is a need for the monthly Project Management meetings to be utilized in tracking the progress for the project and to fast-track the implementation of the lagging activities.



## F. Future Work Plan

The key activities from the Annual Work Plan 2017 (AWP2017) for implementation by UNIDO starting from third quarter of 2017 include:

### Output 1:

- Activities 1.7 *Preparation and implementation of a training plan for MBS*; the out-of-country training for officers in the Testing Services Department will continue according to the course schedule. This training is being undertaken at the IFSTL in the USA. Additional training in elements will be done at another institution yet to be identified. Enoch Kamwala is planned to undertake the training in 2017 since in Q4 of 2016 his training on *Methods of Mycotoxins Chemical Contaminants in Foods* did not take place.
- Provision for attachment of MBS staff to an accredited laboratory (exchange visits) and also provision for a facilitator to train MBS staff at MBS own facility. This is for Testing Services Department (the aim is to train more MBS personnel in order to close gaps in competence of MBS personnel highlighted during the pre-assessment).

### Output 2:

- Support for preparation of a strategy and a plan for the institutionalization of "Better Regulation" in Malawi, specifically review of the SADC Regulatory Impact Assessment Framework and an implementation plan and actions for the institutionalization of "Better Regulation" related to the strategy (e.g. Regulators Committee Meetings/ workshops).
- Study tour to established NEP (MBS/UNIDO).

### Output 3:

- Contract accreditation service provider. Full member of ILAC.
- Develop within MBS an accredited product certification body. Implemented i.t.o. MBS approved roadmap; Management system for the application of the ISO/IEC 17065.
- Develop within MBS a management systems certification body for ISO 9001 (quality management systems) and ISO 22000 (food safety management systems).
- Upgraded and accredited testing laboratories in MBS. Implemented i.t.o. MBS approved roadmap for pilot phase with initial scope limited to microbiology, pesticides and food chemistry/elements. To possibly expand scope to fortification and aflatoxin.
- Upgraded and accredited calibration laboratories in MBS.
- Complete the purchase of equipment of CRMs and UPLC/MS/MS.
- Establish a pool of Malawian Auditors to ensure that MBS has experienced auditors who can eventually be IRCA registered. This requires a certain level of audit experience. Auditor mentoring by IRCA registered auditor is needed.
- MBS to finalize provision of all inputs to UNIDO MATCB team to ensure the study tour in regard to MBS new laboratory complex to be implemented.

### Output 4:

- UNIDO activities are concluded in terms of this Output.

- It is now essential that the National Implementation activities are continued in order to ensure the desired results under this output are achieved and that technical assistance to SMEs, in particular female and youth headed SMEs, complies with HACCP / ISO 22000 Food safety management systems.

Output 5:

- UNIDO activities are concluded in terms of this Output.
- It is now essential that the National Implementation activities are continued in order to ensure the desired results under this output are achieved and that technical assistance from FAO is requested to make progress in the Food Safety legislation.

Output 6:

- Technical Assistance to companies through IE in support of implementation of ISO 22000 systems on Cohort 1 SMEs and to the MBS will continue during the second semester of 2017. The next missions of the IE Anya Knoetze will be planned based on budget availability and in accordance with the AWP 2017.
- Technical Assistance to companies through IE in support of implementation of ISO 9001 Quality management systems on Cohort 1 SMEs and to the MBS will continue during the second semester of 2017. The next missions of the IE Shashank Sheth will be planned based on budget availability and in accordance with the AWP 2017. The report of the International Expert also recommends that the MBS shall revert back with status of each action points as per agreed target dates for MBS specific concerns identified by IE, which have been already communicated to the MBS DDG, DQAS.

Output 8:

- Activity 8.1 *Operational Management Team*; UNIDO will continue to provide international technical assistance through the oversight of the work of the CTA who will start his duty in Malawi on 3<sup>rd</sup> July 2017 and Project Associate as provided for under UNIDO responsibility.

## **Annexes:**

1. Annex 1: Financial figures as reported and accepted by UNDP HQ (UNEX) comprising Disbursements to date.
2. Annex 2: Financial reporting comprising Obligations + Disbursements to date.

ANNEX 1

OUTPUT	USD (\$)	USD (\$)	USD (\$)
	April - June 2017 QUARTERLY EXPENDITURE	TOTAL EXPENDITURE AS AT PREVIOUS QUARTER	TOTAL EXPENDITURE
Output 1: Increased efficiency and sustainability of the Malawi Bureau of Standards	7,918.00	196,646.17	204,564.17
Output 2: Better technical regulations - Support to the reviews and development of technical regulations	2,514.00	44,332.78	46,846.78
Output 3: Enhancement of the Malawi Bureau of Standards capacity	3,558.80	995,692.47	999,251.27
Output 4: Enhanced Capacity of National Enquiry Points (NEP). Proactive and responsive NEP to info and notification requirements of WTO/TBT/SPS agreements	-	14,074.71	14,074.71
Output 5: Strengthened Sanitary and Phytosanitary infrastructure	-	40,291.00	40,291.00
Output 6: Small and Medium Enterprise (SME) meet quality requirements	13,705.58	126,930.24	140,635.82
Output 7: Preparation of the organisational and operational internal by-laws and business plan for a national Malawian Accreditation body	-	-	-
Output 8: Operational Management Team (operation costs and visibility)	19,263.39	611,102.14	630,365.53
SUB-Total Project Direct Eligible Costs (EXCLUDING CONT)	46,959.77	2,029,069.51	2,076,029.28
CONT (2.75%) - has to be ≤ 5%			-
SUB-total Project Direct Eligible Costs (INCLUDING contingency)			-
Output 1 Support Costs	(989.41)	14,462.65	13,473.24
Output 2 Support Costs	(197.94)	3,770.68	3,572.74
Output 3 Support Costs	7,259.05	71,252.57	78,511.62
Output 4 Support Costs	-	2,311.46	2,311.46
Output 5 Support Costs	5,500.18		5,500.18
Output 6 Support Costs	1,400.97	7,019.51	8,420.48
Output 8 Support Costs	11,984.05	45,766.52	57,750.57
Indirect Costs (GMS 7%): Administrative Costs has to be ≤ 7% of Direct Eligible Costs	24,956.90	144,583.39	169,540.29
<b>GRAND TOTAL (Including contingency)</b>	<b>71,916.67</b>	<b>2,173,652.90</b>	<b>2,245,569.57</b>

ANNEX 2

OUTPUT	USD (\$)	USD (\$)	USD (\$)
	April - June 2017 QUARTERLY EXPENDITURE	TOTAL EXPENDITURE AS AT PREVIOUS QUARTER	TOTAL EXPENDITURE
Output 1: Increased efficiency and sustainability of the Malawi Bureau of Standards	(22.50)	211,407.94	211,385.44
Output 2: Better technical regulations - Support to the reviews and development of technical regulations	(63.19)	53,879.95	53,816.76
Output 3: Enhancement of the Malawi Bureau of Standards capacity	69.80	1,030,248.09	1,030,317.89
Output 4: Enhanced Capacity of National Enquiry Points (NEP). Proactive and responsive NEP to info and notification requirements of WTO/TBT/SPS agreements	-	14,074.71	14,074.71
Output 5: Strengthened Sanitary and Phytosanitary infrastructure	-	40,291.00	40,291.00
Output 6: Small and Medium Enterprise (SME) meet quality requirements	(1,282.42)	152,850.24	151,567.82
Output 7: Preparation of the organisational and operational internal by-laws and business plan for a national Malawian Accreditation body		-	-
Output 8: Operational Management Team (operation costs and visibility)	62,610.09	652,806.41	715,416.50
SUB-Total Project Direct Eligible Costs (EXCLUDING CONT)	61,311.78	2,155,558.34	2,216,870.12
CONT (2.75%) - has to be ≤ 5%			-
SUB-total Project Direct Eligible Costs (INCLUDING contingency)			-
Output 1 Support Costs	(989.41)	14,462.65	13,473.24
Output 2 Support Costs	(197.94)	3,770.68	3,572.74
Output 3 Support Costs	7,259.05	78,820.32	86,079.37
Output 4 Support Costs	-	985.23	985.23
Output 5 Support Costs	5,500.18		5,500.18
Output 6 Support Costs	1,400.97	7,019.51	8,420.48
Output 8 Support Costs	11,984.05	47,092.75	59,076.80
Indirect Costs (GMS 7%): Administrative Costs has to be ≤ 7% of Direct Eligible Costs	24,956.90	152,151.14	177,108.04
<b>GRAND TOTAL (Including contingency)</b>	<b>86,268.68</b>	<b>2,307,709.48</b>	<b>2,393,978.16</b>