

## The Challenge

HIV/AIDS, illiteracy, lack of markets, and governance issues prevent Malawi from achieving food security and economic prosperity. USAID programs in Malawi will reduce the percentage of chronically food insecure people in target areas by 10% over the next five years by improving agricultural techniques, the availability of farming inputs, and crop diversification. USAID will promote increased household incomes by increasing agricultural and rural enterprise opportunities, improving health conditions, providing education support for children of marginalized populations, and promoting sustainable use of natural resources.

## Objectives, Sectors and Workforce

Mission Director: Curt Reintsma

MCA Status: Signed Threshold Agreement

PEPFAR Focus Country: No

Provided or Received Services From Other Missions: Received

### Program Budget (Appropriations by Objective)

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07	2005 SO Performance Score	Direct SO Admin. Cost Ratio
612-006 Rural Income Growth	8,056	7,073	860	0	N/A	1.43 Exceeded	0.15
612-007 Increased Constitutionalism and Advocacy	753	550	0	0	N/A		0.36
612-008 AIDS and Family Health	19,500	21,125	0	0	N/A		0.08
612-009 Improved Basic Education Quality and Efficiency	3,932	10,200	2,100	0	N/A	0.89 Not Met	0.10
612-011 Increased Poor Rural Household Food Security	0	0	1,173	4,574	N/A	N/A	N/A
612-012 Wealth/Asset Creation/Retention for the Rural Poor	0	0	3,581	4,142	N/A	N/A	N/A
612-013 Improved Malawian Health and Education Status	0	0	23,763	21,060	N/A	N/A	N/A
PL 480 Title II not Allocated to a Strategic Objective	6,722	10,288	8,103	14,500	115.7%		
<b>Country Total</b>	<b>38,963</b>	<b>49,236</b>	<b>39,580</b>	<b>44,276</b>	<b>13.6%</b>		

### Program Budget (Appropriations by Account)

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Child Survival and Health Programs Fund	19,800	21,425	21,125	21,060	6.4%
Development Assistance	12,441	17,523	10,352	8,716	-29.9%
PL 480 Title II	6,722	10,288	8,103	14,500	115.7%
<b>Total</b>	<b>38,963</b>	<b>49,236</b>	<b>39,580</b>	<b>44,276</b>	<b>13.6%</b>

### Program Budget by Sector and Account

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Basic Education DA	3,632	9,900	4,738	0	N/A
Agriculture and Environment DA	6,610	6,323	4,465	7,547	14.2%
Economic Growth DA	1,446	750	1,149	1,169	-19.2%
Democracy and Governance DA	753	550	0	0	N/A
Family Planning / Reproductive Health CSH	3,200	4,200	4,152	3,575	11.7%
HIV / AIDS CSH	11,500	11,500	11,369	11,385	-1.0%
Child Survival and Maternal Health CSH	2,200	2,200	2,175	2,200	0.0%
Other Infectious Diseases CSH	2,900	3,525	3,429	3,900	34.5%
PL 480 Title II not Allocated to a Sector	6,722	10,288	8,103	14,500	115.7%
<b>Total</b>	<b>38,963</b>	<b>49,236</b>	<b>39,580</b>	<b>44,276</b>	<b>13.6%</b>

### Workforce

	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07
US Direct Hires	8	7	8	6	-25.0%
US Non Direct Hires	4	3	6	6	50.0%
Foreign Nationals	83	85	71	71	-14.5%
<b>Total</b>	<b>95</b>	<b>95</b>	<b>85</b>	<b>83</b>	<b>-12.6%</b>

### Operating Expense

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Salaries and benefits	677	940	951	1,064	57.2%
Travel	342	425	216	153	-55.3%
Transportation of things	150	227	46	52	-65.3%
Rent	200	133	49	118	-41.0%
Security	120	189	189	194	61.7%
Equipment	271	37	6	6	-97.8%
ICASS - Operating Expense only	130	158	176	156	20.0%
Other Operating Expense	546	384	360	250	-54.2%
<b>Total OE Budget</b>	<b>2,436</b>	<b>2,493</b>	<b>1,993</b>	<b>1,993</b>	<b>-18.2%</b>
US direct hire salary and benefits	838	674	743	588	-29.8%

Program Funded Administrative Expenses				1,187
<b>Country Total Administrative Budget</b>				<b>3,768</b>
<b>Percent of Bureau OE Total</b>				<b>2.6%</b>

**Mission Summary**

	FY 2004	FY 2005	FY 2006	FY 2007
Program per US Direct Hire (\$000)	4,870	7,034	4,948	7,379
Program per All US (\$000)	3,247	4,924	2,827	3,690
Program per Position (\$000)	410	518	466	533
Operating Expense as % of Program Funding				4.5%
Program Funded Admin Expense as % of Total Admin				31.5%
Total Admin Expense as % of Program Funding				8.5%

**Other Major Donors:**

Bilateral: United Kingdom, Japan, Sweden, Germany, France, Norway. Malawi also signed a \$20.9 million threshold agreement with the Millennium Challenge Corporation in FY 2005. USAID will be responsible for managing and implementing this program in FY 2006. The threshold agreement will fund programs to strengthen the legislative and judicial branches; provide support to the lead agencies in the fight against corruption; strengthen independent media coverage; and expand and intensify the work of civil society organizations.

Multilateral: World Bank, International Monetary Fund, European Union, African Development Bank, United Nations Development Program.