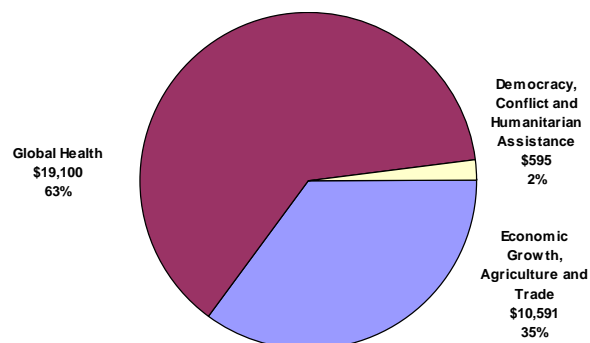
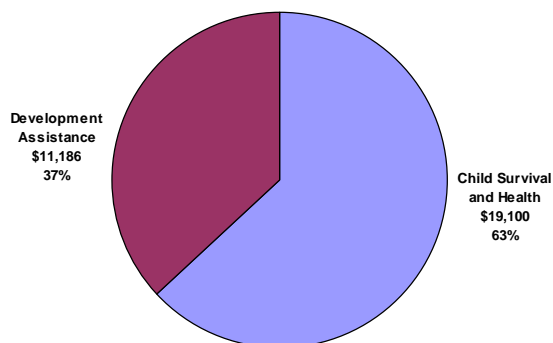


# Malawi

**FY 2006 Assistance by Sector**



**FY 2006 Assistance by Account**



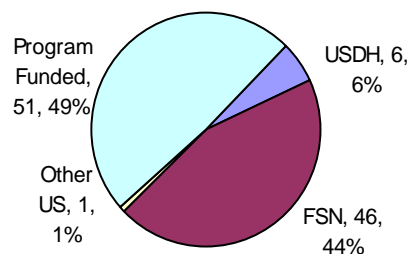
## Objectives and Budget

Objective	SO Number	FY 2004	FY 2005	FY 2006
Rural Income Growth	612-006	8,056	7,073	6,053
Increased Constitutionalism and Advocacy	612-007	753	550	595
AIDS and Family Health	612-008	19,500	20,125	18,800
Basic Education	612-009	3,932	2,840	4,838
<b>Total (in thousands of dollars)</b>		<b>32,241</b>	<b>30,588</b>	<b>30,286</b>

## Administrative Expenses and Workforce

Administrative Expenses	FY 2004	FY 2005	FY 2006
Mission Allocation	1,848	2,321	2,635
USDH Salaries & Benefits	838	618	631
Program Funds	1,573	1,459	1,459
<b>Total (in thousands of dollars)</b>	<b>4,259</b>	<b>4,398</b>	<b>4,725</b>

**FY 2006 Workforce**



Mission Director: Eilene Oldwine - Acting

## Malawi

**The Development Challenge:** In May 2004, Malawi conducted its third multi-party national election since emerging from decades of one-party autocracy in 1994. With this election, a window of opportunity opened for significant economic growth and democratic development. In his first six months in office, Malawi's new President, Dr. Bingu wa Mutharika, has demonstrated particular commitment to economic reform, fiscal restraint, and efficient reinforcement of anti-corruption measures. The next two to three years will be critical to the country's future.

Malawi's political and economic development are impeded by its landlocked status, dependence on a single cash crop (tobacco) for 60% of export earnings, poor incentives for foreign and domestic investment, low status of women, high population growth rate, and low levels of education. Life expectancy at birth is now under 40 years, due to the effects of the adult HIV/AIDS prevalence rate of 15%. The infant mortality rate (104 per 1,000 live births) and the child malnutrition rate (49% of children under age five) are among the highest in Africa. More than one-third of the population has no access to safe drinking water.

Malawi's per capita gross domestic product (GDP) was estimated at about \$170 in 2004. External debt--primarily multilateral and concessional--was approximately \$2.8 billion at the end of 2003. This represented 166% of GDP, with about one-fifth of domestic revenues required for external debt servicing. Malawi reached its decision point under the Enhanced Heavily Indebted Poor Countries (HIPC) initiative in December 2000, and received interim debt relief of approximately \$30-\$60 million per year until December 2004, as a result of Malawi's falling off its International Monetary Fund (IMF) Poverty Reduction and Growth Facility (PRGF) program. Although Malawi applied for interim relief, Paris Club creditors will not extend interim relief without a new PRGF. Malawi has no debt with the United States.

Malawi's PRGF collapsed over the 2001-2003 period due to fiscal policy slippages and other governance issues. Given the new administration's positive actions over the past six months, the World Bank recently released the first \$25 million of structural adjustment credits. Balance of payment donors followed suit, and in November 2004 an IMF team concluded that Malawi's performance under its staff monitored program was strong and proceeding well. Prospects are cautiously optimistic for a new PRGF arrangement in April 2005.

The new administration's actions also were a key factor in Malawi's selection as a Millennium Challenge Account (MCA) threshold country. The country scored lower on MCA selection indicators in the areas of corruption control, fiscal policy, credit rating, and girls' primary education completion. USAID will encourage the Government of Malawi (GOM) as it identifies target areas for improvement and submits a proposal to undertake policy reforms to remedy deficient areas.

The United States has three strategic goals in Malawi: to increase economic prosperity and security; to strengthen democracy and human rights; and to address social and environmental issues, particularly improving health, containing the HIV/AIDS epidemic, and increasing the quality of basic education. Malawi is a strong ally with neighboring countries in the southern Africa region, and has demonstrated significant potential as a democratic pillar in an unstable region. Malawi continues to support U.S. interests in regional development and political issues. Promoting broad-based and private sector-led economic growth and supporting democratic governance will contribute to a more stable region and better business and trading partnerships between Malawi and the United States.

**The USAID Program:** In FY 2005, USAID is supporting the new GOM priorities for its MCA threshold program--which aims to improve GOM's chances of qualifying for MCA eligibility in the future. USAID will continue to support the development of health and education management information systems critical to GOM reporting on MCA selection indicators. As requested, USAID may provide assistance to the GOM's on-going anti-corruption efforts and to improving fiscal policy, both important to its MCA candidacy.

Malawi's President Mutharika has signaled a commitment to accelerating market-led private sector growth and to increasing public sector investments in education and health. The USAID program complements

these important initiatives. USAID is fostering additional trade linkages among small farmer producer associations, larger commodity-specific industry clusters, and export markets, and will continue to expand the availability of financing for small-scale commercial operators. USAID's democracy and governance program is focusing on expanding access to legal aid for the poor through a network of paralegal services and the provision of innovative community-based alternative dispute resolution approaches. Civic education, including the work of inter-faith groups, continues, with an increased emphasis on building tolerance and reducing potential conflict.

USAID's health program is addressing malaria, the number one cause of death for children under five years of age, through continued promotion of insecticide-treated bed nets. The HIV/AIDS program is maintaining partnerships with the GOM and several nongovernmental organizations (NGOs) and faith-based organizations (FBOs) to prevent HIV/AIDS, particularly among adolescents, emphasizing the "ABC" approach (Abstinence, Being faithful, and correct and consistent use of Condoms, where appropriate). HIV/AIDS funding also is being used to expand public and NGO/FBO care and support to individuals and communities affected by HIV/AIDS, including orphans and vulnerable children. The basic education program continues to improve teachers' professional skills, develop schools' abilities to respond to the needs of the student population, and decrease the impact of HIV/AIDS in the sector.

USAID's FY 2005 program benefits from the Trade for African Development and Enterprise Initiative, which fosters increased competitiveness for Malawian agribusinesses, and the African Education Initiative, which supports in-service competency-based training for primary school teachers and administrators.

**Other Program Elements:** USAID's Washington program is launching a major new P.L. 480 Title II food aid Development Assistance Program (DAP) for Malawi in FY 2005. This DAP addresses the problem of chronic food insecurity that sparked Malawi's 2001-2003 food crisis, and will be implemented by a consortium of eight U.S.-based NGOs, including four FBOs. USAID is providing food aid through the World Food Program and DAP consortium members to help stimulate agricultural development, improve nutrition among vulnerable populations, and enhance community resilience to external shocks. USAID continues to contribute to the centrally-managed Famine Early Warning System network (FEWSNET) that helps monitor Malawi's food security situation. USAID also will continue to finance an innovative activity with one or more Malawian interfaith FBOs to promote tolerance and mitigate potential conflict.

USAID will continue to fund the International Eye Foundation, which provides child health activities in several districts in Malawi. USAID will continue to fund a "Farmer to Farmer" program in collaboration with Land O'Lakes. Malawi also will become a pilot country for the new "Safe Schools" activity, aimed at reducing gender-based violence in schools. USAID's Africa Bureau will continue to provide funding to the International Foundation for Education and Self-Health, which provides training and volunteers to teacher training colleges and schools in Malawi.

**Other Donors:** About 70% of central GOM revenues (excluding debt relief) comes from donor assistance. The United Kingdom (UK)--by far the largest bilateral donor to Malawi--works across most sectors, utilizing a combination of project assistance and budget support. The UK is providing \$8.5 million to USAID for common democracy and governance objectives in Malawi over the FY 2004-2007 period. After the UK, the USAID program is one of the largest bilateral programs. A number of other bilateral donors--including Norway, Canada, Japan, and Germany--provide assistance in selected sectors. Multilateral donors include the various United Nations agencies, the European Union, the World Bank, the International Monetary Fund, and the African Development Bank. Donor coordination is excellent in Malawi and helps to strengthen government capacity in many areas.

## Malawi PROGRAM SUMMARY

(in thousands of dollars)

Accounts	FY 2003 Actual	FY 2004 Actual	FY 2005 Current	FY 2006 Request
Child Survival and Health Programs Fund	17,480	19,800	20,425	19,100
Development Assistance	9,849	12,441	10,163	11,186
Economic Support Fund	400	0	0	0
PL 480 Title II	3,202	6,722	7,229	14,455
<b>Total Program Funds</b>	<b>30,931</b>	<b>38,963</b>	<b>37,817</b>	<b>44,741</b>

STRATEGIC OBJECTIVE SUMMARY				
612-006 Rural Income Growth				
DA	6,490	8,056	7,073	6,053
612-007 Increased Constitutionalism and Advocacy				
DA	858	753	550	595
ESF	400	0	0	0
612-008 AIDS and Family Health				
CSH	17,180	19,500	20,125	18,800
612-009 Basic Education				
CSH	300	300	300	300
DA	2,501	3,632	2,540	4,538

Mission Director,  
Eilene Oldwine - Acting

## Data Sheet

<b>USAID Mission:</b>	Malawi
<b>Program Title:</b>	Rural Income Growth
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	612-006
<b>Status:</b>	Continuing
<b>Planned FY 2005 Obligation:</b>	\$7,073,000 DA
<b>Prior Year Unobligated:</b>	\$0
<b>Proposed FY 2006 Obligation:</b>	\$6,053,000 DA
<b>Year of Initial Obligation:</b>	2001
<b>Estimated Year of Final Obligation:</b>	2007

**Summary:** The Economic Growth objective integrates efforts to increase agricultural productivity with improved natural resources management, and places greater emphasis on resolving financial and policy constraints that have prevented the private sector from being the engine of growth in Malawi. USAID funds technology transfer, technical assistance, and training to increase agricultural productivity of smallholder (crop and dairy) farmers. USAID helps link these farmers to private sector exporters and regional and international markets; strengthens microfinance institutions and stimulates growth of private agribusinesses; and increases household revenue from community-based natural resource management activities such as woodlots, fish ponds, and fruit tree nurseries.

### Inputs, Outputs, Activities:

**FY 2005 Program:** Increase Agricultural Productivity (\$3,423,000 DA). USAID is providing technical assistance and market information to enable 110,000 smallholder farmers to gain access to lucrative markets for high value products such as chilies, paprika, groundnuts, aromatic rice and milk, with the goal of increasing sales to \$3.5 million from \$2.6 million in FY 2004. USAID also is providing training and technology transfer to increase adoption of improved dairy management techniques and better genetic stock by 5,700 producers in the Malawian dairy industry. Emphasis continues to be on increasing milk yields and farmer incomes from milk sales. Principal contractors: National Association of Small Farmers of Malawi (NASFAM) and Land O' Lakes (both prime).

Increase Private Sector Growth (\$750,000 DA). USAID-financed technical assistance and training is expanding the number and quality of private sector fertilizer and seed supply outlets in order to provide smallholders with timely access to inputs at reasonable prices. USAID continues to provide technical assistance, necessary equipment, and operating costs for Malawi's first commercial microfinance institution, Opportunity International Bank of Malawi (OIBM). In FY 2005, OIBM will provide almost 13,000 loans valued at about \$4.5 million. USAID also is providing market-driven business development services (training, technology transfer, market information services) to enhance trade and growth opportunities for 1,200 Malawian agribusiness firms. With Trade for African Development and Enterprise initiative funds, USAID provides training and technical assistance to increase exports of Malawian products and resolve constraints to enterprise growth. Principal contractors and grantees: International Soil Fertility and Agricultural Development Center, Opportunity International Bank of Malawi, and Chemonics International, Inc. (all prime).

Improve Sustainable Management of Natural Resources and Biodiversity Conservation (\$2,900,000 DA). USAID provides training, equipment and supplies (hoes, picks, plastic sacks) to enable 45,000 households to undertake community-based natural resources management (CBNRM) activities. USAID-funded technology transfer and training will increase cumulative revenues of 45,000 households that participate in CBNRM activities from \$55,431 in FY 2004 to \$180,000 in FY 2005. USAID also is undertaking topical studies and workshops to encourage the Government of Malawi (GOM) to decentralize its decision-making in natural resources matters. USAID technical assistance and training is enabling 650 communities to adopt improved natural resource management techniques and to improve marketing of natural resource-based products. USAID also is providing technical assistance to help some of these communities negotiate co-management agreements that allow local residents to share in tourism

revenues with the GOM. USAID is providing technical and legal assistance to the GOM and private firms to establish a new public-private partnership for improved national park management. Principal contractors: Washington State University and Development Alternatives, Inc. (both prime).

**FY 2006 Program:** Increase Agricultural Productivity (\$2,256,000 DA). FY 2006 will mark USAID's last year of technical assistance to NASFAM, a nationwide network of farmers' associations that has proven to be an innovative and successful approach for linking low-income farmers to markets. USAID also plans to provide a final year of technical assistance and training to promote genetic improvements and the adoption of better dairy management techniques by 900 producers. In FY 2006, USAID will explore the possibility of promoting access to improved market information for farmers and traders. Principal contractors and grantees: NASFAM and Land O' Lakes (both prime).

Increase Private Sector Growth (\$385,000 DA). USAID will continue to enhance trade and growth opportunities for Malawian agribusinesses by undertaking topical research and providing recommendations and technical assistance to remove barriers to private sector growth, food processing, textiles, and forestry products. USAID will enhance microfinance industry capacity, improve access to capital, and strengthen the legal and regulatory environment to create agriculturally-linked employment and sustainable rural incomes. Principal contractors and grantees: Opportunity International Bank of Malawi and Chemonics International, Inc. (both prime).

Improve Sustainable Management of Natural Resources and Biodiversity Conservation (\$3,412,000 DA). USAID will continue to enhance the capacity of communities to benefit from CBNRM initiatives. USAID will work with communities and the GOM to decentralize decision-making over natural resources, assist communities in adopting improved natural resource management techniques, and provide marketing assistance so that rural residents can gain income from sustainable use of natural resources (e.g., income from beekeeping, collection of wild fruits and mushrooms). Principal contractors and grantees: Washington State University and Development Alternatives, Inc. (both prime).

**Performance and Results:** In FY 2004, the value of agricultural products marketed by farmers associations reached \$2.6 million, continuing the phenomenal growth that has seen sales double every year for the past three years. The gross value of non-tobacco crops sold locally and internationally increased to \$2.2 million. USAID continued to promote the growth of the dairy industry through 48 dairy associations with over 5,700 members (the majority of which are women), and milk sales grew by 54% from FY 2003 to FY 2004. The recent growth of cassava production in Malawi is linked to job growth--at least 2,048 jobs were created (including 946 women hired) through selling and processing cassava tubers and working with cassava-related activities. With USAID assistance, fertilizer imports by the private sector have now reached 224,362 metric tons, and over 1,100 private sector dealers now market over 91% of fertilizer in Malawi.

The number of savings accounts opened by the USAID-supported OIBM stood at 15,190--worth \$1.49 million--and over 1,700 loans worth nearly \$500,000 were disbursed. Seventy-eight percent of borrowers were women. Communities continued to realize net benefits from improved natural resource management activities, with total revenues increasing from \$15,774 in FY 2003 to \$55,431 in FY 2004. Finally, USAID and Washington State University are collaborating with several Malawian private organizations in a new public-private partnership to support community-based management of the Lake Malawi Chia Lagoon Watershed, which provides a livelihood for 55,000 inhabitants.

By 2008, the value of goods marketed through associations is expected to reach \$5 million; total membership in agribusinesses and cooperatives is expected to exceed 125,000; and over 1,000 communities will be actively engaged in community-based natural resources management.

## US Financing in Thousands of Dollars

Malawi

612-006 Rural Income Growth	DA
<b>Through September 30, 2003</b>	
Obligations	19,963
Expenditures	1,116
Unliquidated	18,847
<b>Fiscal Year 2004</b>	
Obligations	8,055
Expenditures	10,766
<b>Through September 30, 2004</b>	
Obligations	28,018
Expenditures	11,882
Unliquidated	16,136
<b>Prior Year Unobligated Funds</b>	
Obligations	0
<b>Planned Fiscal Year 2005 NOA</b>	
Obligations	7,073
<b>Total Planned Fiscal Year 2005</b>	
Obligations	7,073
<b>Proposed Fiscal Year 2006 NOA</b>	
Obligations	6,053
Future Obligations	6,980
Est. Total Cost	48,124

## Data Sheet

<b>USAID Mission:</b>	Malawi
<b>Program Title:</b>	Increased Constitutionalism and Advocacy
<b>Pillar:</b>	Democracy, Conflict and Humanitarian Assistance
<b>Strategic Objective:</b>	612-007
<b>Status:</b>	Continuing
<b>Planned FY 2005 Obligation:</b>	\$550,000 DA
<b>Prior Year Unobligated:</b>	\$200,000 ESF
<b>Proposed FY 2006 Obligation:</b>	\$595,000 DA
<b>Year of Initial Obligation:</b>	2001
<b>Estimated Year of Final Obligation:</b>	2007

**Summary:** USAID's Democracy and Governance program supports civic involvement in the rule of law for poor Malawian citizens. In particular, the program is building the numbers, skills, and reach of paralegal services and alternative dispute resolution mechanisms. The program works closely with Malawian civil society as it engages the Government of Malawi (GOM) on human rights and responsibilities and democratic institutions and processes. USAID will provide training, technical assistance, and some operating expenses to Malawian civil society organizations (CSOs), including faith-based organizations (FBOs), to promote advocacy, civic participation, and community resolution of problems through community education and paralegal services to the poor. Prior to Malawi's May 2005 local elections, USAID will provide technical assistance to key government and CSO actors to ensure widespread, accurate registration of voters and civic/voter education and monitoring.

### Inputs, Outputs, Activities:

**FY 2005 Program:** Protect Human Rights and Equal Access to Justice (\$250,000 DA; \$200,000 prior year ESF). USAID provides technical assistance, training, and operating costs for Malawian nongovernmental organizations (NGOs), including FBOs. These NGOs provide legal services through innovative community-based alternative dispute resolution approaches in 40% of Malawi's districts, delivered by trained paralegals and community-based volunteers. The estimated 2,600 cases are expected to focus on labor disputes; marriage- and divorce-related property settlements; and child custody, support, and inheritance rights of the increasing number of orphans and vulnerable children affected by HIV/AIDS. Principal contractors and grantees: World Learning, Inc. (prime). Malawi President Mutharika's zero-tolerance policy on corruption is a strong step towards realizing a more transparent government and rebuilding the economy. ESF funds may be used to support programs to enhance the professional capabilities of law enforcement entities to carry out investigative and forensic functions conducted under judicial or prosecutorial control.

Strengthen Civil Society (\$250,000 DA). USAID provides subgrants to a wide range of Malawian NGOs and FBOs to undertake significant grassroots outreach and media campaigns covering about 80% of Malawi's population, in order to increase information on citizens' rights and responsibilities. Media campaigns include the continuation of popular soap operas that have proven effective at transmitting information. The program also includes significant expansion of radio listener clubs to reinforce learning from the broadcasts. Principal grantee: World Learning, Inc. (prime).

Promote and Support Free and Fair Elections (\$50,000 DA). USAID provides technical assistance and training that complements other donor funding in order to increase the effectiveness of NGO "get out the vote" and voter education campaigns prior to the FY 2005 local elections. Principal contractors and grantees: to be determined.

**FY 2006 Program:** Protect Human Rights and Equal Access to Justice (\$300,000 DA). USAID resources will provide training, technical assistance, equipment and materials, and operating costs for Malawian NGOs in order to increase the options for legal aid and alternative dispute resolution outside Malawi's formal court system. Coverage is expected to expand to 42% of the country's districts, and will include new conflict resolution approaches. Principal grantee: World Learning, Inc. (prime).



Strengthen Civil Society (\$295,000 DA). USAID plans to provide technical assistance, training, and equipment and materials to existing and new Malawian NGO partners to increase citizens' access to information about rights, responsibilities, institutions and processes, as well as to strengthen the capacity of local groups and citizens to represent and take action for their rights. Principal grantee: World Learning, Inc. (prime).

**Performance and Results:** USAID has helped Malawians to participate more actively in civic life. Surveys undertaken in FY 2004 found that 54% of the citizens in USAID target areas increased their engagement in democratic processes; for example, they reported taking a civic action such as attending a meeting, raising an issue in a public forum, or approaching a local leader, compared with 36% in FY 2003. USAID provided support to the Malawi Electoral Commission (MEC) for the registration process, and to civil society organizations (CSOs) to conduct voter education, monitor the media, and monitor polling and counting stations on election day. A low turnout of 56.35% contrasted with 93.76% in 1999, underscored a lack of voter interest and/or confidence in the process.

By 2008, Malawians will be more knowledgeable about their rights and responsibilities. An estimated 66% of citizens in USAID-affected areas are expected to report having taken some civic action in the previous year, such as attending a meeting or raising an issue in order to solve problems, compared with 26% in 2001. In addition, rural, traditionally disenfranchised groups will have access to an expanded legal aid network that is expected to cover at least 60% of Malawi's districts and to handle an estimated 3,000 cases per year. This network will include community-based alternative dispute resolution mechanisms, thus reducing the burden on the formal court system and increasing access to justice for the poor.

## US Financing in Thousands of Dollars

Malawi

	DA	ESF
612-007 Increased Constitutionalism and Advocacy		
<b>Through September 30, 2003</b>		
Obligations	2,888	900
Expenditures	1,493	500
Unliquidated	1,395	400
<b>Fiscal Year 2004</b>		
Obligations	753	0
Expenditures	1,314	400
<b>Through September 30, 2004</b>		
Obligations	3,641	900
Expenditures	2,807	900
Unliquidated	834	0
<b>Prior Year Unobligated Funds</b>		
Obligations	0	200
<b>Planned Fiscal Year 2005 NOA</b>		
Obligations	550	0
<b>Total Planned Fiscal Year 2005</b>		
Obligations	550	200
<b>Proposed Fiscal Year 2006 NOA</b>		
Obligations	595	0
Future Obligations	3,206	0
Est. Total Cost	7,992	1,100

## Data Sheet

<b>USAID Mission:</b>	Malawi
<b>Program Title:</b>	AIDS and Family Health
<b>Pillar:</b>	Global Health
<b>Strategic Objective:</b>	612-008
<b>Status:</b>	Continuing
<b>Planned FY 2005 Obligation:</b>	\$20,125,000 CSH
<b>Prior Year Unobligated:</b>	\$0
<b>Proposed FY 2006 Obligation:</b>	\$18,800,000 CSH
<b>Year of Initial Obligation:</b>	2001
<b>Estimated Year of Final Obligation:</b>	2007

**Summary:** USAID's AIDS and Family Health objective aims to change harmful individual and societal behaviors, improve the quality of and access to health services, and strengthen the capacity of the health sector in Malawi. USAID will fund subsidized targeted sales of insecticide-treated bed nets to prevent malaria and will promote increased cross-referencing of HIV and tuberculosis (TB) patients in order to control TB. USAID will finance prevention, treatment, and care interventions that complement efforts of the Global Fund for AIDS, Tuberculosis, and Malaria and other donors under Malawi's National AIDS Strategy. USAID will improve child health and nutrition through training community health workers and promoting sales of oral rehydration solution (ORS) to prevent dehydration. USAID also will provide technical assistance to improve clinical quality at public and faith-based health facilities, and will continue to provide management assistance for Malawi's contraceptive and essential drug supply chain.

### Inputs, Outputs, Activities:

**FY 2005 Program:** Prevent and Control Infectious Diseases of Major Importance (\$1,800,000 CSH). Malaria is the number one cause of infant and child mortality in Malawi. USAID funds promotion and marketing costs for subsidized targeted sales of a planned 1.2 million insecticide-treated bed nets nationwide. USAID continues to provide technical assistance and training to Malawi's National TB Program as it expands community-based monitoring in USAID target districts, and USAID continues to promote cross-referencing of TB and HIV/AIDS patients and preventive therapies where indicated. Principal contractors and grantees: the U.S. Centers for Disease Control and Prevention (CDC) and Population Services International (PSI) (both prime).

Reduce Transmission and Impact of HIV/AIDS (\$11,200,000 CSH). USAID funds abstinence-focused media and community programs for youth; subsidized sales of 8.6 million condoms for high-risk groups; counseling, testing, and antiretroviral (ARV) prophylaxis for 100 mothers and infants for prevention of mother-to-child transmission of HIV; training, supervision, and quality assurance at over 30 sites for voluntary HIV testing and counseling of 70,000 individuals; material (food, shelter, first aid) and psychosocial care for 10,000 adults and 7,000 orphans and vulnerable children affected by AIDS; and limited technical assistance to the Ministry of Health (MOH) for HIV treatment of 44,000 individuals. Principal contractors and grantees: Johns Hopkins University's Center for Communication Programs, PSI, Save the Children/U.S., and Family Health International (all prime).

Improve Child Survival, Health, and Nutrition (\$1,725,000 CSH). USAID finances technical assistance and training for community leaders and village health volunteers to promote key health messages and maintain subsidized sales of about one million packets of oral rehydration solution. Principal contractors and grantees: Management Sciences for Health (MSH) and PSI (both prime).

Reduce Unintended Pregnancy and Improve Healthy Reproductive Behavior (\$2,000,000 CSH). USAID continues to provide technical assistance in reproductive health and family planning services at nine new facilities. USAID is collaborating with the MOH and the Christian Health Association of Malawi to certify that four additional hospitals and clinics (for a total of seven) have improved quality standards. Principal contractors and grantees: JHPIEGO and John Snow, Inc. (both prime).

Build Health Systems Capacity (\$3,400,000 CSH). USAID trains district health personnel to improve their supervision and support of sub-district facilities in eight target districts, and to improve health data collection, reporting, and use at all levels of the system. USAID provides technical assistance and logistics training to the public sector Central Medical Stores to assure timely delivery of contraceptives and essential medicines to all service delivery points nationwide. Principal contractors and grantees: MSH and John Snow, Inc. (both prime).

**FY 2006 Program:** Prevent and Control Infectious Diseases of Major Importance (\$1,800,000 CSH). USAID expects to fund promotion and marketing costs for subsidized targeted sales of 1.4 million insecticide-treated bed nets and to provide technical assistance and training to Malawi's National TB Program for community monitoring and HIV/AIDS-TB program integration. Principal contractors and grantees: CDC and PSI (both prime).

Reduce Transmission and Impact of HIV/AIDS (\$11,200,000 CSH). USAID plans to fund abstinence-focused programs for youth; subsidized sales of 9.3 million condoms for high-risk groups; counseling, testing, and ARV prophylaxis for an estimated 200 mothers and infants for the prevention of mother-to-child transmission of HIV/AIDS; voluntary HIV counseling and testing of 85,000 individuals; care of 15,000 adults and 15,000 orphans and vulnerable children affected by AIDS; and limited technical assistance for ARV treatment. Principal contractors and grantees: Johns Hopkins University's Center for Communication Programs, PSI, Save the Children/US, and Family Health International (all prime).

Improve Child Survival, Health, and Nutrition (\$1,400,000 CSH). USAID expects to continue to finance technical assistance and training for improved management of childhood illnesses in eight target districts as well as the subsidized sales of 1.1 million packets of oral rehydration solution. Principal contractors and grantees: MSH and PSI (both prime).

Reduce Unintended Pregnancy and Improve Healthy Reproductive Behaviors (\$2,000,000 CSH). USAID plans to support the efforts of the MOH and the Christian Health Association of Malawi to certify that four additional hospitals and clinics (for a total of 11) have improved quality standards. Principal contractors and grantees: JHPIEGO and John Snow, Inc. (both prime).

Build Health Systems Capacity (\$2,400,000 CSH). USAID will train district health personnel to improve support of sub-district facilities and to improve health data collection, reporting, and use. USAID will provide technical assistance and logistics training to the public sector Central Medical Stores. Principal contractors and grantees: MSH and John Snow, Inc. (both prime).

All family planning assistance agreements will incorporate clauses that implement the President's directive restoring the Mexico City policy.

**Performance and Results:** USAID's AIDS and Family Health program was highly successful in FY 2004. The percentage of households using bed nets increased from 13% (2000) to 43% in 2004, with 36% of children under five sleeping under the nets (compared with 7.6% in 2000). USAID-financed abstinence-based programs reached 80,000 youth in 370 schools, and condom sales to high-risk groups reached almost 8.5 million. About 54,000 persons were tested for HIV at USG-assisted sites; 2,000 persons received home-based care; and over 5,000 orphans and vulnerable children received material (e.g., food, shelter, school fees) and psychosocial support. Subsidized sales of oral rehydration solution exceeded one million packets. The reproductive health program achieved 698,627 couple years of protection (a composite proxy index for voluntary family planning prevalence).

By 2008, the contraceptive prevalence rate will increase from 26.1% (2000) to 34%. Fifty-six percent of children under five will sleep under insecticide-treated bed nets. The number of clients tested at USAID-assisted voluntary counseling and testing centers will increase to 100,000, and 35,000 orphans and vulnerable children will be reached by USAID-financed care and support services.

## US Financing in Thousands of Dollars

Malawi

612-008 AIDS and Family Health	CSH	DA	ESF
<b>Through September 30, 2003</b>			
Obligations	42,997	2,280	0
Expenditures	18,628	2,196	0
Unliquidated	24,369	84	0
<b>Fiscal Year 2004</b>			
Obligations	19,500	0	500
Expenditures	17,601	56	0
<b>Through September 30, 2004</b>			
Obligations	62,497	2,280	500
Expenditures	36,229	2,252	0
Unliquidated	26,268	28	500
<b>Prior Year Unobligated Funds</b>			
Obligations	0	0	0
<b>Planned Fiscal Year 2005 NOA</b>			
Obligations	20,125	0	0
<b>Total Planned Fiscal Year 2005</b>			
Obligations	20,125	0	0
<b>Proposed Fiscal Year 2006 NOA</b>			
Obligations	18,800	0	0
Future Obligations	44,043	0	0
Est. Total Cost	145,465	2,280	500

## Data Sheet

<b>USAID Mission:</b>	Malawi
<b>Program Title:</b>	Basic Education
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	612-009
<b>Status:</b>	Continuing
<b>Planned FY 2005 Obligation:</b>	\$300,000 CSH; \$2,540,000 DA
<b>Prior Year Unobligated:</b>	\$0
<b>Proposed FY 2006 Obligation:</b>	\$300,000 CSH; \$4,538,000 DA
<b>Year of Initial Obligation:</b>	2001
<b>Estimated Year of Final Obligation:</b>	2007

**Summary:** USAID's education program provides long-term undergraduate and postgraduate training at both Malawian and U.S. institutions in the areas of policy, planning, and testing and measurement; long-term undergraduate and postgraduate training at Malawi institutions in primary education teaching skills; and in-service primary teacher training in target districts, with a focus on untrained teachers for grades one to four. The program also includes social mobilization campaigns to increase community participation in school development and management; development of outreach programs on HIV/AIDS prevention; and technical assistance to improve data availability, analysis, and use for Malawi's Education Policy Reform program.

### Inputs, Outputs, Activities:

**FY 2005 Program:** Improve the Quality of Basic Education (\$300,000 CSH; \$2,540,000 DA). USAID continues to provide scholarships for 95 Malawian under-graduate and post-graduate students (70 men, 25 women) in critical primary education areas, including policy, planning, education leadership, testing and measurement, primary methods, and instructional technology. In FY 2005, five Malawians (four men and one woman) will graduate from Lakeland College; 10 (eight men and two women) will graduate from the University of Massachusetts, and six (four men and two women) will graduate from the Virginia Polytechnic and State University (Virginia Tech). With funding from the African Education Initiative, USAID is training primary school teachers in four target districts and at all of Malawi's teacher training colleges in instructional methods, with an emphasis on mathematics, science, social studies, and English. CSH funds are used to implement the USAID-funded Life Skills for HIV/AIDS education curriculum at teacher training colleges, which allows teachers to learn how to protect themselves from HIV/AIDS as well as implement the Life Skills curriculum in the schools. In the four USAID target districts, CSH funds also are used to train school managers and to sensitize communities about the Life Skills curriculum. At the national level, USAID continues to provide technical guidance and support to the Ministry of Education to improve educational data quality and use for policy reform, and for the roll-out of the newly approved national strategies on HIV/AIDS in education and on teacher education and development. Principal contractors and grantees: the American Institutes for Research (AIR), the Academy for Educational Development (AED), Lakeland College, the University of Massachusetts, and Virginia Tech (all prime), the University of Malawi at Chancellor College, Domasi College of Education, and Mzuzu University (all sub).

**FY 2006 Program:** Improve the Quality of Basic Education (\$300,000 CSH; \$4,538,000 DA). USAID plans to continue funding long-term academic training at the university and graduate levels, both in Malawi and the United States, and to provide technical assistance to foster linkages among the teacher training institutions in Malawi. CSH funding will continue to be used to train school managers and school management committees in issues related to HIV/AIDS, including strategies to decrease stigma and discrimination in their communities. At the national level, USAID expects to provide technical assistance and training to increase availability and use of educational data for decision making. Principal contractors and grantees: AIR, AED, Lakeland College, the University of Massachusetts, and Virginia Tech (all prime), and the University of Malawi at Chancellor College, Domasi College of Education, and Mzuzu University (all sub).

**Performance and Results:** USAID supports the development of effective schools that provide more conducive learning environments for children. At the grass roots level, 38% of school committees in the four new USAID target districts have initiated activities to mitigate the impact of HIV/AIDS in their communities. At the classroom level, USAID provided training in instructional skills, class management, and supervisory skills to over 2,000 untrained primary school teachers. In addition, third grade boys and girls in USAID target district schools increased their English language proficiency by 5% in only one year.

Since 1999, five Malawians annually have attended Lakeland College, Wisconsin, for a bachelor's degree in education through a public-private partnership. Twenty Malawians have since graduated from Lakeland College, along with 42 from the University of Massachusetts and Virginia Tech. To date, 32 Malawian graduates with degrees in primary methods (against a target of 20) have taken positions in teacher training colleges--up from zero in 2001. At the policy level, the Government of Malawi approved two national strategies developed with USAID technical assistance: the National HIV/AIDS and Education Strategy and the National Strategy on Teacher Education and Development. The Ministry of Education continued to further develop the Education Management Information System into a real-time tool for critical decision making and planning.

By 2008, USAID will have assisted 830 schools in eight districts of Malawi. Expected results include the training of 6,000 untrained teachers (out of 9,400) in basic teaching skills, and the training of an additional 6,000 teachers for grades five to eight in the new social studies curriculum. In addition, the Government of Malawi will have implemented the two national strategies on teacher education and development and HIV/AIDS and education. Finally, 50 teachers with degrees in primary methods will be training new teachers in Malawi's six primary teacher training colleges.

## US Financing in Thousands of Dollars

Malawi

	CSH	DA
612-009 Basic Education		
<b>Through September 30, 2003</b>		
Obligations	5,061	8,251
Expenditures	2,912	2,647
Unliquidated	2,149	5,604
<b>Fiscal Year 2004</b>		
Obligations	300	3,632
Expenditures	1,488	3,883
<b>Through September 30, 2004</b>		
Obligations	5,361	11,883
Expenditures	4,400	6,530
Unliquidated	961	5,353
<b>Prior Year Unobligated Funds</b>		
Obligations	0	0
<b>Planned Fiscal Year 2005 NOA</b>		
Obligations	300	2,540
<b>Total Planned Fiscal Year 2005</b>		
Obligations	300	2,540
<b>Proposed Fiscal Year 2006 NOA</b>		
Obligations	300	4,538
Future Obligations	1,700	2,780
Est. Total Cost	7,661	21,741