



MALAWI GOVERNMENT

2012/13 BUDGET PERFORMANCE QUARTERLY REPORT (Q3)

Ministry Of Finance

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Malawi

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Foreword

This Quarterly Budget Performance Report is reporting on the performance of Government in implementing the National Budget in the Third Quarter of the 2012/13 Fiscal Year. The report provides a detailed analysis of the Revenues; status of Grants and Loans and Expenditures of Government. The objective is to appraise all Stakeholders on the current status of National Budget implementation, including risks and challenges associated with it, so that where necessary, corrective measures are instituted much earlier to salvage the situation.

The report is structured along the format of the Mid-Year Budget Review Document and the End of Year Financial report. The Ministry of Finance hopes that the information provided in this report will be valuable to various Stakeholders. Any further suggestions for improvements are welcome and can be submitted to the Secretary to the Treasury.

Abbreviations and Acronyms

ESWAP	Education SWAP
IFMIS	Integrated Financial Management Information System
FY	Financial Year
FSAs	Foreign Service Allowances
IMF	International Monetary Fund
MK	Malawi Kwacha
MDF	Malawi Defence Force
NAC	National Aids Commission
NRA	National Roads Authority
NTR	Non-tax Revenues
OPC	Office of President and Cabinet
OPV	Office of the Vice President
ORT	Other Recurrent Transactions
Part I	Donor supported projects
Part II	Projects financed by domestically generated resources
PAYE	Pay As You Earn
PIL	Petroleum Importers Limited
SWAP	Sector Wide Approach
VAT	Value Added Tax

Executive Summary

Revenue Performance

In 2012/13 Financial Year, Government projected to collect total Domestic Revenues to the tune of K270.4 billion which was later revised to K278.89 billion at the mid-year, of which, K243.8 billion were projected to be Tax Revenues and K35.1 billion Non-Tax Revenues. In the Third Quarter of the Financial Year, total Domestic Revenues were expected to be K66.4 billion of which, K55.1 billion and K11.3 billion were projected to be Tax Revenues and Non-Tax Revenues respectively. The actual outturn for Domestic Revenue for the quarter was 71.7 billion on the account of overperformance of Tax revenues of K64.9 billion which compensated the underperformance of Non-Tax revenues of K6.9 billion. In general, Revenues overperformed by K5.3 billion in the quarter.

Performance of Inflows of Grants and Loans

In 2012/2013 Financial Year, Government projected to receive Grants amounting to K124.5 billion. This amount was later revised to K182.5 billion. Of this sum, K80.1 billion were projected to be Program Grants, K67.1 Dedicated Grants and K35.1 billion Project Grants. In the Third Quarter of the Financial Year, projected receipts from Grants was pegged at K34.4 billion, of which, K2.1 billion were projected to be Programme Grants, K23.7 billion Dedicated Grants and K8.7 billion Project Grants. The Outturn for the Third Quarter of the Financial Year represents an underperformance of Grants by K13.0 billion. A total of around K21.4 billion of Grants were received of which

K12.5 billion were Dedicated Grants and K8.9 billion were Project Grants. There were no disbursements under Programme Grants.

Performance on Expenditures

In 2012/13 Financial Year, Government planned to spend K408.4 billion which was later revised to K475.8 billion at mid year. Of this sum, K378.8 billion are projected to be Recurrent Expenditures and K97.2 billion Development Budget Expenditures. In the Third Quarter of the Financial Year, Government planned to spend K119.3 billion including net lending, of which, K96.4 billion are Recurrent Expenditures and K22.9 billion are Development Budget Expenditures. The outturn for the second quarter represents an overall overexpenditure of K1.6 billion including net lending registered on both Recurrent and Development Budget Expenditures.

INTRODUCTION

1.1 Background to the Report

In June 2012, the National Assembly approved a Budget of K408.4 billion inclusive of Net Lending for the 2012/13 Financial Year. This Budget is expected to be financed by Domestic Resources amounting to K270.4 billion and K124.1 billion from Grants. At mid-year, the budget was recast to take on board emerging issues hence it was revised to K475.8 billion on the expenditure side and it is expected to be financed by Domestic Resources amounting to K278.8 billion and K57.9 billion from Grants.

In a view to assess the performance of the National Budget from time to time, the report is developed on quarterly basis to provide insight into all the relevant components of the budget.

This report therefore, examines the performance of Government Budget in meeting the set targets for Third Quarter of the Financial Year, from January to March 2013. It highlights where the discrepancies between the projected and the outturn figures have occurred and also provide a possible explanation for such discrepancies.

1.2 Key Objectives of the Report

The main objective of this report is to present the performance of Government in implementing the National Budget in the period under review. The specific objectives of the report include:

- (i) To present the status of Domestic Revenues;
- (ii) To report on performance of Grants and Loans from Development Partners; and
- (iii) To present the details of Expenditures of Government in the second Quarter of the Financial Year.

1.3 Methodology

The review and assessment of Receipts and Expenditures for the Third Quarter of the Financial Year was done in April, 2013. The work involved analysis of data from the Reserve Bank of Malawi, Expenditure Returns from the various Spending Agencies, consultations with various Stakeholders and spot checks on some of the Projects throughout the country.

1.4 Layout of the Report

The First Chapter introduces the report, its objectives and methodology in assessing performance. The Second and Third Chapters discuss the performance of Revenues and Grants respectively. The Fourth Chapter focuses on the discussion of Expenditures while Chapter 6 concludes the Report.

Performance of Domestic Revenues

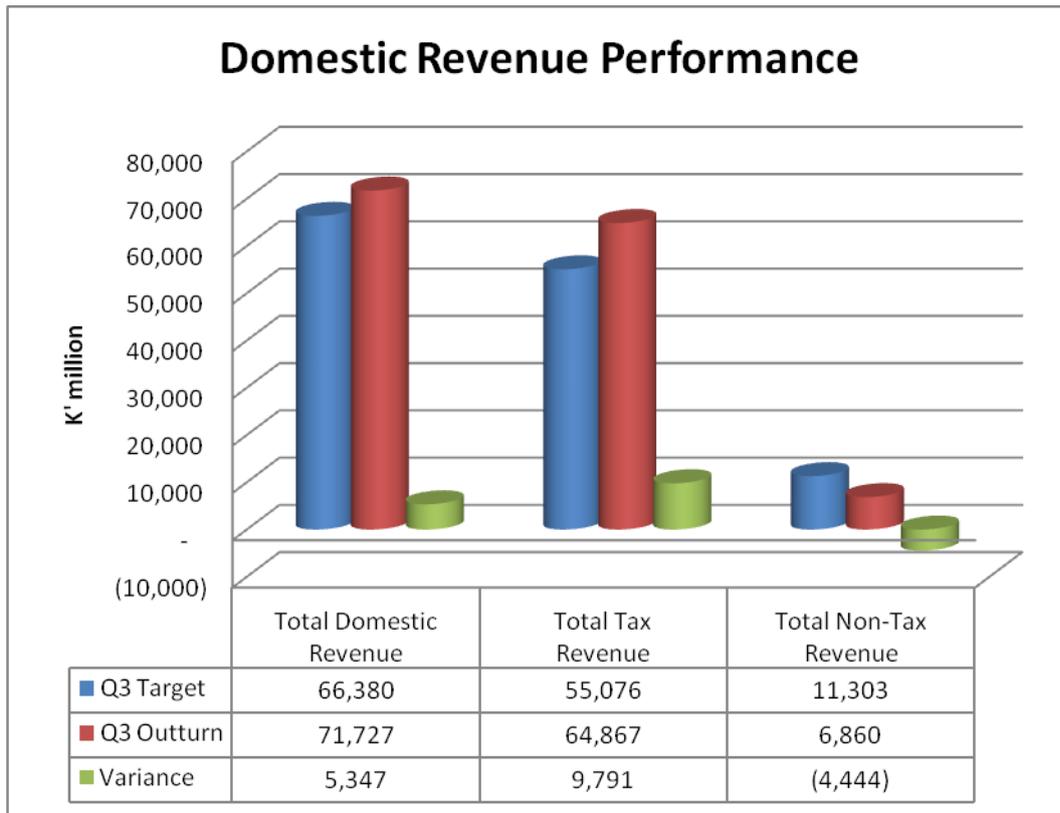
2.1 Introduction

In 2012/13 Financial Year, Government projected to collect total Domestic Revenues to the tune of K270.4 billion which was later revised to K278.8 billion, of which, K243.7 billion were projected to be Tax Revenues and K35.1 billion Non-Tax Revenues. In the Third Quarter of the Financial Year, total net Domestic Revenues were projected to amount to K66.4 billion of which, K55.1 billion were expected to be Tax Revenues while Non-Tax Revenues were projected at K11.3 billion. This Chapter seeks to assess the performance of Government in Revenue collection during the Third Quarter of the Financial Year by comparing the Revenue Outturn for the third quarter against the set targets; and discussing some of the underlying factors that explain the variances.

2.2 Overall Performance in Revenue Collection in the Third Quarter

Figure 2.1 compares the Outturn in Domestic Revenues in the Third Quarter of the Financial Year against their corresponding targets. As indicated in Figure 2.1 below, overall, Domestic Revenues overperformed by K5.3 billion as compared to the Quarterly Target. Total Domestic Revenues amounted to K71.7 billion against a target of K66.4 billion. This translates into a 8.0 percent increase in the revenue collection against the projected amount in the third quarter.

Figure 2.1 Total Domestic Revenues Performance



2.3 Tax Revenue Performance in the Third Quarter of 2012/13 Financial Year

Table 2.1 below compares the Tax Revenue Outturn for the Third Quarter of the Financial Year against the projections. As the Table illustrates, overall, Tax Revenues overperformed by K9.8 billion. The projected and the outturn of Tax revenue was K55.1 billion and K64.9 billion respectively, representing 17.8 percentage overperformance against the projected revenue. The overperformance on the Tax revenue is mainly on account of Paye As You Earn (PAYE) (K2.3 billion), Provisional Corporate Tax (K2.4 billion), VAT on goods and services (K1.7 billion) and Import Duty (K1.9 billion). However, Company Assessment Tax and Local Excise Duties underperformed by K85 million and K422 million

respectively. The net effect is still however, an overperformance of K9.8 billion on the entire Tax Revenues.

Table 2.1 Tax Revenue Performance

Tax	Q3 Target	Q3 Actual	Variance
	K' million		
Tax revenue	55,076	64,867	9,791
Income and profits	26,809	32,531	5,722
Individual	14,509	17,328	2,818
PAYE	13,868	16,129	2,262
Other	641	1,198	557
Fringe benefit	499	752	253
Non-resident tax and others	143	446	304
Corporate	7,571	9,848	2,278
Company assessments	1,382	1,297	(85)
Provisional	6,188	8,551	2,363
Withholding	4,729	5,355	626
Goods and services	23,989	26,025	2,036
VAT	16,941	18,615	1,674
Domestic	8,919	9,533	615
Import	8,022	9,082	1,059
Excise Duties	7,048	7,409	362
Local	2,687	2,266	(422)
Import	4,361	5,144	783
International trade	6,247	8,203	1,956
Import duty	6,247	8,197	1,950
Prepayment	-	6	6
Other	(1,968)	(1,891)	77
Misc. duties	88	122	34
Tax refunds	(2,256)	(2,266)	(9)
Penalties	54	67	13
Dividend	144	184	40
Turn-over tax	2	1	(0)

2.4 Performance of Non – Tax Revenues in the Third Quarter of 2012/13 Financial Year

Table 2.2 below presents the outturn in Non–Tax Revenues in the Third Quarter of the 2012/13 Financial Year against their set targets. As indicated in the Table, actual Non–Tax Revenues amounted to K6.9 billion compared to their target of K11.3 billion, thus an under collection of K4.4 billion. Departmental receipts which amounted to K2.1 billion against a target of K3.1 billion underperformed by K1.0 billion. This is on account of underperformance registered in most of the major Revenue collecting Ministries and Departments. Going forward, Departments need to jackup their revenue mobilization initiatives to avoid negatively affecting Government Fiscal Performance. There is also need to enhance revenue monitoring to boost revenue collection.

Table 2.2 Non – Tax Revenue Performance in the Third Quarter

Department	Q3 Projection	Q3 Actual	Variance
Total Non Tax Revenues	11,303,090,000	6,859,449,057	(4,443,640,942)
Departmental Reciepts	3,138,130,000	2,117,469,057	(1,020,660,942)
Immigration	825,000,000	665,569,713	(159,430,286)
Civil Aviation	225,000,000	306,839,711	81,839,711
Road Traffic	587,500,000	289,268,677	(298,231,323)
Marine	5,000,000	1,292,870	(3,707,130)
Met. Services	500,000	-	(500,000)
Police	175,000,000	77,712,094	(97,287,905)
Geo Survey	375,000	-	(375,000)
Trade and Industry	33,750,0000	4,834,780	(28,915,220)
Forestry	-	172,990	172,990
Agriculture	30,000,000	16,030,807	(13,969,192)
Youth, Sports	8,750,000	1,508,725	(7,241,275)
Labour & Social Services	18,750,000	8,242,100	(10,507,900)
Judiciary	7,500,000	6,682,625	(817,374)
Fisheries Department	3,000,000	1,435,850	(1,564,150)

Department	Q3 Projection	Q3 Actual	Variance
Mines	100,000,000	274,724,284	174,724,284
NSO	150,000	166,576	16,576
Education	200,000,000	77,514,157	(122,485,842)
Finance	25,000,000	-	(25,000,000)
Accountant General	30,000,000	31,516,928	1,516,928
Registrar General	200,000,000	187,019,886	(12,980,113)
Government Stores	-	1,214,500.00	1,214,500
ODPP	2,500,000	-	(2,500,000)
Lands & Phy. Planning	425,000,000	105,514,269	(319,485,730)
Health & Population	25,000,000	15,075,576	(9,924,423)
Information	3,750,000	1,136,356	(2,613,643)
Tourism & Parks	8,750,000	6,730,700	(2,019,299)
Water & Irrigation	12,500,000	25,850,584	13,350,584
Women & Children	10,000,000	11,037,100	1,037,100
Prisons	1,325,000	361,086	(963,914)
Administrator General	150,000	16,106	(133,893)
Fuel Levies	5,704,960,000	4,226,080,000	(1,478,880,000)
Road Levy	2,763,750,000	2,262,400,000	(501,350,000)
Rural Electrification Levy	2,478,460,000	1,666,270,000	(812,190,000)
Storage Levy	462,750,000	297,410,000	(165,340,000)
Other	2,460,000,000	515,900,000	(1,944,100,000)
Road Tax	500,000,000	515,900,000	15,900,000
Parastatal Dividends	560,000,000	-	(560,000,000)
NOCMA	1,400,000,000	-	(1,400,000,000)

2.5 Conclusion

The report indicates that overall, Revenue collection in the Third Quarter of the Financial Year overperformed, mainly on account of overperformance in Tax Revenues. Non-Tax Revenues on the other hand underperformed largely due to policy changes Government is implementing, in particular, the exchange rate adjustment which in effect shrank operational budgets for revenue collection. Going forward, Revenue Collecting Departments will need to upscale their revenue collection initiatives so that Government is able to meet its Domestic Revenue Targets.

Performance in Inflows of Grants in the Quarter

3.1 Introduction

In 2012/13 Financial Year, Grants were projected to amount to K124.5 billion. This was revised at mid-year to K182.5 billion. Of this sum, K80.1 billion were projected to be Program Grants, K67.1 billion Dedicated Grants and K35.1 billion Project resources.

In the Third Quarter of the 2012/13 Financial Year, Government projected to receive K34.4 billion Grants of which K2.1 billion were projected to be Programme Grants, K23.7 billion Dedicated Grants and K8.6 billion Project Grants. This Chapter, examines the performance of Grants in the Third Quarter of the Financial Year.

3.2 Performance in Overall Inflows of Grants in the Financial Year

Table 3.1 presents the performance of Grants in the Second Quarter of the Financial Year. As indicated in the Table, overall, Grants overperformed by K34.0 billion. In particular, Programme, Dedicated and Project Grants overperformed by K30.5 billion, K1.7 billion, and K1.9 billion respectively.

Table 3.1: Details of Performance of Grants for the Third Quarter of the 2012/13 FY

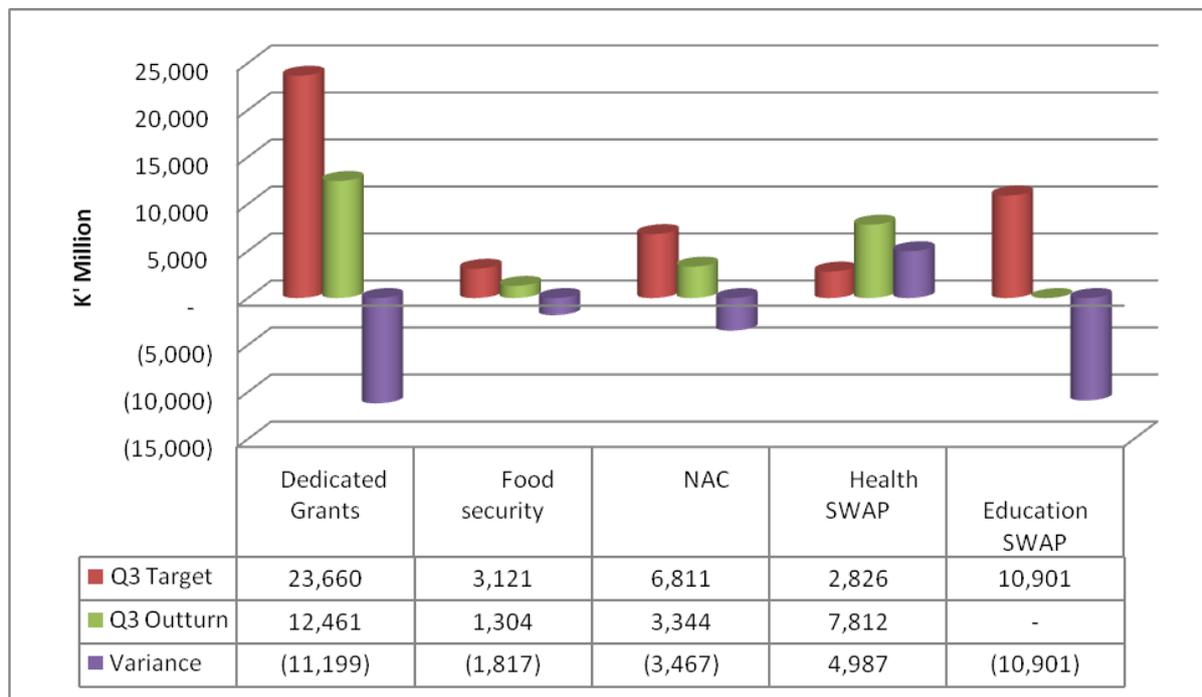
	Q3 Target	Q3 Outturn	Variance
Grants	34,392	21,374	(13,019)
Program	2,075	-	(2,075)
Dedicated Grants	23,660	12,461	(11,199)
Food security	3,121	1,304	(1,817)
NAC	6,811	3,344	(3,467)
Health SWAP	2,826	7,812	4,987
Education SWAP	10,901	-	(10,901)
Project Grants	8,657	8,912	255

3.3 Performance of Dedicated Grants in the Third Quarter of the Financial Year

Chart 3.1 below presents the performance of Dedicated Grants in the the Third Quarter of the 2012/13 Financial Year. Overall, Dedicated Grants underperformed by K11.2 billion. The overperformance is largely explained by the Food Security and Education SWAP which overperformed by K4.5 billion and K808 million respectively. On the other hand, NAC resources and Education SWAP underperformed by K2.5 billion and K1.1 billion respectively.

Of the 7.8 billion disbursed for Food Security, DFID, Norway, and Irish Aid disbursed K3.4 billion, K3.2 billion, and K1.3 million. Norway exceeded its target by K3.2 billion.

Chart 3.1: Performance of Dedicated Grants for the Third Quarter of the 2012/13 Financial Year



3.4 Conclusion

As indicated above, overall, disbursement of Donor resources under Grants underperformed in the Third Quarter of the Financial Year and this is explained by lower inflows than planned under Program Grants and Dedicated Grants. It is envisaged that more resources would start flowing in in the Fourth Quarter.

Performance of Expenditure in the Third Quarter

4.1 Introduction

This chapter highlights the performance of expenditures in the Third Quarter of the 2012/13 Financial Year and explain the factors underlying the observed expenditure trends.

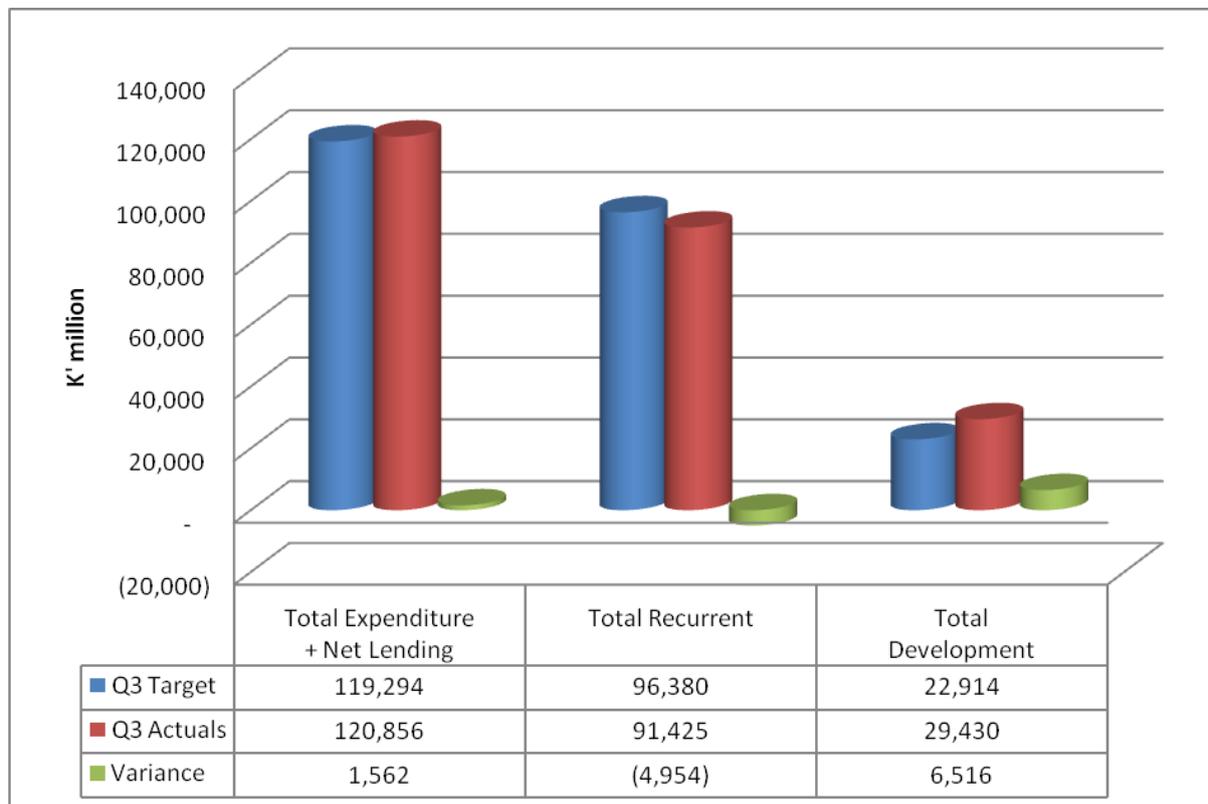
In 2012/13 Financial Year, Government is expected to spend K408.4 billion which was revised to K475.8 billion. Of this sum, K378.7 billion are projected to be Recurrent Expenditures and K97.1 billion Development Budget Expenditures. In the Third Quarter of the Financial Year, Total Expenditures, including Net Lending and Direct Payments were projected at K119.3 billion broken down as K96.4 billion Recurrent Expenditures and K22.9 billion Development Budget Expenditures.

Out of the projected Recurrent Expenditures, Wages and Salaries were projected at K24.0 billion; Interest Payments K19.1 billion while other current expenditures including Good and Services and Subsidies and Transfers were projected at K36.2 billion and K27.1 billion, respectively. On the other hand, expenditures on Development Budget Projects were projected at K22.9 billion broken down as K7.4 billion Domestically Financed Projects and K15.5 billion Foreign Financed Projects.

4.2 Performance of Overall Expenditures in the Third Quarter of the Financial Year

The Outturn for the Third Quarter of the Financial Year indicate that Total Expenditures for the Quarter were K120.9 billion including net lending, broken down as K91.4 billion Recurrent Expenditures, K29.4 billion Development Budget Expenditures. Chart 4.1 below illustrates the Projected expenditures against the Outturn.

Chart 4.1 Total Government Expenditure in the Third Quarter of the 2012/13 FY



As can be depicted from Chart 4.1 above, Total Expenditures in the Quarter were above the projected amount of K119.3 billion by K1.6 billion. This overexpenditure is explained by increased activities under the Development Budget (Part I) emanating from increased inflows under the Health SWAP.

4.2.1 Expenditures under Personal Emoluments

In 2012/13 Financial Year, Government projected to spend K86.1 billion on PE which was later revised to K92.0 billion necessitated by civil service salary adjustments and exchange rate movements which affect Foreign Service Allowances (FSA). In the Third Quarter of the Financial Year, the projection was that a total of K24.0 billion will be spent on Personal Emoluments. The outturn for the Quarter was that a total of K24.9 billion was spent resulting into an overexpenditure of K853.9 million. This was mainly due to salary revisions across the board which was more than the anticipated amount and also due to continued movement of the exchange rate resulting in more kwacha servicing the FSAs.

4.2.2 Other Recurrent Transactions (ORT)

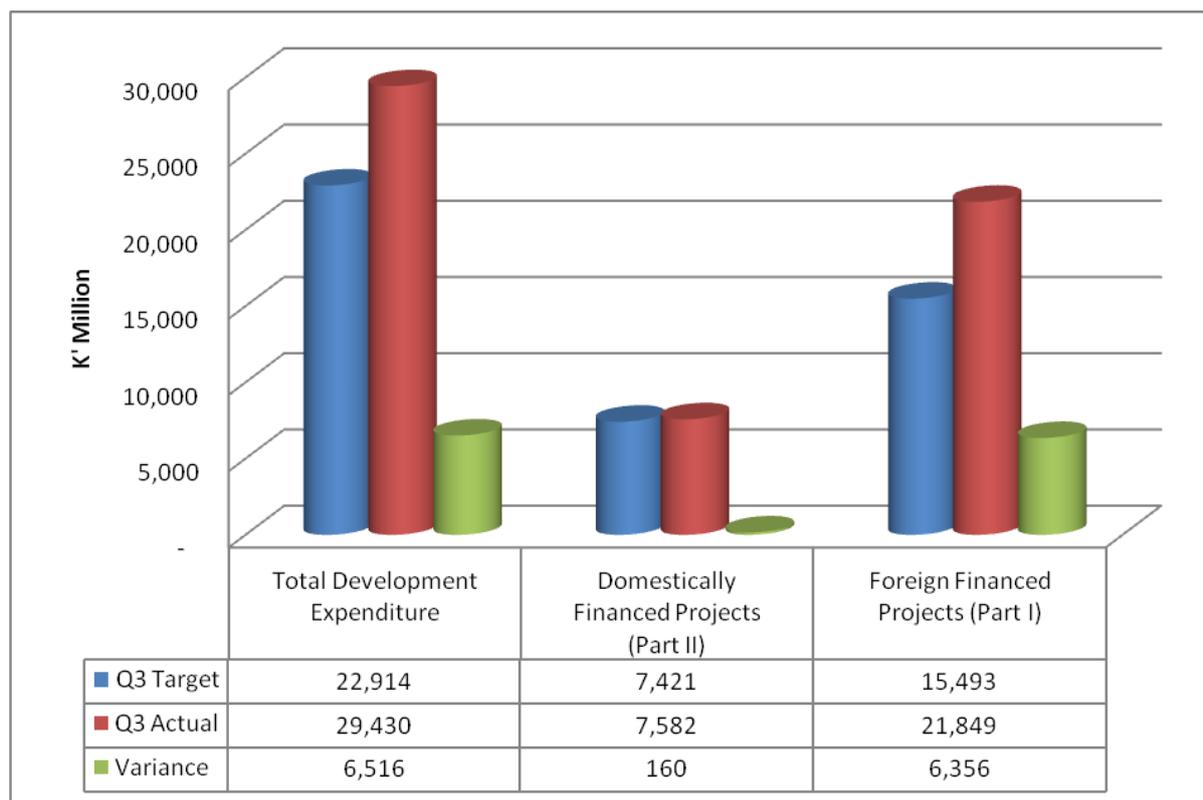
ORT expenditures for the Third Quarter of the Financial Year were projected to amount to K72.4 billion (which is total recurrent expenditure less wages and salaries). Actual expenditures as at the end of the Quarter were K66.6 billion which was below the projection by K5.8 billion. This shows that ORT expenditures in general were contained within the anticipated projections.

4.2.3 Development Budget Expenditures

On Development Budget Expenditures, Government planned to spend K22.9 billion in the Third Quarter of the Financial Year, of which, K7.4 billion was to be financed using domestic resources (Part II) and K15.5 billion was for Foreign Financed Projects (Part I). As depicted by Chart 4.2 below, the outturn on Development Budget Expenditures was that K29.4 billion was spent

implying an overexpenditure of K6.5 billion. The overexpenditure was on account of favourable donor inflows especially under Health SWAP in the Quarter under review which translated into increased activities under the Development Budget Projects.

Chart 4.2 Performance of the Development Budget



Annex I is a compendium of some of the development projects assessed in the quarter under review. It shows the performance of each project visited and gives reasons per project for any reported under performance.

4.3 Conclusion

This Chapter focused on the performance of expenditures of Government in the Third Quarter of the 2012/13 Financial Year. The expenditures were broken down into various categories and the analysis was based on the discrepancies

between the target and the actual Expenditures. Generally, the outturn showed that expenditures were slightly above the target by 1 per cent. Analysis by budget type, however, has shown that Recurent Budget expenditures were contained within their target. On the other hand, expenditures on the Development Budget Projects were higher than antecipated due to corresponding increased inflows from development partners resulting into increased activities. It is envisaged that Government would maintain its fiscal stance in Fourth Quarter in order to contain the expenditures within the approved appropriations.

Conclusion and Recommendations

The report has revealed that Revenue collection in the Third Quarter of the Financial Year was above the target and this was mainly due to the overperformance of Tax Revenues. However, Non-Tax Revenues dismally performed in the quarter. It is therefore recommended that revenue collection bodies especially those collecting non-tax revenues should continue to give priority to revenue enhancing activities to avoid missing their annual target.

Disbursement of resources under Grants underperformed in the Third Quarter. This was mainly on account of lower than antecepatated disbursements towards Education SWAP, Food Security, and NAC Inflows. It is anticipated that the situation would improve in the Fourth Quarter.

On the Expenditure side, overall, Government Expenditures were slightly above the target for the Quarter. It is therefore recommended that Government should maintain a tight fiscal stance in remaining quarter for a favourable year-end fiscal balance.

ANNEX 1 A COMPENDIUM OF THE DEVELOPMENT PROJECTS

PROJECT NAME	Donor	2012/2013			Status and comments	
		Part 1 Allocation	Part 2 Allocation	Total		
050 - State Residences						
Construction and Rehabilitation of State Houses and lodges		-	197,921,443	197,921,443		There has been good progress on the implementation of the project. At Kamuzu Palace, 5 Km of the fence has been constructed and only about 600 metres is remaining to finish. Rehabilitation works have also been done at Kamuzu palace, Zomba State Residence and Blantyre staff offices.
Total		-	197,921,443	197,921,443		
070 – Judiciary						
Maintenance of Buildings		-	158,764,330	158,764,330		

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
Construction of Commercial Court		-	400,000,000	400,000,000	The project is at an advanced stage. Structural Works for the last floor are in progress and minor finishing works have resumed.
Judicial Complex- Lilongwe		-	35,000,000	35,000,000	Funds were used for the construction of Commercial court.
Total		78,942,839	593,764,330	593,764,330	
080 - National Assembly					
Construction of Parliament Building - Phase 3			75,000,000		The money was to finalize payments on landscaping and other minor works
Total		-	75,000,000		

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
090 - Office of the President and Cabinet					
Greenbelt Initiative		-	1,000,000,000	1,000,000,000	The project is in 3 districts namely Chikwawa, Salima and Karonga. There is good progress in the sites like Chikwawa irrigation site. This is an ongoing project in all districts concerned. There is need for more resources in order to complete the construction works at the sites.
Rehabilitation of CIVO sports club			80,000,000		The project is at the Civil Service club. There were some maintenance works and the construction of the fence around the club. There is very good progress as the construction works is almost through.
Improving Capacity of Government Print		-	100,000,000		The Construction works were completed, the machines planted and tested but the machine accessories are expensive because Government Print has to buy from the owners of the machine. There is need to look again at the contract. The printer

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
					is just idle.
National Registration Bureau		-	350,000,000	350,000,000	Village registers were done. Hospitals now able to issue birth certificates. There is need to sped up on IDs
Total		-	1,530,000,000	1,530,000,000	
093 - Department of Public Service Management					
Human Resources Management Information System		-	45,000,000	45,000,000	The core functions of HRMIS namely; Establishment control, Employee records, Payroll and Pension are fully operational. HRMIS computer equipments procured and installed. The interface between HRMIS and IFMIS is good. Plans to rollout to District Councils
Total		-	45,000,000	45,000,000	

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
100- Department of National Defence					
Improvement of Barracks Roads		-	890,630,192	890,630,192	The project is currently at Chagalume Barracks where there is construction of the roads within the Barracks to Bitumen standard. About 10.9 Kilometres road stretch is being constructed. Plans are that the construction works should be completed by the end of the 2012/13 Financial year. However the project is most likely to spill over to the next financial year due to price escalation.
Total		-	890,630,192	890,630,192	
110 - Department of Development Planning					
Institutional Cooperation Project - Phase 3	NORAD	74,376,000	20,000,000	94,376,000	
Study on Effective and Inclusive Targeting Mechanisms for National Social Support Programme	WB	74,250,000	20,000,000	94,250,000	

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
Total		267,664,994	40,000,000	307,664,994	
120 - Local Government & Rural Development					
Rural Livelihood & Economic Enhancement	IFAD	619,500,000	16,610,000	636,110,000	The project aims at developing value chain of agricultural commodities from production to the consumer. It is currently in Dedza, Mchinji and Ntchisi. So far, they have distributed 90 metric tones of groundnuts seeds and 90 metric tones of potato seeds to 5000 farmers and also trained them of modern farming practices. On top of this, the project has constructed 3 warehouses for storage of the agricultural commodities
Development of Rural Growth Centres			400,000,000	400,000,000	Works are complete and ready for handover at Nthalire and Neno rural growth centres. At Nambuma, Chitekesa, Chapananga and Mkanda rural growth centres, a few minor completion works are required especially on the community halls

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
					and Libraries for these growth centres. The overall progress is rated above 85 percent for all the outstanding growth centres.
Rural Livelihoods Support Programme	IFAD	275,850,000	19,837,500	295,687,500	The project is in Chiradzulu, Thyolo and Nsanje Districts and it supports smallholder farmers through Goat pass on project, Dairy farming and piggery. Currently, the project is winding up and they are plans underway to redesign the project to include the component of Financial cooperatives in the next phase.
Development of Urban and Rural Markets			200,000,000	200,000,000	Mangochi, Ekwendeni and Thyolo markets are 100 percent complete. Matawale, Limbuni, Nkhamenya and Enukwenu Markets are all near completion with minor finishing works to be done. Lizulu and Tsangono markets bids have been evaluated and awaits funds for the construction to commence. A 'no objection' has been granted by ODPP for Nsanje market and this awaits nodding of the

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
					contracts units of the OPC.
Local Government Strengthening and Investment Programme (LOGSIP)	GIZ/UNDP	675,104,796	17,000,000	692,104,796	The project has been piloted in Ntcheu and Thyolo where Local Economic Development Officers have been recruited to facilitate development of Local Economic Development Strategies. The project has also produced Local Economic and Business Environment Assessment Report for the 2 councils and the Gender mainstreaming report to be used by all the Councils .
Rural Infrastructure Development Programme	EU	3,855,467,571	35,000,000	3,890,467,571	Programme estimate #2 has just been endorsed and started on 1 february 2013. Balances in rreources in programme estimate #1 will be decommitted into the financing agreement to avail them in PE #3. 47% of the project has been used.
Total		5,425,922,367	688,447,500	6,114,369,867	

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
130 - Lands, Housing and Urban Development					
Construction of Chiefs' Houses and Office		-	150,000,000	150,000,000	Chief Lundu's house completed. Other houses under construction
Construction of Government Offices Capital Hill (GOCH 7)		-	450,000,000	450,000,000	Progress very good. The project will complete in the next financial year
National Slum Upgrading		-	30,000,000	30,000,000	Studies still underway
Land Information Management Systems		-	85,000,000	85,000,000	
Construction of Clinic and Food Court at Capital Hill		-	100,000,000	100,000,000	Progress very good. The project will complete in the next financial year
Construction of Conference Rooms for Government Offices at Capital Hill Program		-	50,000,000	50,000,000	Construction staved as some cables had to be removed by MTL and ESCOM
Total		-	865,000,000	865,000,000	
180 - Sports, Youth Development and Welfare					
Integrated Youth Development Initiative	UNICEF	-	100,000,000	100,000,000	The project is aimed at developing young people with skills to manage their own

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
					enterprises. The Centre's vision is to train youth from the SADC region. The progress so far: one semi detached house completed, Cafeteria and two hostels in the fixing and fitting stage. Quotation for electricity connection was paid waiting for ESCOM to install the power. This represents 80% of total work done in Phase 1. Meanwhile, trainings in crop, animal production are being conducted to the youths in Neno district.
Total		-	100,000,000	100,000,000	
190 - Agriculture Irrigation and Water Development					
Improvement of Irrigation Infrastructure in Agricultural Research Stations		-	60,000,000	60,000,000	Aimed at Dam designing for the rehabilitation or construction at 4 research stations. So far rehabilitation assessments have been done at Mbawa, Chitala, and Makoka Research Stations

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
Climate adaptation for rural livelihood & agriculture	AfDB	115,270,515	-	115,270,515	
Agriculture Development Programme	Norway	132,774,619	-	132,774,619	
Support to Bunda College Climate Programme	Norway	699,696,000	-	699,696,000	
Up scaling Production of Breeder and Basic Livestock		-	45,000,000	45,000,000	Aimed at coordinating production and making available adequate amounts of breeders and basic seeds of legumes, cereals, pastures, horticultural crops and improved livestock breeds in order to enhance productivity. Seeds for 26 ha have been distributed for various crops and planted
Smallholder Agriculture Infrastructure Support Project	AfDB	786,993,177	50,000,000	836,993,177	The Project aims at establishing 1,220 hectares of sugar cane and 1,100 ha of various crops under irrigation, opening 13 market centers and one market depot for agricultural produce and training of farmers and other stakeholders. So far, training of stakeholders has been completed.
Construction of Small Metallic Silos		-	50,000,000	50,000,000	Aimed at training 100 artisans,

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
					fabricating 100 silos, produce 100 manuals and conduct 187 demonstrations. So far 20 artisans have been trained, 100 silos of 500kg capacity have been fabricated, 20 manuals produced, and 120 demonstrations done
Malawi Agricultural Regulatory and Advisory Services Improvement Project		-	66,000,000	66,000,000	One seed laboratory accredited, 10,000 out of 11,000 packets of rhizobium produced, 1,000 out of 1,500 extension workers and farmers trained, 597 out of 550 imports permits issued, 41 out of 50 samples quarantined
Cotton production and ginning production project		-	240,000,000	240,000,000	The plan was to put 250,000 ha to cotton use, do 3,000 demonstrations, and distribute 2,250 metric tons of seed. So far 262,266 ha are now under cotton cultivation representing 105 per cent performance, 2,700 demonstrations done, and 3,934 metric tons of seed distributed. Government is now in the process of engaging a Fund Manager

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
Promotion of Fruit Production		-	100,000,000	100,000,000	Aimed at rehabilitation or establishment of 5 Government nurseries and 28 community nurseries. So far 1 Government nursery has been rehabilitated and 11 community nurseries have been identified, 4,006 seedlings and been procured and delivered to Mwanza, 11 out of 28 planned groups have been formed and strengthened.
Development of Agricultural Biotechnology in Malawi		-	57,418,800	57,418,800	Biotechnology and biosafety laboratory is under renovation at Chitedze
Livestock Development Programme		-	300,000,000	300,000,000	Aimed at contributing to economic growth through increased livestock production and specifically aimed at producing 180,000 black austrolop chickens, importation of 80 dairy heifers, production of 70 dairy crosses and support to Mikologwe School of Veterinary Science. So far 112,611 black austrolops produced, 45 dairy crosses produced, school buildings at Mikologwe have been

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
					rehabilitated and teaching and learning and learning materials bought.
Sustainable Agricultural Production Programme (SAPP)	IFAD	768,116,580	-	768,116,580	Funding to the tune of K53 million has just been released in the third quarter. Meaningful progress to be registered by the final quarter.
Presidential Initiative on Aquaculture Development II		-	100,000,000	100,000,000	143 Ponds have been constructed in all the districts against an annual target of 400; a total of 950,000 fingerlings were produced and distributed to farmers in 4 months against an annual target of 2 million; 436 farmers against a target of 1000 have been trained in pond management skills; of the two cage culture trials, one has been done; 556 tonnes of fish have been harvested from all production systems against annual production of 500
Support to Department of Agriculture Extension Services	Flemish	168,783,144		168,783,144	

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
Agriculture Sector Wide Approach - Support Project	IDA	10,572,766,875	-	10,572,766,875	180 Research led improved variety trials completed against 210 annual target; 5,495 mt of seed monitored and certification improved against annual target of 7,500; 79,150 ha of small holder farmers against 120,000 ha annual target under conservation farming.
Total		13,244,400,910	1,068,418,800	14,312,819,710	
200 - Department of Disabilities and the Elderly					
Construction of Hostels for the Neno Elderly Care Centre		-	80,752,000	80,752,000	Project purpose: To improve the lives of elderly through access to Elderly care services. So far, construction of elderly shelters at Neno has not been commenced due to in adequate budget provision in 2012/13 budget. However, meetings sensitizing the community on elderly support are underway and comedy episodes produced and aired on Radio and TV

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
Total		-	80,752,000	80,752,000	
210 - Department of Irrigation & Water Development					
Dispersed Borehole Construction-PPE		-	125,000,000	125,000,000	12 out of 100 boreholes drilled. Low progress due to fuel scarcity and breakdown of machinery. The target has been revised down to 60 by March 2013
Small Farms Irrigation Project - phase II		-	115,000,000	115,000,000	140 ha out of the 240ha leveled, inputs (seeds and fertilizer) procured and awaits distribution, 4 maize mills constructed
Water Retention Structure Development program		-	500,000,000	500,000,000	Has not taken off due to lack of enough resources.
Songwe River Basin Development Programme	IDA/AfDB	4,093,110	50,000,000	54,093,110	Negotiations with successful consultant done, Accountant for the project recruited
Malawi Irrigation Development Support Program		-	200,000,000	200,000,000	Construction works underway with varying degrees of progress ranging from 25% to 75%) however, works have stalled at Chisyemba & Chivungulu due to land conflicts. Planned also to

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
					install 32 kits but currently 4 kits have been installed. This is due to late engagement of a technician
Ground Water Extraction for Rural Piped Water Supply in Malawi		-	106,865,732	106,865,732	Trench excavation and pipe laying to existing tank to Ngala Forest; and Kasese Health Centre Pipeline pressure testing
National Water Development Programme	Many	663,036,002 1,180,984,839	50,000,000 150,000,000	713,036,002 1,330,984,839	The objective of the programme is to increase access to sustainable water supply and sanitation services for people living in cities, towns, market centres, and rural areas and improved water resources management at national level. The beneficiary target for NWDP is to reach 7.4 million people with water supply and sanitation. To date up to 3.7 million people have been reached indicating 50% achievement of the target.
Smallholder Crop Production and Marketing Project	AfDB	950,828,055	100,000,000	1,050,828,055	796 ha of irrigation schemes has been done out of the planned

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
					1,026 ha, 4 boreholes have been drilled at market centres, and contracts have just been awarded to construct 4 community storage centres
Total		2,832,351,628	1,396,865,732	4,229,217,360	
250 - Education Science and Technology					
Construction project for Lilongwe University of Agriculture and Natural Resources			500,000,000	500,000,000	There is good progress
Construction project for Polytechnic			300,000,000	300,000,000	This project was being handled by Polytechnic but now it shall be transferred to EIMU. Scope of works being revisited to match with the budget.
Construction project for Chancellor College			300,000,000	300,000,000	This project is being managed by the Building Department in the Ministry of Transport and Public Works. Bills of Quantities and bidding documents for the construction of lecture room done; waiting for tendering.

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
ADF IV Construction of Community Day Secondary Schools			10,000,000	10,000,000	ODPP has approved the recommendation for award of the contracts to Terrastone Ltd; contractor informed already; contract documents being prepared; contract signing ceremony has been planned for 30th October 2012. The sites are in the following districts; Mzimba, Mzuzu, Nkhatabay, Nkhotakota, Salima and Lilongwe.
Completion of works at Mzuzu University			100,000,000	100,000,000	Contracts terminated, new Bills of quantities and bidding documents prepared and submitted to SPU and World Bank for review; TORs for the recruitment of individual electrical engineer finalized and submitted to SPU
Construction of Girls' Hostels.			300,000,000	300,000,000	16 hostels were to be constructed. 8 have been completed, the other 8 are waiting for utility connections especially electricity. Progress is above 80 per cent but slow. The problem was delayed payments but has been sorted. The project is now

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
					on track and will meet the deadline of completion by the end of the financial year.
Support to Secondary Education Project (Education V)	AfDB	157,536,371	41,334,904	198,871,275	15 out of 18 schools completed; contractors attending to defects; the other 3 schools involved construction of a laboratory, library and reading room as one block only; progress for these at roofing stage; about 80% progress. Furniture being delivered; lab items; books, waste bins, filing cabinets, ICT equipment, delivered to most of the schools; water and electricity connection still a challenge to most schools.
Rehabilitation of 4 National Secondary Schools			150,000,000	150,000,000	Rehabilitation of Lilongwe Girls and Blantyre only. Analysis of sights and bills of quantities established
Construction of Primary Schools and Teachers' Houses			2,000,000,000	2,000,000,000	374 classroom constructions are ongoing and 5 schools completed and handed over between July 2012 to date. Slow progress

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
					registered;
Construction of Teachers Training Colleges for Primary School Teachers			200,000,000	200,000,000	The sites for these include Rumphu, Mchinji and Chikwawa. Cadastral surveys done. Expression of interest for consultants done; tender opening done; evaluation done; evaluation report finalized and submitted to SPU. Compensation issues for Mchinji site being sorted out.
Construction of Special Needs Education Institute in Lilongwe			150,000,000	150,000,000	Evaluation for expressions of interest done, report ready and submitted to SPU; waiting for IPC meeting. Contractor for water reticulation hired by Lilongwe water Board currently on site.
Construction and Expansion of selected Community Day/Boarding Secondary Schools	Japan	-	350,000,000	350,000,000	Tumbwe: Evaluation of RFPs done; evaluation report finalized; submitted to IPC for approval, Machinga is the second project and appraisals are starting in Q3
Construction of Phalombe Teacher Training College	DFID	654,880,000	250,000,000	904,880,000	Construction works started on 5th July, 2012 and is expected to be completed by July, 2013 (52 weeks construction period).

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
					Progress as of 4th October 2012 was 13% in 13 weeks construction period. Major challenge is on low pressure of water being used and boreholes expected to be dug to increase the water supply.
Construction of Chiradzulu Teacher Training College	UNICEF	1,297,000,000	100,000,000	1,397,000,000	Consultant identified; process of engaging a contractor at an advanced stage; Evaluation report for procurement of contractor ready; evaluation report reviewed by UNICEF and EIMU and has been forwarded to IPC through SPU for approval.
Completion of Malawi Institute of Education hostels			100,000,000	100,000,000	The super structure is completed. What is remaining is the ancillary works such as car park and a dining hall
Support to Higher Education, Science and Technology (HEST)	AfDB	1,324,073,970	142,398,000	1,466,471,970	Work plan, procurement plan and request for funding submitted and approved; launching of the HEST Project took place on 4th December, 2012. Process for recruiting consultant architect, M&E specialist and ICT specialist

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
					as conditions for second disbursement has started.
Total		4,371,792,325	5,126,452,904	9,498,245,229	
260 - Foreign Affairs and International Cooperation					
Construction and Acquisition of Chancery and Staff Houses		-	395,000,000	395,000,000	The project aims at Constructing a Chancery and Rehabilitating the Official Residence in Lusaka Mission. The Chancery is at an advanced stage and major finishing works are almost complete. The project is expected to be completed by the end of this Financial year.
Total		-	395,000,000	395,000,000	
270 – Finance					
Capacity Building in Budgeting		-	100,000,000	100,000,000	7 officers will completing their first degrees next academic year. 4 officers are completing their masters' degrees this

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
					academic year
Total		504,000,000	100,000,000	604,000,000	
271 - Accountant General					
Construction of Lilongwe Treasury Cashier		-	296,882,165	296,882,165	Lilongwe and Salima under construction and progress is good.
Decentralization of IFMIS		-	296,882,165	296,882,165	IFMIS rolled out to all Councils except Lilongwe City and Mangochi town. To be completed by end June. Progress is good.
Total		-	593,764,330	296,882,165	
272 - Local Development Fund					
Support to Local Economic Development (MASAF)	AfDB	973,669,974	101,868,130	1,075,538,104	Under Enterprise Development, 204 business groups in enterprise development have been formed (1,647 male and 2,674 female) Under the Growth Centres

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
					<p>component, at least 68 productive investment subprojects are expected to be implemented in the Growth Centres</p> <p>Water Supply – At Monkey Bay, being implemented by the Southern region Water Board and is to be completed in April 2013; while for other Centres works expected to commence by June 2013</p> <p>Electricity Supply – (Jenda and Malomo) installation to be done by ESCOM. Chitekesa already covered under a separate Government Project (MAREP)</p> <p>Streetlights – (Monkey bay) - Subproject commenced in December 2012 and will cover 6Km area around the Growth centre, and to complete by April 2013</p> <p>Dairy Farming and Milk Bulking (Chitekesa) – 50 beneficiaries</p>

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
					<p>selected (26 male and 24 female), have undergone training and have constructed kholas in readiness for delivery of cattle.</p> <p>4,457 COMSIP groups formed, with 99,153 members. 817 federated clusters formed MK434.6 million mobilised</p>
Construction of Primary Schools and Teachers' Houses	World Bank		2,000,000,000	2,000,000,000	<p>1,442 staff houses completed</p> <p>71% fitted with electricity (either solar or connected to ESCOM grid).</p> <p>240 staff houses yet to be completed</p> <p>47 of 63 staff houses; 79 of 100 classroom blocks completed under crisis response in Chitipa and Karonga</p> <p>1,100 classrooms (red bricks); 120 classrooms (SSBs) blocks; 350 VIP latrines under construction.</p>

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
					Over 100 subprojects completed Overall implementation progress at 77% under ESWAP
MASAF Urban Window		-	200,000,000	200,000,000	Luchenza Bus Depot and Parking Station (design stage); Kasungu Sports Complex (engaging building contractors); Mbulumbuzi Market in Chiradzulu District whose construction commenced in 2012 and is expected to conclude by April 2013.
MASAF Rural Window			200,000,000	200,000,000	Overall, a total of 1, 610,637 households have been reached with cash transfers, leading to a total of 8,053,185 people benefiting from the programme.. Overall 14,615 subprojects have been implemented, mostly roads, forestation and irrigation subprojects. Strengthen Local Authorities organizational and institutional

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
					<p>capacity for improved and innovative service delivery.</p> <p>Targeted capacity development based on the Performance assessments through Performance Assessment measures Instrument (PAM). According PAM 2012, overall performance of Councils remains average though the average performance has improved from 37% in 2011 to 49% in 2012.</p> <p>Performance Grant System has been developed and ready for piloting.</p> <p>The Sector Budget Review study concluded and is useful reference for decision making towards use of the LDF Mechanism for local level sector development initiatives.</p> <p>A total of MK160, 939, 206 (US\$1,072,882) have been provided to a number of Local Authorities under the Demand</p>

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
					<p>Driven Sub-window.</p> <p>At the local level, a total of 33,034 Project Management Committees have been trained in Project Management processes (25,524 under PSSHP and 7,510 ESWAp); 751 local artisans (ESWAp) and 120 local artisans (Crisis Response) trained in construction techniques.</p>
Total		973,669,974	2,501,868,130	3,475,538,104	
310 – Health					
Construction of Staff Houses and Health Centres - Umoyo Project		-	1,200,000,000	1,200,000,000	<p>Phase 1: Completion of 250 new houses and rehabilitation of 250 other houses - All completed.</p> <p>Phase 2: Construction of 5 flats, 140 houses, 63 Health Centres - Contracts awarded for flats and sites possessed; Sites handed over for staff Houses in the Central Region; Houses in the</p>

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
					<p>North and Centre are at the GCU</p> <p>Construction of a kitchen and ART Clinic at Balaka District Hospital – completed</p> <p>Rehabilitation of the Sewer line in Mzuzu - completed</p>
Support to the Health Sector	AfDB	311,482,833	-	311,482,833	87 % of the sites completed (43 completed and 4 functional). 89 % is the overall expenditure
Construction of Laboratories		-	86,000,000	86,000,000	7 laboratories completed and 23 laboratories are yet to be awarded to contractors
Construction of New Phalombe District Hospital	BADEA	-	100,000,000	100,000,000	Advert for consultants was floated, and evaluation done. Evaluation report was sent to BADEA
Construction of New Nkhatabay District Hospital	OPEC	-	350,000,000	350,000,000	Progress at 55% and procurement of medical equipment underway

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
Construction of Central Medical Stores Warehouse		-	350,000,000	350,000,000	Warehouse achieved 80% progress. Roofing in progress Due to escalation in cost of materials, the project has exhausted its provision. A new contract has to be renegotiated for the remaining works
Construction of Cancer Centre		-	100,000,000	100,000,000	Consultant recruited and Architectural designs produced
Rehabilitation and upgrading of Health Centres		-	100,000,000	100,000,000	Preliminary site surveys done. Architectural designing and documenting underway
Support to training institutions		-	225,000,000	225,000,000	Most of the structures are at super structure (wall) level: KCN LL Campus completed, KCN Blantyre campus roofed, the resource centre at CoM BT campus is almost complete (97% complete), CoM LL Campus roofed and finishes in progress; MCHS project in Zomba has been completed in LL finishes in Progress.

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
Purchase of Medical Equipment		-	500,000,000	500,000,000	1 dialysis machine replaced, 2 scanners and 3 ventilators purchased at KCH
Rehabilitation of Referral and District Hospitals		-	350,000,000	350,000,000	Evaluation for retendered works completed, however final approval of the report not yet done
Total		311,482,833	3,461,000,000	3,772,482,833	
320 - Gender, Child and Community Development					
Refurbishment of Magomero College		-	80,000,000	80,000,000	The project is aimed at rehabilitating the college to a modern standard so as to make it a centre of excellence in the field of social welfare and community development. Number of buildings rehabilitated and construction of a new Administration office block is in the final stage representing 85% of total work done. However, the 2012/13 budget provision has been exhausted with outstanding

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
					certificates unpaid.
Early Childhood Development	IBRD	-	80,000,000	80,000,000	The project is aimed at improving the number of children attending the pre-primary education. 7 ECD centres upgraded and rehabilitated while 200 new ECD centre opened. Over 60,000 children are accessing ECD services
Child Protection	UNICEF	1,003,823,128	-	1,003,823,128	
Scale Up Social Cash Transfer Programme	GF/UNICEF/GIZ	9,153,084,775	100,000,000	9,253,084,775	The project is aimed at improving the well being of all ultra poor and labour constrained households. Cash Transfer programme is operating in 7districts and plans are underway to rollout the programme in all districts.
Construction of Girls Hostels at Mpemba and Chilwa Reformatory Centers		-	35,000,000	35,000,000	The project is aimed at providing character reform of girl juvenile offenders through counseling and acquisition of vocational skills. The project started in July 2012, so far, the evaluation of tender documents has been finalized and submitted to ODP.

PROJECT NAME	Donor	2012/2013			Status and comments	
		Part 1 Allocation	Part 2 Allocation	Total		
						Construction to start next financial year
Total		9,153,084,775	295,000,000	9,448,084,775		
330 - Ministry of Information and Civic Education						
Digital Migration Projects			500,000,000	500,000,000		The project purpose is to enhance broadcasting services. Digital terrestrial Transmission plan were designed and awaiting procurement and Installation of equipment. The current devaluation affected the progress of the project since at this stage the Ministry planned to procure equipment and the budget provision for 2012/13 budget is not adequate for equipment since procurement is done in United States Dollar currency.
Total		-	500,000,000	500,000,000		

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
340 - Home Affairs and National Defence					
Construction and Rehabilitation of Police Staff Houses			100,000,000	100,000,000	8 Houses at Mtakataka Airwing, 18 at Mzimba, 30 at Blantyre, 7 at Mitundu and 9 at Kaporo Police lines have been rehabilitated to roofing level.
Computerisation of Fingerprint Bureau			200,000,000	200,000,000	Capturing of backlog of finger prints in progress. Part payment has been made to Technobrain for the supply of figure print identification.
Computerisation of Border Entry and Exit			80,000,000	80,000,000	Computerisation of Kamuzu International Airport, Chileka and Songwe Completed. Training of staff on the computerization process has also been conducted.
Upgrading of Border Police Units to Posts			25,000,000	25,000,000	Aims at upgrading Ilomba (Chitipa) and Karonga Boarder Police units to boarder Police posts. Currently, the contract has been awarded to the contractor to do the upgrading works.

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
Establishment of New Border Posts			83,864,000	83,864,000	Aims at establishing 5 boarder posts at Jenda, Hewe, Mkanda, Chisenga and Tengani. Currently preliminary structures have been done and a contract has been awarded to the contractor.
Construction of Immigration Staff Houses and Offices			100,000,000	100,000,000	The project aims at rehabilitating 16 Houses of Immigration staff. The contract has been awarded to the contractor to modify the houses.
Installation of Individual Water Metering System in Police, Immigration and Prison Formations			30,000,000	30,000,000	The project aims at installing individual meters in Security Institutions. Currently, works are in progress at Mangochi, Ngabu, Kanjedza and Limbe Police lines.
Total		-	618,864,000	618,864,000	
342 – Prisons					
Construction of Prison Cells and Staff Houses			200,000,000	200,000,000	Kitchens have been rehabilitated at Chikwawa, Mulanje and Mikuyu, Domasi, Ntcheu and prisons. 3 staff houses have been

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
					built at Dedza and office blocks have been constructed at Mwanza, Chitipa and Nkhotakota prisons.
Construction of Maximum Security Prison			300,000,000	300,000,000	The project scope is to Construct a maximum prison complex at Chitedze in Lilongwe. The drawings and designs for the structure are ready. Currently, 5 Staff Houses and 2 servant quarters have been constructed.
Soap-Making Factory			10,000,000	10,000,000	The project is yet to roll out.
Total	-	-	510,000,000	510,000,000	
360 - Tourism, Wildlife and Culture					
Restocking of National Parks and Wildlife Reserves		-	140,000,000	140,000,000	
Malawi Dept of Culture- Cultural Heritage Programme	Norway	65,596,394	-	65,596,394	Collected information on Tchopa and nomination dossier submitted to UNESCO in February 2013, Conducted youth camps on heritage at Chongoni, hosted the Malawi cultural festival in 2012, Rehabilitation of Chichiri Museum

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
					underway
Development of Ecotourism Infrastructure, facilities and services in National Parks , Wildlife Reserves & Nature Sanctuaries		-	140,000,000	140,000,000	Constructed access roads, and Park gate at Nkhota-kota National Park, Rehabilitation of part of Lifupa Lodge at Kasungu National Park, Construction of conference hall, game viewing sites, and rehabilitation of Nyala lodge at Lengwe Game Reserve; Designs for Kazuni done; Rehabilitation of Michiru and Lilongwe Nature Sanctuary and rehabilitation of staff houses in the two sanctuaries.
Construction of solar powered electric fences in National Parks, Wildlife Reserves and Nature Sanctuaries		-	200,000,000	200,000,000	Constructed 21KM fence at Vwaza, 20 KM fence at Lengwe, 20KM fence at Kasungu, and procurement of fencing materials for 20KM at Liwonde National Park
Improvement of Access Roads to Resort Areas – Salima		-	200,000,000	200,000,000	Completed Nkhata-Bay access roads to resort. Now planning to commence Salima Access Roads to Resorts.
Development of Chongoni Rock Art World Heritage		-	100,000,000	100,000,000	1 st Phase done so far 85%

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
Site					finishing is underway.
Development of National Monuments and Construction of Cenotaph		-	50,000,000	50,000,000	Two monuments renovated (Nkhata-Bay and Chiladzulo)
Development of Kamuzu Memorial Park		-	60,000,000	60,000,000	Renovated toilets, repainting of the memorial park, rewiring, and replacing of interlocking blocks
Development of management infrastructure in national parks, wildlife reserve and nature sanctuaries		-	200,000,000	200,000,000	Rehabilitation of staff houses in Lengwe Game Reserve and Kasungu National Park, Construction of staff houses in Nkhota-kota national park, Salima (Lake Malawi National Park), and Mwabvi Game Reserve
Development of National Heroes Acre		-	200,000,000	200,000,000	Project has not yet started.
Sustainable Management of Nyika Transfrontier Conservation	Norway	109,327,322		109,327,322	9 vehicles and 15 motorcycles purchased for law enforcement. All scope of works for house maintenance and construction completed. All planned roads surveyed for maintenance. Gravity water line surveyed and

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
					<p>mapped.</p> <p>Borehole maintained in Bambanda Sanctuary-Vwaza done</p> <p>Water pump maintained at Thazima- Nyika</p> <p>Slashing and maintenance of road network in progress in Vwaza</p> <p>250 km boundary line cleared in Nyika</p> <p>15 km fence line cleared in Vwaza.</p> <p>7 houses under maintenance in Nyika. Airstrip slashed and maintained.</p> <p>Integrated Development Plans for Rumphi District (Malawi) and Chama district (Zambia) in processing of formulation</p>
Construction of Purpose-Built Archival Building, Museum and Antiquities Research Centre and Arts		-	350,000,000	350,000,000	Designs done; now finalizing formal processing of land.

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
Centre in the Capital City iV Lilongwe					
Construction of Model Cultural Villages (Yao, Chewa, Ngoni, Lomwe, Sena)		-	120,000,000	120,000,000	Completed Mpale cultural village in Mangochi. Project has been temporarily stopped waiting review of the designs.
Total		174,923,715	1,760,000,000	1,934,923,715	
g					
370 – Labour					
Decent Work Country Program for Malawi		-	200,000,000	200,000,000	Child labour surveys conducted, Labour market information systems, creatinh awareness on Workers Compensation Fund and conducted employer and trade union surveys. However the project has been going on for a long time with the same activities. This should move to ORT
Total		-	200,000,000	200,000,000	
				-	

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
390 - Industry and Trade					
Cotton Development Program		-	50,000,000	50,000,000	Supported completion of Factory building in Salima, trained 35 cotton producers in value addition, Reviewed guidelines in cotton processing with MBS.
Establishment of Pilot Small Business Development Centres		-	50,000,000	50,000,000	The project has successfully completed. Training centres for business development have been constructed nationwide
Infrastructure Development for MBS		-	400,000,000	400,000,000	There is poor performance on the project. Resources were reallocated at Mid year.
Horticultural and Floricultural Exports Project		-	50,000,000	50,000,000	Antenna shop constructed in Bvumbwe, smallholder farmers trained in marketing and business management, facilitated marketing linkages with Peoples, new pump and motor for Irrigation Scheme purchased for Ngolowindo Cooperative, training manuals developed for fruit and vegetables production.

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
Competitiveness and Job Creation Support project	AfDB	481,062,278	-	481,062,278	
One Village One Product (OVOP)		-	190,000,000	190,000,000	Capacity building in OVOP, Machinery installed, Provision of packages and labels to 9 cooperatives, Factories constructed.
Total		481,062,278	740,000,000	1,221,062,278	
				-	
400 - Transport and Public Infrastructure					
Automation of Airport Administration System		-	700,000,000	700,000,000	About 90% of works done; i.e. installation of system. Procurement of gensets and computers underway. Capacity building underway.
Acquisition of Airport Navigation Equipment		-	200,000,000	200,000,000	Replacement of navigation and communication systems at Chileka International Airport and Kamuzu International Airport done. Procurement of instrumentation landing system for Chileka International Airport underway. Installation of communication system for the

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
					whole national airspace underway.
Rehabilitation of Chileka Airport Terminal Building and Security Fence		-	200,000,000	200,000,000	Works almost completed
Enforcement of Axle Load Regulation		-	30,000,000	30,000,000	Procured 3 portable axle loads
Rehabilitation of Railway System		-	50,000,000	50,000,000	Balaka and Salima railway sites under rehabilitation.
Total		-	1,180,000,000	1,180,000,000	
				-	
420 - Road Fund Administration					
Liwonde-Naminga Road	OPEC	-	400,000,000	400,000,000	
Zomba - Jali- Kamwendo - Phalombe- Chitakale	OPEC, BADEA	-	1,131,000,000	1,131,000,000	The works involve upgrading from earth to bitumen standard class 1. Progress: 75 per cent of the works have been completed
Thyolo-Thekerani-Muona-Bangula	BADEA & Kuwait	-	776,000,000	776,000,000	GoM, Saudi Fund, Kuwait Fund and BADEA Advance share paid. OFID Components yet to be paid. Contractor has processed new

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
					Bond and started procuring project equipment for Engineer..
Jenda -Embangweni- Edingeni - Euthini	ADFD	-	374,000,000	374,000,000	Project Implementation Unit (PIU) formed. Contractors pre-qualification advertised
Zomba-Blantyre (Rehabilitation)	AfDB	-	415,000,000	415,000,000	Progress behind plan
Bunda – Mitundu		-	30,000,000	30,000,000	The works have been completed and certificate of completion has been issued. Final statement of account completed
Lumbadzi - Dowa - Chezi - Ntchisi Spur		-	1,250,000,000	1,250,000,000	Works have resumed with availability of fuel and Government commitment towards funding. Surfacing is progressing towards Dzaleka
Chiradzulu-Chiringa-Miseu Folo		-	1,461,000,000	1,461,000,000	Contractor has completed a 10km base stretch but there is a bitumen supply problem.
Construction & Upgrading Malowa-Goliati Chiperoni		-	291,900,000	291,900,000	Works completed and road officially opened. Outstanding payments still appearing because Mulanje Mission and Thyolo boma works were certified late because the addendum had not

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
					yet been signed
Construction & Upgrading Msulira Nkhotakota		-	357,000,000	357,000,000	Contract closed at exhaustion of Addendum No. 1 amount. Certification indicated is Final Account total as agreed
Bangula - Nsanje Road		-	330,000,000	330,000,000	Works completed and officially opened. There are still some outstanding payments because addendum approval for additional works took time to approve.
Lilongwe - Kasiya road		-	80,000,000	80,000,000	
Mwanza - Chapananga - Chikwawa road		-	100,000,000	100,000,000	Tenders collected by contractor to bid. Submission of bids scheduled for early November 2012
Chilinga - Mloza road		-	25,000,000	25,000,000	
Mzimba -Eswaziweni-Mzalongwe		-	800,000,000	800,000,000	The works involve upgrading from earth to bitumen standard class 2. Progress: 39 per of the works done. There have been some delays due to fuel shortage and non-availability of designs

PROJECT NAME	Donor	2012/2013			Status and comments	
		Part 1 Allocation	Part 2 Allocation	Total		
Ekwendeni-Ezondweni-Mtwalo-Njakwa		-	78,000,000	78,000,000		Substantially completed
Rural Roads Spot Improvement (Mchinji - Kawere)	EU/DFID	-	1,400,000,000	1,400,000,000		Substantially completed
Lilongwe - Nsipe	EU	-	1,062,000,000	1,062,000,000		The EU section, Bunda T/Off to Dedza Road Block substantially completed
Lilongwe City West Bypass (Bunda - Chinsapo - Kaunda Road)	AfDB	-	126,000,000	126,000,000		Contractor is mobilizing, and works have started
Illovo - Midima Roundabout		-	200,000,000	200,000,000		
Kamuzu Academy - Ntunthama - Kapelula - Wimbe - Nkhotakota		-	64,000,000	64,000,000		
Presidential way extension to Area 18 roundabout to Paul Kagame Jct and Parliament Building to Kamuzu Central roundabout		-	400,000,000	400,000,000		
Chikwawa-Nchalo-Bangula			1,000,000,000	1,000,000,000		Works on section funded by GoM started mid September 2012. No certification has been made yet
Total		-	12,150,900,000	12,150,900,000		
				-		

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
470 - Natural Resources, Energy and Environment					
Energy Efficient Lighting Project	DfID	81,600,000	-	81,600,000	Of the 2 million energy saver bulbs targeted, 900,000 have been distributed for free, 700,000 are being sold at a subsidized price of up to 30% its market price and 400,000 are being distributed to rural ESCOM metered houses. So far 30MW of power has been released as a result.
Coal Fired Power Generation (feasibility)		-	50,000,000	50,000,000	Part II project provision has been revised to zero at midyear. However, the feasibility study is being done by China Gezhouba.
Development of Hydro Power plants at Mpatamanga, Chasombo, Chizuma, Chimgonda, Lower Fufu and Kayelekera		-	50,000,000	50,000,000	Detailed feasibility studies for Chasomba and Chizuma are completed. Mpatamanga and Chigonda studies are waiting for procurement processes that are yet to begin.
Support for Small-Scale Mineral Production in Malawi		-	40,000,000	40,000,000	Small scale miner in Mchinji and Dowa were mobilized and Training is yet to begin

PROJECT NAME	Donor	2012/2013			Status and comments
		Part 1 Allocation	Part 2 Allocation	Total	
Total		81,600,000	140,000,000	221,600,000	
480 - Environment and Climate Change Management					
Modernization of Meteorological Services for Aviation Industry		-	40,000,000	40,000,000	13 out of a target of 33 automatic weather stations have been procured and installed.
Forest Preservation Programme		-	50,000,000	50,000,000	36 technical staff were trained in Geographical Information Systems (GIS), 17 forest reserves were assessed and monitored and this enabled the updating of forest resource maps using satellite images.
Improved Forestry Management for Sustainable Livelihoods	EU	-	15,000,000	15,000,000	No progress has been registered so far
Total		-	105,000,000	105,000,000	
510 - Anti-Corruption Bureau					
Support to Anti-Corruption Bureau	Norway	174,923,715	-	174,923,715	

PROJECT NAME	Donor	2012/2013			Status and comments	
		Part 1 Allocation	Part 2 Allocation	Total		
Total		174,923,715	-	174,923,715		
TOTAL		38,272,611,531	37,949,649,361	76,222,260,892		