

Capacity Building Project for Economic Management and Policy Coordination, Malawi

Assignment	Support the building of capacity in economic management and policy coordination in the Government's core economic institutions.
Client	Government of Malawi, Ministry of Finance/Ministry of Economic Planning and Development/Office of the Vice President
Financing Agency	European Commission
Composition of Team	PSU Coordinator and Team leader (LT), Macro-economic Policies and External Financing Specialist, Macro-economic Management and National Accounts Specialist, Public Finance and Economic Governance Reform Specialist, NAO Strengthening and EDF Utilisation Expert, Institutional Development and Aid Management Specialist, Performance Measurement and Monitoring and Evaluation Expert.
Period of Assignment	January 2003 – December 2007 Staff-months: BMB Mott MacDonald: 117
Contract Value	€2.3 million
Background	Malawi is one of the poorest countries in the world and life expectancy is less than 45 years. This programme should contribute to increased economic growth and poverty alleviation, a key objective of both the Government and the EDF support to Malawi.
Description of Project	The Project is designed to support the building of capacity in economic management and policy coordination in the Government's core economic institutions, i.e. in the Ministry of Finance (MOF), the Ministry of Economic Planning and Development (MEP&D) and in the Office of the Vice President (OVP). Programme activities include human resource development in the three core economic management institutions, the provision of long and short-term technical assistance to enhance the quality of macro-economic analysis for policy making, the strengthening of development management capacity through training (in-country and abroad), and the provision of support to the EU National Authorising Officer (NAO) in the Ministry of Finance.
Services Provided	The consultants' tasks involve: <ul style="list-style-type: none">• Designing and implementing a four-year programme for capacity-building in the Government's three core economic management institutions for consideration by the Government of Malawi and the European Union;• Making proposals for improved policy analysis, formulation and coordination within MOF, MEP&D and OVP, leading to strengthened design and implementation of economic and structural reform programmes;

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- Formulating proposals for improving staff morale and retention, through provision of a conducive working environment, including access to economic publications and the internet, and through access to high-quality education and training, both within Malawi and abroad;
 - Laying the basis for restoring in-country capacity for providing high-quality economics education at Chancellor College;
 - Helping to enhance the effectiveness of the Debt and Aid Management Division, permitting accelerated absorption of EU-project financing and reduced delays in disbursement of balance of payments support and the provision of debt relief under the HIPC Facility;
 - Aiming at enhanced development effectiveness through better programme monitoring and impact evaluation in the Ministry of Economic Planning and Development; and
 - Suggesting to the Ministry of Finance measures to strengthen fiscal policy design and implementation and more consistent funding of core activities.

An extension which followed a very positive Mid-Term Review in 2005 will enable the project to support improvement of national Monitoring and Evaluation arrangements, conduct an in-depth Training Needs Assessment for the key ministries, support the establishment of a National policy Research and Analysis Institute and strengthen public expenditure management.