

PROJECT PROFILE
INCOME GENERATING PUBLIC WORKS PROGRAMME (IGPWP)

Project Number and Title:	9.ACP.MAI 017: Income Generating Public Works Programme (IGPWP)
Origin of Funds:	9th EDF
Project Amount:	Phase 1: € 15,512,500; Amount disbursed EURO 5,961,310)
Financial Agreement:	MAI/003/04 – Income Generating Public Works Programme (IGPWP), signed 3rd May, 2005 ending 31st December 2009 (implementation)
Project starting date:	3rd May 2005, ending date: 31st December 2011 (execution)
Programme Estimate:	PE 2 Starting date: 1st July 2006, ending date: 30th June 2007
PE 2 amount:	Direct labour: EURO 7,379,000; Specific commitment: EURO 11,900;
Reporting Period:	January 2006 to March 2007

1. GENERAL DESCRIPTION

The **overall objective** of the Income Generating Public Works Programme (IGPWP) is to contribute to the Malawi Government's objective of poverty reduction in line with the Malawi Growth and Development Strategy (MGDS). The **purpose** of the IGPWP is to enhance the socio-economic situation of the rural/peri-urban population through improving accessibility, infrastructure and promotion of productive activities and by creating linkages to economic activities.

The IGPWP is using labour intensive approaches to implement interventions in roads, forestry and irrigation and will through the interventions enable the poor have improved access to markets and social facilities. Rural communities will be able to earn income through community based road upgrading and rehabilitation and road maintenance, forestry and irrigation development. In this regard, IGPWP is also using lessons learnt and achievements of the GoM/EU PWP and the Multi Annual Food Security Programme (MAFSP). A major emphasis of the IGPWP is to provide a link between income generation and productive activities within the communities through practical and sustainable approaches.

IGPWP is being funded from the 9th EDF with a budget totalling €25 million of which €15.5 million is earmarked for phase 1 and €9.5 million for phase 2. The following are the beneficiary district assemblies: Blantyre, Chikwawa, Dedza, Dowa, Kasungu, Lilongwe, Machinga, Mangochi, Mchinji, M'mbelwa, Mulanje, Nkhotakota, Ntcheu, Thyolo and Zomba. Annex 1 is a map showing the beneficiary assemblies. The programme comprises the following **six results**:

- R 1. Rural roads are upgraded and rehabilitated;**
- R 2. Rural roads are maintained;**
- R 3. Productive local forestry activities developed;**
- R 4. Productive local agricultural activities developed;**
- R 5. Implementation capacity of district assemblies is enhanced;**
- R 6. Programme management adequately addresses cross-cutting issues (HIV and AIDS, gender, environment and institutional development).**

Implementation of the first phase started on 1st August 2005. The programme is now in its second year, PE 2 with funding totalling MK 1,289,837,108 coverings covering the period July 2006 to June, 2007 and interventions being implemented under all the three components with more emphasis on the new beneficiary district assemblies in the southern and northern regions. These are the "new" DAs which did not benefit from the previous programme and the activities under PE 1 concentrated on planning, orientation and sensitising

communities and staff at the District Assembly secretariat. In response to demand interventions are being implemented in these DAs with the full involvement and active participation of the communities. The implementation of interventions is also maximising on synergies with other development projects, institutions, initiatives and other donor funded interventions to ensure that communities are able to benefit fully from all these initiatives. Furthermore, specific links to the HIV and AIDS initiatives are being made to enable beneficiaries to have direct access to resources and services available under such initiatives.

2. MAIN ACHIEVEMENTS AND RESULTS DURING THE REPORTING PERIOD

There has during the reporting period been good progress made in implementation on all the components following the review in implementation modalities in line with the resources and provisions of the Financing Agreement. In this regard, interventions are being implemented using four zone offices and with more field staff from line ministries implementing interventions under the direct supervision of IGPWP staff. Key to the success is operational momentum, securing the understanding and involvement of the District Assemblies and the role played by key stakeholders in providing the required support. The following is a summary of the achievements to date and more details are shown at Annex 1:

1. Rural roads are upgraded and rehabilitated

The rehabilitation of 140 of the 144 kilometres of earth-roads in Ntcheu and Dedza (carried over from PE 1) has been successfully completed; 503 km of district roads (Batch 1) are under rehabilitation in the thirteen IGPWP beneficiary districts except Ntcheu and Dedza districts which already benefited from PE 1 resources. A total of 28 bridges have been identified and are on tender; and 745 km of district feeder roads (Batch 2) is waiting for approval of the contractors' shortlist by EU delegation.. Recruitment of local managers to supervise road and bridge works following the poor response to the tender for supervision by consultants was completed.

2. Rural roads are maintained

140 Km rehabilitated roads are currently under maintenance by 18 road maintenance clubs. . District Assemblies are directly supervising and managing the road maintenance activities and IGPWP is providing financial and technical support to the DAs. The IGPWP under PE 1 (August 2005 to June 2006) also successfully maintained 2,670 kilometres of roads rehabilitated under the Public Works Programme. Batch 1 road maintenance works will start as soon as rehabilitation works are completed in the districts.

3. Productive local forestry activities developed

There were 440 new forestry clubs formed and all were trained in leadership skills, group dynamics, nursery establishment and management. Bank mandates were completed for opening of accounts with MRFC and the delivery of inputs (polythene tubes, tools, seeds, fruit and neem seedlings) after the delays in procurement is now on track. In all there are 705 clubs participating in forestry activities and total number of trees planted to 6,618,556 representing 101% of the target. The exceptionally good rains received during the month of January resulted in a great improvement in the growth of tree seedling and as a result of this 6,224,184 trees. Additional tree seedlings were raised by the second and third year clubs in the old districts of Mchinji, Kasungu, Dowa, Dedza and Ntcheu. In the new districts Mzimba, Nkhotakota, Zomba and Thyolo were also able to exceed their targets. 38,020 people made up of 22,091 female and 15,929 male participated in the tree planting. Based on the nursery evaluation which was conducted during the third week of December MK 6,082,316 was paid out to 705 clubs.

Productive local agricultural activities developed

Sensitization and selection of beneficiaries for programme estimate number 2 was completed and 217 clubs formed by the 2,252 beneficiaries. 430 clubs have been formed by 4065 beneficiaries cumulatively.. Under irrigation 163 of the planned 207 hectares were cultivated, of which 97 hectares were planted in the dry season, about 90% was planted to maize and 10% assorted vegetables. About 40% of maize was harvested dry and approximately 209 tonnes was realised. The remaining 60% was sold as green maize at an average price of MK6 per cob and about MK14, 000,000 was realised. On average each household had an increased income of MK6,216. The number of beneficiaries is higher by 9% above the target because of the additional support provided to vulnerable persons that required assistance. This reflects the high demand by farmers despite constraints in providing inputs for the farmers sensitised.

4. Implementation capacity of district assemblies enhanced

All the beneficiary District Assemblies have signed cooperation agreements with IGPWP and this is the main framework for collaboration and individual agreements (memorandum of understanding) will be entered on specific issues such as road maintenance. The strategy for capacity enhancement after the initial capacity assessments of the DAs, stakeholder consultations and literature review was finalised. Initial discussions have been held on capacity enhancement through skills transfer. Tenders for the procurement of computers for the DAs in serious need of support have been received and waiting for the evaluation.

5. Programme management adequately addresses cross-cutting issues (HIV and AIDS, Gender, Environment and Institutional development)

Awareness campaigns to raise awareness of 67,803 people on Gender, HIV and AIDS and Human rights have been held in beneficiary communities and 140,620 IEC materials were distributed to date. IGPWP has established linkages and is closely collaborating with other institutions (e.g. NICE, MHRRC, DAs) in conducting campaigns and delivery of messages. A total of 125 Community based organisations assisted in distribution of IEC materials to communities. Guidelines for incorporation of the vulnerable have been developed and are in use and in PE 2 there are 140 vulnerable farmers and those assisting vulnerable persons supported under Irrigation by giving them treadle pumps, maize seed and fertiliser for rain fed agriculture. IGPWP has attained good participation by women (26% in road maintenance club executive committee membership for Dedza and Ntcheu; 36% in road maintenance clubs in Dedza and Ntcheu; 24% treadle pump and 34% stream diversion farmers in Irrigation; 52% in village forestry clubs). There is good visibility through the signposting of project sites, distribution of promotion materials such as pens, calendars, pencils and key rings and media coverage (print and radio) of its activities.

6. Effective programme management and administration

Operational systems are in place and the PMU fully operational with staff in place (programme staff, seconded staff and TA team) and implementing planned activities. The required financial, technical resources (vehicles, motorcycles and computers) and support services (offices, insurance and communication) are effectively used for the timely implementation of programme activities. Slow progress has been made in designing a new database which has been partially tested. A report on the baseline survey will be submitted on March 20, 2007 by the monitoring consultant. The PMU ensures that progress reports are submitted and also facilitated the mid-term review of the programme (November and December).

3. ISSUES AND CONSTRAINTS

There have been some delays experienced in the use of 9th Procurement Guidelines in that it is a lengthy process and the delayed approval of the road contracts will affect achievement of the annual target. The poor response to the tender for road consultants to supervise road works will affect the implementation of road component. Road engineers and supervisors have been since recruited as an alternative to supervise the works. Delays in procurement of tree seeds and forestry inputs also affected the planting of trees which happened in December 2006. Inadequate water supply affected irrigation activities and will have an impact on annual target achievement. The delay in the finalisation of the database has caused a lot of concern for the project as data entry for PE 1 and PE 2 is still outstanding.

4. DECISIONS/ACTIONS TO BE TAKEN

Following the delays experienced in procurement especially on road rehabilitation, a request for no-cost extension of the implementation period of PE 2 to 31st December 2007 has been approved and an addendum to the PE is now in place. The extension will provide the required time for the achievement of PE 2 targets (among them: rehabilitation works for 770 kilometres will commence in the third quarter and 28 bridges to be upgraded). In order to accelerate procurement actions, the programme has revised the planning period taking into account the lead time required to complete the procurement process. The procurement of irrigation inputs and tools in advance of PE 3 is one way of addressing the issue of lead times. Identification of irrigation beneficiaries is already underway for the next irrigation season. The programme has submitted the Financial Agreement for the Phase II and approval is awaited in the second quarter 2007.

5. WORKPLAN FOR THE COMING PERIOD

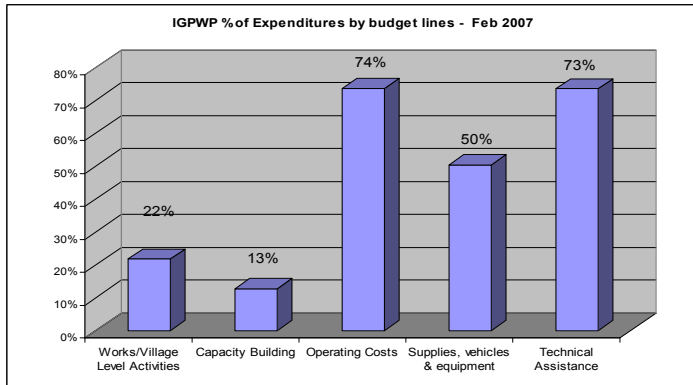
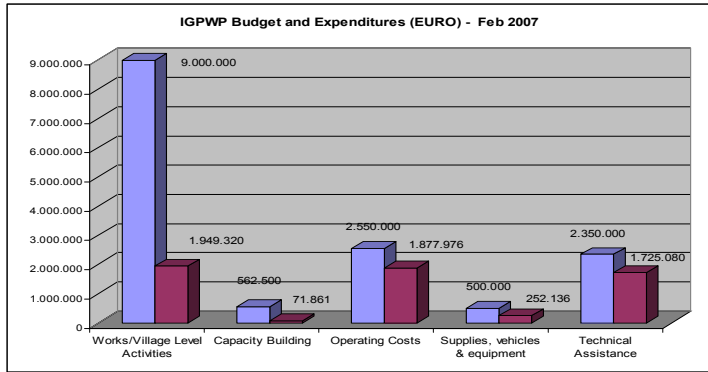
Following the approval of the extension period, IGPWP intends to achieve the planned PE 2 targets in all the components (see also annex 1).

6. COORDINATION WITH THE MAIN DEVELOPMENT PARTNERS

Advanced joint planning by IGPWP and Micro-projects was completed for the meeting in January 2007 of a Coordination meeting for EU-EDF programmes in Lilongwe for the purpose of enabling beneficiaries derive benefits from a wider audience, achieve economies of scale through sharing (experiences, resources, knowledge) and to identify areas of common ground (best practices). IGPWP is also forging linkages with other partners such as UNICEF, Mineral Utilisation Foundation, Small Scale Livestock Promotion Programme (SSLPP), PROBEC under GTZ and the Story Workshop to ensure that beneficiaries maximize the benefit from such collaboration.

7. FINANCIAL INFORMATION

Currently a PE 2 is on going. An initial advance of € 2,079,429 (30% of the PE 2 budget) was received in August 2006. To the end of 31st December 2006, the total amount committed (in OLAS) stands at EURO 13,502,389 or **87 %** of first year FA Budget. The total OLAS payments reached EURO 5,460, 985 or **38 %** of first year FA Budget. Details of Budget, Commitments, Disbursements and % of disbursements by category of expenditures are shown in financial table in Annex 2.



ANNEX 1

LOGICAL FRAMEWORK						
PROJECT: INCOME GENERATING PUBLIC WORKS PROGRAMME			PROGRAMME ESTIMATE No. 2		OPERATIONAL PERIOD: JULY 2006 to JUNE 2007	
	INTERVENION LOGIC	OBJECTIVELY VERIFIABLE INDICATORS (OVIs)	SOURCE OF VERIFICATION	OVI VALUE PHASE 1 and 2	PROGRESS To 30/04/2007	% OF PROGRESS
Overall Objective	To contribute to the GoM Poverty Reduction Strategy	<ul style="list-style-type: none"> • Household income • GDP per capita 	<ul style="list-style-type: none"> • Malawi statistics 			
Project Purpose	To enhance the socio-economic situation of the rural/peri-urban population through improving accessibility, infrastructure and promotion of productive activities within rural/peri-urban areas and by creating linkages to economic activities.	<ul style="list-style-type: none"> • Increase in household assets • % of produce sold • Increase in food supply 	<ul style="list-style-type: none"> • Baseline survey • Monitoring reports • Impact studies • DOAI & DOF surveys and records 			
Results	<p>1. Rural roads and small bridges are upgraded and rehabilitated</p> <p>2. Rural roads are maintained</p> <p>3. Productive local forestry activities are developed (comprising agro-forestry, fuel wood, timber and fruit tree production)</p> <p>4. Productive local agricultural activities are developed through improved inputs and irrigation</p> <p>5. Project management is adequately</p>	<ul style="list-style-type: none"> • Length of rural roads upgraded • No of small bridges upgraded • Length of roads maintained • Income earned from road works by local communities • No. of village forestry clubs established including bank account • No. of trees planted • Area under natural forest regeneration • No of clubs practicing forest regeneration • No. of village irrigation clubs established • No of clubs combining water harvesting, storage and irrigation • Area under irrigation (approx 1,000 ha) • No. of Treadle pumps and other appropriate small scale technologies 	<ul style="list-style-type: none"> • Contractors employment reports • PMU Monthly programme status reports (MPSR) • Attendance registers Interim and final • programme evaluation reports • MC Monitoring reports 	<p>2,246 kms 70 bridges 4,700 kms</p> <p>MK500 mil</p> <p>1600 clubs 35.5 mil trees 2700 ha 900 clubs</p> <p>1200 clubs 1000 clubs</p> <p>1000 ha</p> <p>4,700</p> <p>120,000</p>	<p>144 kms 0 2 814 kms</p> <p>MK109 mil</p> <p>705 17,018,556 0 0</p> <p>430 clubs 430 clubs</p> <p>370 ha</p> <p>2167 t/pumps</p> <p>67,803</p>	<p>6.5% 0% 60%</p> <p>21%</p> <p>44 48% 0 0</p> <p>36% 36%</p> <p>37%</p> <p>47%</p> <p>56.5%</p>

	<p>addressing cross-cutting issues:</p> <ul style="list-style-type: none"> • HIV and AIDS, gender, and human rights awareness promoted; • Role of women and youth in household income generation and decision making is increased; <p>• Linkages to other socio-economic initiatives are facilitated;</p> <p>• Environmental Management enhanced; &</p> <p>• Programme Visibility enhanced.</p> <p>6. Implementation capacity of district assemblies is enhanced</p>	<ul style="list-style-type: none"> • No. of beneficiaries sensitized on HIV and AIDS, gender, and human rights • IEC Materials on HIV and AIDS, gender and human rights distributed • Percentage of women employed in components • Percentage of youth employed in components • Income earned in road works by women • Income earned in road works by youth • Percentage of women represented in development committees • Percentage of youth represented in development committees • No. of District or regional practical linkages functional with other programmes: • Cross-cutting issues: <ul style="list-style-type: none"> - No of regional or national practical linkages for awareness raising activities - No of collaborating NGOs and CBOs in awareness raising - No of clubs linked to socio-economic initiatives • Environmental Management Guidelines followed • Number and type of visibility materials produced and distributed • No. of DAs assuming incremental management and financial responsibility for maintenance of IGPWP rehabilitated roads 		<p>200,000</p> <p>30%</p> <p>10%</p> <p>30%; K150 million 10%; K50 million</p> <p>30%</p> <p>10% Roads (5);Forestry (5);Water harvesting and storage (5)</p> <p>5</p> <p>60</p> <p>220</p> <p>9</p>	<p>140,620</p> <p>52%(forestry);20% TP; 43% SD;26% road maintenance MK6,459,400</p>	<p>70%</p> <p>52%(forestry); 20% TP; 43% SD;26% road maintenance 4.3%; 41% road rehabilitation.</p>
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Annex 2

INCOME GENERATING PUBLIC WORKS PROGRAMME												
FINANCIAL DATA												
August 2005 - December 2006												
No.	FA BUDGET HEADING	TOTAL FA BUDGET Phases 1 & 2	TOTAL BUDGET Phase 1 Original	Reallocated By NAO/HOD June 2006	Phase1 Budget Revised	2005	2006	Spec. Commits	Total Disbursed to 31st December 2006	Remaining Balance Phase 1	TOTAL Disbursed as % of Phase 1 Budget	Total Disbursed as % of Total Budget
		€	€	€	€			€	€			
A	Programme Estimates											
	Activities Cost											
	Works/Village Level Activities	15,000,000	9,000,000	0	9,000,000	445,444	1,503,877		1,949,320	7,050,680	22%	13%
	Rural Roads upgraded & rehabilitated	10,500,000	6,300,000		6,300,000	18,992	526,929		545,922	5,754,078	9%	5%
	Rural Roads maintained	1,500,000	900,000		900,000	219,072	205,000		424,071	475,929	47%	28%
	Productive Local Forestry	1,200,000	720,000		720,000	171,626	359,077		530,702	189,298	74%	44%
	Productive local agriculture - Irrigation	1,800,000	1,080,000		1,080,000	35,754	412,871		448,625	631,375	42%	25%
	Capacity Building	1,250,000	812,500	(250,000)	562,500	4,808	67,052		71,861	490,639	13%	6%
	Operating Costs											
	Programme PMU Personnel Cost	2,250,000	1,350,000	615,000	1,965,000	558,898	910,993		1,469,891	495,109	75%	65%
	Programme Other Costs	800,000	500,000	85,000	585,000	138,649	269,436		408,085	176,915	70%	51%
	Total Activities Costs	19,300,000	11,862,500	450,000	12,112,500	1,147,799	2,751,358		3,899,157	8,213,343	32%	20%
B	Investments											
	Supplies, vehicles & equipment	850,000	750,000	(250,000)	500,000	40,872	65,892	145,372	252,136	247,864	50%	30%
	TOTAL DIRECT LABOUR	20,150,000	12,412,500	200,000	12,612,500	1,188,672	2,817,249	145,372	4,151,293	8,461,207	33%	21%
C	Technical Assistance	3,650,000	2,350,000		2,350,000			1,725,080	1,725,080	624,920	73%	47%
	Long-term TA IGPWP	2,900,000	1,950,000		1,950,000			1,725,080	1,725,080	224,920	88%	59%
	Monitoring Consultant											
	Studies/Short-term TA/M&E	750,000	400,000		400,000			0	0	400,000	0%	0%
D	Assessments	50,000	50,000		50,000			0	0	50,000	0%	0%
E	Evaluations	50,000	50,000		50,000			60,337	60,337	-10,337	121%	121%
	Phase 1 Mid Term											
	Phase 1 Final											
F	Audits	300,000	150,000		150,000			24,600	24,600	125,400	16%	8%
	PE 2											
	PE 3											
	TOTAL SPECIFIC COMMITMENTS	4,050,000	2,600,000		2,600,000	0	0	1,810,017	1,810,017	789,983	70%	45%
	Total before contingencies	24,200,000	15,012,500		15,212,500	1,188,672	2,817,249	1,955,389	5,961,310	9,251,190	39%	25%
G	Contingencies	800,000	500,000	(200,000)	300,000					300,000	0%	0%
	TOTALS	25,000,000	15,512,500	0	15,512,500	1,188,672	2,817,249	1,955,389	5,961,310	9,551,190	38%	24%
	Total Commitments (OLAS)					(a)	(b)	(c)	(d)			
	Payments Received	Date								13,502,389		
	PE1					PE1	PE2	S/Comms				
	Initial Advance	August-05				1,466,829				1,466,829		
	Supplementary Advance	February-06				930,770				930,770		
	Replenishment	Jun-06				1,155,003				1,155,003		
	Partial repayment	September-06				(752,219)				(752,219)		
	Repaid on closure PE1	September-06				(31,136)				(31,136)		
	PE2											
	Initial Advance	August-06					2,079,429			2,079,429		
	SPECIFIC COMMITMENTS Paid by DELEGATION	Various Dates						612,270		612,270		
	Net					2,769,246	2,079,429	612,270		5,460,945		
						(a)	(b)	(c)	(d)			
	Notes: 1 Source OLAS January 2007											
	Notes: 2 Programme/OLAS Disbursements Reconciled											
			Activities to 31st December 2006		(a) + (b)	4,005,921	4,848,675	842,754			Balance of PE2 Initial Advance not disbursed at 31st December	
			Specific Commitments		(c)	1,955,389	612,270	-1,343,119			Balance of funds committed but not disbursed at 31st December	
			Total Disbursements		(d)	5,961,310	5,460,945	-500,365				

Annex 3 IGPWP DISTRICTS

