

Consultants to the Committee

1. Mangani, Ronald, Department of Economics, Chancellor College, University of Malawi, Zomba
2. Chaponda, Taziona, consulting economist, Blantyre

Technical Advisers

3. National Democratic Institute, Lilongwe

**Members of Other Committees Who Participated
in Budget and Finance Committee Meetings**

- | | |
|--------------------------------|--|
| 1. Hon. Bernard R. Chisale, MP | Legal Affairs |
| 2. Hon. Wallace F. Chiume, MP | Chairman, Commerce, Industry,
and Tourism |
| 3. Hon. Loveness Gondwe, MP | Chairman, Health and Population |
| 4. Hon. Kate Kainja, MP | Chairman, Education, Science, and
Technology |
| 5. Hon. Charles E. Kamvere, MP | Legal Affairs |
| 6. Hon. Masten J. Kanje, MP | Vice Chairman, Education, Science,
and Technology |
| 7. Hon. James K. Luwe, MP | Vice Chairman, Agriculture and
Irrigation |
| 8. Hon. V.G. Dzoole Mwale, MP | Agriculture and Irrigation |
| 9. Hon. Sitsi Nkhoma, MP | Former Chairman, Public Accounts |
| 10. Hon. Henry L. Zembere, MP | Vice Chairman, Health and Population |
| 11. Hon. Bamani A. Zgambo, MP | Legal Affairs |

**Government Spokespersons
Consulted by the Committee**

1. Chikaonda, Matthews, Hon., Dr., Minister of Finance and Economic Planning. *Pre-Budget Comments to Budget and Finance and Public Accounts Committee*. Lilongwe: May 2001.
2. Chipeta, Mapopa, Dr., Director General, National Economic Council. *Comments to Budget and Finance Committee on poverty and the economy*. Lilongwe: 9 March 2001.
3. Chiunda, C., Chief Economist, National Economic Council. *Comments to Budget and Finance Committee on Integrated Household Survey*. Lilongwe: 8 and 9 March 2001.
4. Chuthi, S.T.M., Treasury Economist, Ministry of Finance and Economic Planning. *Comments to the Budget and Finance Committee on Bill No. 2, Surtax Bill*. Lilongwe: 8 May 2001.
5. Kumbatira, Mckenzie, Under Secretary for Finance, Ministry of Health and Population. *Comments to Budget and Finance Committee on Expenditure in the Ministry of Health and Population*. Lilongwe: 19 April 2001.
6. Kutengule, Dr., Deputy Chief Economist, National Economic Council, *Comments on Integrated Household Survey*. Lilongwe: 8 March 2001.
7. Mwale, J. Kuthemba, Dr., Director of Educational Planning, Ministry of Education, Science, and Technology. *Comments to Budget and Finance Committee on Expenditure in the Ministry of Education, Science, and Technology*. Lilongwe: 18 April 2001.
8. Ngombe, Henry, Dr., Principal Secretary, National Economic Council. *Comments to Budget and Finance Committee on the Integrated Household Survey*. Lilongwe: 8 and 9 March 2001.
9. Nkwazi, Cosby U., Assistant Budget Director, Ministry of Finance and Economic Planning. *Comments to Budget and Finance Committee on expenditure and the Budget*. Lilongwe: 8 March and 19 April 2001.

Annex C, continued

10. Nyirenda, A.S.O., Principal Economist, Ministry of Agriculture and Irrigation. *Comments to Budget and Finance Committee on Agricultural Expenditure*. Lilongwe: 8 March 2001.
11. Soka, H.D., Director of Finance, Ministry of Health and Population. *Comments to Budget and Finance Committee on Expenditure in the Ministry of Health and Population*. Lilongwe: 19 April 2001.
12. Zimalirana, George, Assistant Chief Economist, National Economic Council. *Comments to the Budget and Finance Committee on the PRSP*. Lilongwe: 20 April 2001.
13. Zimpita, Patrick, Treasury Economist, Ministry of Finance and Economic Planning. *Comments to Budget and Finance Committee on revenue collection and Bill No. 2, Surtax Bill*. Lilongwe: 19 and 20 April 2001.
14. Zimpita, Patricia, Deputy Chief Economist, National Economic Council, *Comments to Budget and Finance Committee on the PRSP*. Lilongwe: 20 April 2001.

Civic Organisations Consulted by the Committee

Spokespersons for the Malawi Confederation of Chambers of Commerce and Industry and the Economics Association of Malawi represented only those organisations.

All other spokespersons represented many organisations with similar interests in reducing poverty. Each group met and selected one or more spokespersons to communicate their recommendations to the Committee. Previous interactions of some of these groups with other Committees of Parliament are noted below.

Among them, the spokespersons listed on page 47 below represented a total of 48 organisations with expertise in agriculture, education, health, private sector interests, consumer interests, and donor debt relief.

Agriculture: Spokespersons for the Agriculture Advocacy Network represented seven organisations including ActionAid, the National Association of Smallholder Farmers, Smallholder Coffee Trust, Land O' Lakes, Christian Services Committee, Oxfam, and CARE International. Last year this Network, with additional representation from several other organisations, testified before Parliament's Agriculture and Irrigation and Environment Committees.

Education: Spokespersons for the Civil Society Coalition for Quality Basic Education represented 16 organisations including the Teachers Union of Malawi (TUM), Association of Pre-School Playgroups in Malawi (APPM), Malawi Schools Parents Association (MASPA), CARE International, Oxfam, Voluntary Service Overseas (VSO), Paper Making Education Trust (PAMET), Development Aid from People to People (DAPP), Chisomo Children's Club, Forum of African Women Educationalists, Episcopal Conference of Malawi, The Story Workshop, World University Service of Canada (WUSC), GTZ Basic Education, Centre for Creative Community Mobilisation (CRECCOM), and Centre for Educational Research and Training (CERT). In December the Coalition testified before the Education, Science, and Technology Committee.

Health: Spokespersons for the Malawi Health Advocacy Network (MAHN) represented three organisations including the Medical Association of Malawi, the Consumer Association of Malawi (CAMA), and the National Association of Nurses of Malawi. Last year this Network, with additional representation from several other organisations, testified before the Health and Population Committee.

Annex D, continued

Economic Justice: Spokespersons for the Malawi Economic Justice Network (MEJN) represented more than 20 religious, civic, human rights, consumer, education, and academic groups that coalesced around the issue of debt relief and the Poverty Reduction Strategy Paper (PRSP). MEJN is an advocate before Parliament, Government, and donors regarding poverty reduction issues.

Annex D, continued

Spokespersons for Civic Organisations Consulted by the Committee

1. Chinangwa, Sirys, Economics Association of Malawi (ECAMA). *Comments on Bill No. 2, Surtax Bill*. Lilongwe: 8 May 2001.
2. Chinula, Georgina, National Association of Nurses of Malawi, Malawi Health Advocacy Network. *Presentation to the Malawi National Assembly, Budget and Finance Committee with regard to the 2001/2002 National Budget*. Lilongwe: 7 May 2001.
3. Chinyamunyamu, Betty. National Smallholder Farmers' Association of Malawi, Agricultural Advocacy Network. *Poverty Reduction Priorities in the Agricultural Sector*. Lilongwe: 7 May 2001.
4. Hajat, Rafiq, Malawi Confederation of Chambers of Commerce and Industry (MCCCI). *Comments on Bill No. 2, Surtax Bill*. Lilongwe: 8 May 2001.
5. Kanyimbo, Patrick, Consumer Association of Malawi (CAMA), Malawi Health Advocacy Network. *Comments on Bill No. 2, Surtax Bill*. Lilongwe: 8 May 2001.
6. Kangwere, Johanne, Oxfam, Agricultural Advocacy Network. *Poverty Reduction Priorities in the Agricultural Sector*. Lilongwe: 7 May 2001.
7. Magalasi, Collins, Malawi Economic Justice Network. *Comments to the Budget and Finance Committee on PRSP and Debt Relief*. Lilongwe: 7 May 2001.
8. Muula, Adamson, Dr., Medical Association of Malawi, Malawi Health Advocacy Network. *Presentation to the Malawi National Assembly, Budget and Finance Committee with regard to the 2001/2002 National Budget*. Lilongwe: 7 May 2001.
9. Ng'ombe, McBilly, Teachers Union of Malawi, Civil Society Coalition for Basic Education. *Presentation to the Malawi National Assembly, Budget and Finance Committee with regard to the 2001/2002 National Budget*. Lilongwe: 7 May 2001.
10. Ngwira, Austin, Land O' Lakes, Inc., Agricultural Advocacy Network. *Poverty Reduction Priorities in the Agricultural Sector*. Lilongwe: 7 May 2001.

**Excerpts from the World Bank's HIPC
Decision Point Document¹**

Table 4: Indicative Use of HIPC Resources: 2000/01 – 2001/03
(in millions of U.S. dollars)

	2000/01	2001/02	2002/03	Total
Health	3.6	11.1	15.4	30.1
Drugs	3.6	7.3	8.9	19.8
Primary Health Care	...	2.7	3.7	6.4
Nurses Training	...	1.1	2.7	3.8
Education	2.4	9.9	12.8	25.2
Teaching Materials	2.4	6.1	7.7	16.2
Teacher Training	...	3.8	5.1	8.9
Water				
Borehole Construction and Maintenance	...	4.2	6.2	10.4
Agriculture				
Extension	...	2.7	2.6	5.2
Gender, Youth and Community Services	...	1.9	2.6	4.5
Rural Roads	...	2.7	4.6	7.3
Savings for Priorities not yet Identified	8.7			8.7
Total	14.7	32.5	44.2	91.4

¹ The Memorandum and Recommendation of the President of the International Development Association to the Executive Directors on Assistance to the Republic of Malawi under the Enhanced HIPC Debt Initiative, December 5, 2000

Box 2: Policy Areas to be Monitored for the Floating Completion Point

Poverty reduction

- The full PRSP has been prepared and satisfactorily implemented for one year, as evidenced by the joint staff assessment of the country's progress report

Macroeconomic and structural reforms:

- Maintenance of macroeconomic stability and satisfactory implementation of the PRGF-supported program.
- Quarterly expenditure reporting as per format jointly developed by MOF/IDA
- Implement IFMIS in four pilot ministries
- Micro finance: (i) Approval by Cabinet of the "Micro-finance Policy", (ii) establishment of a monitoring system covering all micro-finance institutions and (iii) increase by 20% in the number of micro-finance clients.
- Submission of draft Land Law to parliament.

Governance:

- Separation of fiscal management and audit functions under new legislation.

Social sectors:

- Safety nets: Progress in the implementation of the National Safety Net Strategy, in particular (i) a Targeted Input Program for 2001/02 (ii) a rationalization and prioritization of existing and new programs and (iii) establishment of a monitoring and evaluation of the National Safety Net Strategy.
- Health: Progress towards a reduction of the human resource, drugs and medical equipment constraints through (i) a share of health expenditure of at least 13% of discretionary recurrent budget; (ii) recruitment, training and deployment of at least two hundred nurse technicians, fifty new medical assistants and twenty radiography technicians per annum, (iii) completion of "phase one" reforms of the Central Medical Stores (CMS) and a budget for drugs and medical supplies in line with BHA standard.
- HIV/AIDS: Progress in implementation of the National Aids Strategy, in particular (i) fully staffed, functional and autonomous National AIDS Control Secretariat; (ii) 75% of all condom outlet points with condoms in stock at any given time; (iii) continuous availability of testing kits at all blood transfusion sites by increasing blood testing kits from 1500 to 2500; (iv) implementation of an effective Behavior Change Communication Strategy; and (v) Syndromic Management of sexually transmitted infections (STI) in all Central, District and major CHAM hospitals.
- Education: Progress towards raising the quality of education through (i) share of education sector⁴⁰ expenditure in discretionary recurrent budget of at least 23%; (ii) yearly enrolment of 6000 students for teacher training and institution of in-service training for primary teachers (at least once each year); (iii) reallocate budgetary resources from secondary school boarding (except for special needs education) to teaching and learning materials; and (iv) pre-packaging of donor-supplied primary textbooks for each school and direct supply directly from the supplier to the schools.

⁴⁰ Min of Education, Universities, MANEB, MIE, scholarship fund and Polytechnic Bd of

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4. Malunga, L.B., Chairman. *Presidential Commission of Inquiry into the Malawi School Certificate of Education (MSCE) Examination Results*. Lilongwe: November 2000.
5. Mangani, Ronald, *Reports submitted to the Budget and Finance Committee, Part A: Economic and Financial Situation Analysis, Part B: Observations on the Malawi Government Budget for the 2000-2001 Fiscal Year* Zomba: July 2000.
6. Ministry of Agriculture. *Responses and Comments to Questions and Issues Raised by the Budget and Finance Committee of Parliament*. Lilongwe: April 2001.
7. Ministry of Finance and Economic Planning. *Draft Estimates of Expenditure on Recurrent and Development Accounts for the financial year 2000/2001, volumes 1-5*. Zomba: Government Printer, June 2000.
8. Ministry of Finance and Economic Planning. *Expenditure on Priority (Poverty) Programs (through 2nd Quarter of 2000/2001)*. Lilongwe: March 2001.
9. Ministry of Finance and Economic Planning. *MTEF Phase Two-Overview of Plan of Action: Government of Malawi*. Lilongwe: August 2000.
10. Ministry of Finance and Economic Planning. *Revenue Table (through 3rd quarter of 2000/01)*. Lilongwe: April 2001.

Annex F, continued

11. Ministry of Finance and Economic Planning. *Talking Points to Budget and Finance Committee*. April 2001.
12. Ministry of Finance and Economic Planning. *Treasury Circular Instruction No. 06 of 2000/2001: Instructions for the Preparation of the 2000/01-2003/04 Medium Term Expenditure Framework and the Draft Estimates of Expenditure on Recurrent and Capital Accounts and Estimates of Revenue for 2001/2002*. Lilongwe: March 2001.
13. National Economic Council. *Profile of Poverty in Malawi, 1998: Poverty Analysis of the Malawi Integrated Household Survey, 1997-98*. Lilongwe: National Economic Council, November 2000.
14. National Economic Council. Poverty Monitoring System Briefs: No. 1-7 (*The institutional context – The Poverty Alleviation Programme; The number of poor in Malawi; The schooling of children in poor households; The fertility of poor women; Expenditure patterns of poor households; and The access of the poor to agricultural land.*) Lilongwe: National Economic Council, November 2000.
15. National Economic Council. *Replies to Questions on the Profile of Poverty in Malawi*. Lilongwe: April 2001.
16. PRSP Technical Committee. *Draft, Malawi PRSP: Findings to Date*. Lilongwe: 2001.
17. PRSP Technical Committee. *Malawi Poverty Reduction Strategy Paper (PRSP) Preparation Process: District Consultations Report*. Lilongwe: 14 March 2001.
18. PRSP Working Groups. *PRSP Draft Papers on Agriculture, Credit, Decentralization, Determinants of Poverty in Malawi, 1998, Education, Energy, Gender, Governance, Health, HIV/AIDS, Industry, Macroeconomic Stability, Public Expenditure Management, Taxation, and Technology*. Lilongwe: April 2001.
19. Republic of Malawi. *Interim Poverty Reduction and Growth Strategy Paper-A Road Map*. Lilongwe: August 2000.

Annex F, continued

20. Reserve Bank of Malawi. *Financial and Economic Review, No. 3*. Lilongwe: Reserve Bank of Malawi, 2000.

21. Southern Region Chambers of Commerce and Industry. *Comments at Pre-Budget Consultative Meeting 26, May 2001*. Blantyre: 26 May 2001.

22. Technical Committee on the PRSP Preparation. *An Issues Paper on the Poverty Reduction Strategy for Malawi*. Lilongwe: 14 October 2000.

23. World Bank. *Memorandum and Recommendation of the President of the International Development Association to the Executive Directors on Assistance to the Republic of Malawi Under the Enhanced HIPC Debt Initiative*. Washington, DC: World Bank, 5 December 2000.

24. Wynne-Edwards, Jeanine. *Parliamentarians and Policies to Reduce Poverty*. Listserv: parliamentarians@lists.worldbank.org, 11 May, 2001.