

	EUR 100 000 for evaluation.
MANAGEMENT AND IMPLEMENTATION	
13. Type of financing¹	Direct management through Budget Support: State and Resilience Building Programme Indirect management with the entity to be selected in accordance with the criteria set out in section 4.4.1 .

1.2 Summary of the Action

The Action, to be implemented through a two-year State and Resilience Building Programme (SRBP) and complementary measures, would mark the resumption of budget support in Malawi, after a 10-year hiatus, consecutive to the so-called 2013 “Cashgate” scandal². It intends to improve efficiency, effectiveness and quality in the provision of secondary education services, combining support to sector specific processes, with the strengthening of the overarching Public Financial Management (PFM) framework.

The Action will focus on addressing selected major inefficiencies specific to the secondary education subsector such as uneven teacher deployment and teacher management at large, disparities in school funding, high student-teacher ratios, payroll management, and weak data management. It will also explore the possibility of scaling up and transitioning to budget of cost-effective practices in support to increased quality and equity that have already proven successful under previous development partners’ funded initiatives (e.g., school-based teachers’ professional development and bursaries).

As regards PFM, building on the current momentum to restore macroeconomic stability and fiscal management, forged by the new Extended-Credit Facility (ECF) arrangement agreed with the International Monetary Fund (IMF), the Action intends to foster the implementation of the new PFM reforms agenda, focussing on enhancing the effectiveness and efficiency of fiscal management, including by improving the implementation of the Integrated Financial Management Information System (IFMIS) and its interoperability with other systems, as well as fostering commitment control, cash management, fiscal reporting, public procurement and revenue collection. Moreover, the Action presents an opportunity to enhance the efficient use of public funds in delivering education services, while also promoting green PFM.

The Action complements other EU projects in the country, in particular in secondary education, vocational training, PFM and business environment and is coordinated with other development partners. In particular, the PFM section of the programme will be an integral part of the TEI Good Governance, to which Germany and Ireland also contribute with complementary interventions in a joint intervention logic. The strands of action of the TEI are participatory governance, rule of law and economic governance, the latter including support to public finance management.

1.3 Zone benefitting from the Action

The Action shall be carried out in Malawi which is included in the list of ODA recipients.

2 RATIONALE

2.1 Context

Malawi is a landlocked, low-income country, with one of the highest incidences of poverty, food insecurity and frequent weather-related shocks. Over the last decade, long-standing structural macroeconomic weaknesses, compounded by multiple shocks have set back progress on human and social development. Two-third of the population still live below the poverty line and 20% are facing

¹ Art. 27 NDICI

² See below under point 2.2. for details.